



THE UNIVERSITY OF  
MELBOURNE

Centre for Health Policy,  
Melbourne School of Population and Global Health

# Health Economics Unit Newsletter

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Welcome new Director

### Contact:

✉ Health-economics  
@unimelb.edu.au  
🐦 @HEU\_unimelb

## Professor Nancy Devlin on 'The Economics of Good Health'



Our new Director, [Prof Nancy Devlin](#), recently wrote an article for Pursuit titled, 'The Economics of Good Health'. Prof Devlin highlights that when money is increasingly tight in healthcare, health economists face the challenge of convincing clinicians and patients that they're about more than cutting costs.

Prof Devlin concludes the article with the following remarks, "A collectively funded healthcare system relies on having mechanisms in place to determine how resources are spent, how to maximise effectiveness, and ensure that the things we spend our money on are good value for money. I'm delighted to be in a field that can support those developments in a practical way.

We need to disabuse people of the notion that economics is a type of accounting. We can do this by educating clinical leaders about what health economics can contribute - that it's not just about costs and achieving cost savings. That's really the tip of the iceberg."

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## Exciting job opportunity

[More Info](#)

We are seeking a [health economist \(Research Assistant/Research Fellow\)](#) to join our unit to work on variety of projects that include economic evaluation in areas such as genomics, diabetes care, cardiac surgery, neonatal intensive care, orthopaedic surgery and cancer, or model-based evaluations of interventions targeting infectious diseases. There will be some scope for undertaking additional complementary health economic research. Applications close on 20 June 2019. More information including how to apply is available [online](#). Looking forward to working with you!

## Upcoming Health Economics Courses

[More Info & Register here](#)

The Health Economics Unit is offering three short courses in the second half of 2019.

### 2<sup>nd</sup> September 2019 - [Introduction to Cost-Effectiveness Analysis in Health](#)

A one-day short course providing participants an understanding of how economic analysis can be used to evaluate health programs and aid decision making.

### 3<sup>rd</sup> September 2019 - [Designing Economic Evaluation Alongside Clinical Studies](#)

A one-day course providing an overview of economic evaluation alongside randomised controlled trials and other studies, with a particular focus on the design and practical aspects

### 4-6<sup>th</sup> September 2019 - [Practical Methods for Health Economic Evaluation](#)

A three-day advanced course in methods for health economic evaluation. The course covers study design principles, techniques for analysing costs and outcomes, introduction to decision models, Markov modelling and its applications.

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## Featured News

### Incorporating Future Medical Costs: Impact on Cost-Effectiveness Analysis in Cancer Patients

A recent [article](#) by [Michelle Tew](#), [A/Prof Kim Dalziel](#) and [Prof Philip Clarke](#) at the Centre for Health Policy has been published in *PharmacoEconomics*.

The article highlighted that the inclusion of future medical costs can result in markedly different cost-effectiveness results, leading to higher ICERs in a cancer population, with possible implications for funding decisions. There is considerable heterogeneity in the ICERs across different cancer types and the impact of including future costs is not consistent across all cancers.

The study demonstrated the impact of incorporating future medical costs through an economic evaluation of a sepsis intervention in cancer patients, comparing scenarios reflecting the extent of costs included in the analysis. The scenarios were: (1) intervention-related costs (no future medical cost), (2) lifetime cancer costs and (3) all future healthcare costs. The implications of incorporating future costs across different cancer types were also assessed using specific cancer costs and mortality inputs.



[Read More](#)

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### Using income-related inequality measures to evaluate the distributional impact of changes in health insurance coverage

An [article](#) by [Dr Natalie Carvalho](#) and [Prof Philip Clarke](#) has been published in the *International Journal for Equity in Health*. This article demonstrates how income-related inequality measures can be used to estimate the impact of health system changes on inequalities in health expenditure, and provides a guide for future evaluations.

The study evaluated the impact of the Medicare Part D policy in the United States, which increased access to prescription medications for Medicare beneficiaries from

2006. It used a difference-in-difference analysis to study the impact of this policy change on income-related inequality in pharmaceutical expenditure. The findings indicated that the implementation of Medicare Part D significantly reduced the degree of pro-poorness in public drug expenditure. However, these effects appear to have been short-lived, with a return to prevailing trends in inequality of expenditure several years following the start of Part D.

[Read More](#)

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### The first equations and mobile apps for assessment of cardiovascular risk in remote Indigenous Australians

In Australia, death rate from ischemic heart disease for Indigenous people was 1.8 times that for non-Indigenous people. For cardiovascular disease (CVD) risk assessment and management, an absolute risk approach has been recommended. However, there is widespread belief that tools recommended by the guidelines for CVD prevention have deficiencies for assessing CVD risk in Indigenous population.

