



Incorporating Health Economics into Grant Proposals

Health Economics Short Course

For more information and course dates, please visit our website: <http://go.unimelb.edu.au/i8ba>

Or email us: health-economics@unimelb.edu.au



COMMONWEALTH OF AUSTRALIA

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Guidance on budget and personnel for grant applications

Centre for Health Policy
Melbourne School of Population and Global Health



Investigators

- Chief investigator usually required for a typical economic evaluation alongside a trial (0.05 to 0.2 FTE)
- Smaller applications may be fine with an AI (many health economists are already as CI on maximum number NH&MRC grants)
- Role as CI for economics is specific so don't rule out more junior economists (i.e. Senior Research Fellows/Associate Professors)
 - Can always use more junior economist as CI with Professor as AI
 - Can use AI with named researcher



Research resource input

- Personnel Support Packages
 - PSP1 - Technical support - non-graduate personnel: \$53,648 p.a.
 - PSP2 - Junior graduate research assistant; or junior graduate nurse, midwife or allied health professional; or junior data manager/data analyst: \$66,989 p.a.
 - **PSP3 - Experienced graduate research assistant/junior postdoctoral research officer**; or experienced graduate nurse, midwife or allied health professional; or experienced data manager/analyst: **\$73,661 p.a.**
 - **PSP4 - Experienced postdoctoral researcher** (i.e., a researcher who may be considered as a named investigator on the research application and/or approaching the NHMRC CDF scheme or equivalent), or clinician without specialist qualifications: **\$87,004 p.a.**
 - **PSP5 - Senior experienced postdoctoral researcher** (i.e., a researcher who would normally be considered as a named investigator on the research application and is more than 10yrs post-doctoral and/or would be expected to have applied for or held an NHMRC CDF (formerly CDA) or equivalent): **\$93,675 p.a.**

<https://www.nhmrc.gov.au/grants-funding/apply-funding/budget-mechanism-funding-commencing-2016>



Examples of role for CI

- “CIX has made a major contribution to the planning and design of the health economic evaluation of this program. In doing so CIX has also provided input into overall research design, outcome measures and follow-up periods. CIX will be primarily responsible for overseeing and supervising the economic evaluation/modelling and associated manuscripts, with contributions to the overall study management”

Role/justification of funding for PSP4

- A research fellow with significant experience in economic evaluation and modelling is required for this project.
- They will be required to coordinate appropriate collection of both clinical trial data on key outcomes related to the economic modelling and to translate and prepare this data in a format suitable for the economic modelling.
- They will take the lead in the design and collection of cost data through embedding processes within the trial conduct and administrative databases.
- They will also coordinate the capture of downstream health costs associated with the relevant disease states.

Role/justification of funding for PSP4 (continued)

- They will be responsible with direction from CIX for the economic modelling.
- Model validation and calibration will be required to ensure model outputs are consistent with known patterns of mortality and disease progression in Australia.
- Extensive one-way and multi-way (including probabilistic) sensitivity analyses will be conducted by the research fellow and with oversight and direction from CIX.
- They will also be responsible for the presentation of results and preparation of manuscripts.

Example budgets- salary

Salary (all in 2016)

	Simple (PSP3)		Standard (PSP4)		Complex (PSP4)	
	Fraction	Cost	Fraction	Cost	Fraction	Cost
Year 1	0.1	\$7,366	0.2	\$17,401	0.4	\$34,802
Year 2	0.1	\$7,366	0.2	\$17,401	0.4	\$34,802
Year 3	0.5	\$36,831	0.6	\$43,502	0.8	\$69,604
Total		\$51,563		\$78,304		\$139,208

- *Illustrative examples only-