Recent [CVD prediction models](#) developed by [Dr An Duy Tran](#), Josh Knight, [Prof Andrew Palmer](#) and [Prof Philip Clarke](#) have provided the first CVD risk scores based on a large Indigenous cohort. These models were shown to perform far better than the [recalibrated 2008 Framingham model](#) and the algorithm recommended by the [Australian guidelines](#) for the management of absolute CVD risk.

Based on these models, [Dr An Duy Tran](#) has designed and developed both Android and iOS mobile apps for absolute CVD risk calculation. These apps classify the assessed person as one with high, moderate or low CVD risk based on the absolute CVD risk, and provide recommendations for management accordingly. The Android app is available [here](#), and the iOS app will be published shortly. For installation from Google Play or Apple App Store, the search key word should be "Indigenous CVD Risk Calculator".

[Read More](#)

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## Launch of the Australia New Zealand Health Intervention League Table (ANZ-HILT)

Prof Tony Blakely, with the collaboration of [Dr Tanara Sousa](#) and University of Otago, launched the world-first interactive league table allowing users to compare 100s of Australasian evaluations of public health intervention impacts on health gains (in quality/disability/health adjusted life years), health system costs and cost-effectiveness. Comparisons of health gains and costs are adjusted for population size, and costs for inflation and purchasing power parity. The ANZ-HILT has proved a useful starting point for discussions with all of health professionals, researchers and policy makers empowering the quantitative understanding of the relative magnitude of health impacts of a salt tax versus dietary counselling, or smart phone apps for quitting versus a colorectal cancer screening programme. Visit <https://league-table.shinyapps.io/bode3/> to experience the ANZ-HILT.

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### Conference Presentations

## The ISPOR Women in Health Economics and Outcomes Research Initiative: Australia



Panel Session: Nancy Devlin, Phillipa Delahoy, Rosalie Viney, Kim Dalziel and Joanna Coast

[Prof Nancy Devlin](#) and [A/Prof Kim Dalziel](#) participated in the first initiative of its kind for the Australia Chapter of the International Society for Pharmacoeconomics and Outcomes Research (ISPOR). The one-day event aimed to promote the advancement of women in the field. Prof Devlin provided a keynote address on her research into resource allocation and opportunity costs in the public sector. As President-Elect of ISPOR Prof Devlin also provided an overview of the ISPOR Women in HEOR Initiative. Both Prof Devlin and A/Prof Dalziel participated in the panel session that discussed issues such as promoting health economics careers for women, supporting women through advancement and into leadership and making the most of international opportunities. [Read More](#)

## Health Economics Team at the OPUS Forum 2019 Centre for Food Allergy Retreat

Members of the Health Economics Unit participated in the inaugural 2019 OPUS Forum organised by the Centre of Research Excellence in Total Joint Replacement (OPUS). [Prof Philip Clarke](#) delivered a talk on the health economics of total joint replacement discussing research to find cost-effective approaches to improve care. [Max Catchpool](#) showcased his work on prescription of opioid filling following elective surgeries. [Michelle Tew](#) presented her work on quality of life trajectories following total knee replacement for which she won Judges' choice for best presentation. [Read More](#)

[A/Prof Kim Dalziel](#) and Dr Ekaterina Woods took part in the 2019 Centre for Food Allergy (CFAR) Retreat organised by the Centre of Research Excellence in Food Allergy. A/Prof Dalziel and Dr Woods delivered a half-day workshop on health economics of food allergy. Dr Woods also presented on the progress of health economics within the CFAR projects, including economic evaluations alongside randomised clinical trials investigating new treatments and prevention strategies for childhood food allergy and economic analysis of cohort studies such as HealthNuts. [Read More](#)

## Dr Carvalho at the Indonesian Technical Advisory Group on Immunization meeting

[Dr Natalie Carvalho](#) was invited to present on Economic Evaluation & Budget Impact Assessment at the Indonesian Technical Advisory Group on Immunization (ITAGI) meeting in Mar. Established in 2007, the current mandate of ITAGI is to provide advice relating to vaccines to the Ministry of Health. Dr Carvalho delivered two workshop training sessions at the 2-day meeting. The first session was an overview of health economics and methods for conducting economics evaluations of new vaccines, the second session covered budget impact analysis for new vaccine. [Read More](#)

## Patient preferences and dynamic simulation modelling of genomic medicine meeting

Dr Deborah Marshall recently visited the Health Economics Unit and presented the latest findings on the Canada-Netherlands Personalized Medicine Network in Childhood Arthritis and Rheumatic Disease project, alongside [Prof Maarten IJzerman](#). A research meeting was held to support researchers engaged in personalised genomic care through an open discussion regarding discrete choice experiments, discrete event simulation and health technology assessments using clinical real-world data. [Dr Ilias Goranitis](#), [Jay Stiles](#), [Max Catchpool](#) and Martin Vu presented at the meeting. [Read More](#)

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## Staff News



### Health Economics Unit welcomes new Director, Professor Nancy Devlin

The Health Economics Unit was excited to welcome our new Director, [Professor Nancy Devlin](#), on Monday 21st of January. Previously, Nancy has worked in the London's Office of Health Economics (OHE) as its Director of Research for 10 years, during which time she has led the development of OHE's research programs, the growth and diversification of OHE's research funding, and the development of OHE's research team.

Nancy's principal areas of research expertise are the measurement and valuation of patient reported health outcomes, in particular, a leadership role in the EuroQol group in the development of the EQ-5D; the cost effectiveness thresholds used in making judgments about value for money in health care; priority setting in health care; production, performance and efficiency of hospitals; and the use of multi-criteria decision analysis in health care decision making.

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### Dr Jemimah Ride joining Health Economics Unit

[Dr Jemimah Ride](#) has joined our unit fresh from two years in the UK working at the Centre for Health Economics at the University of York. Her research focuses on the economics of mental health, to which she brings a background as a medical doctor and experience in public health and health policy. Prior to her time in the UK Jemimah completed her PhD at the Centre for Health Economics at Monash University.

[Read More](#)

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## Selected Publications

**Tew, M., Clarke, P., Thursky, K., & Dalziel, K.** (2019). [Incorporating Future Medical Costs: Impact on Cost-Effectiveness Analysis in Cancer Patients.](#) *Pharmacoeconomics*, 1-11.

**Tran-Duy, A., McDermott, R., Knight, J., Hua, X., Barr, E. L., Arabena, K., ... & Clarke, P. M.** (2019). [Development and Use of Prediction Models for Classification of Cardiovascular Risk of Remote Indigenous Australians.](#) *Heart, Lung and Circulation*.

**Carvalho, N., Petrie, D., Chen, L., Salomon, J. A., & Clarke, P.** (2019). [The impact of Medicare part D on income-related inequality in pharmaceutical expenditure.](#) *International journal for equity in health*, 18(1), 57.

**Tran-Duy, A., Connell, N. J., Vanmolkot, F. H., Souverein, P. C., de Wit, N. J., Stehouwer, C. D. A., ... & de Boer, A.** (2019). [Use of proton pump inhibitors and risk of iron deficiency: a population-based case-control study.](#) *Journal of internal medicine*, 285(2), 205-214.

**Carvalho, N., & Rokicki, S.** (2019). [The Impact of India's Janani Suraksha Yojana Conditional Cash Transfer Programme: A Replication Study.](#) *The Journal of Development Studies*, 55(5), 989-1006.

**Manley, B. J., Arnolda, G. R., Wright, I. M., Owen, L. S., Foster, J. P., Huang, L., ... & Marshall, I. R.** (2019). [Nasal High-Flow Therapy for Newborn Infants in Special Care Nurseries.](#) *New England Journal of Medicine*, 380(21), 2031-2040.

**Lissauer, D., Wilson, A., Hewitt, C. A., Middleton, L., Bishop, J. R., Daniels, J., ... Goranitis, I., ... & Taulo, F.** (2019). [A Randomized Trial of Prophylactic Antibiotics for Miscarriage Surgery.](#) *New England Journal of Medicine*, 380(11), 1012-1021.

**Moayeri, F., Dunt, D., Hsueh, Y. S., & Doyle, C.** (2019). [Cost-utility analysis of telephone-based cognitive behavior therapy in chronic obstructive pulmonary disease \(COPD\) patients with anxiety and depression comorbidities: an application for willingness to accept concept.](#) *Expert review of pharmacoeconomics & outcomes research*, 19(3), 331-340.

**Thuraisingam, S., Chondros, P., Catchpool, M., Dalziel, K., Manski-Nankervis, J. A., Speight, J., ... & O'Neal, D.** (2019). [Update on the General Practice Optimising Structured Monitoring to Improve Clinical Outcomes in Type 2 Diabetes \(GP-OSMOTIC\) trial: statistical analysis plan for a multi-centre randomised controlled trial.](#) *Trials*, 20(1), 93.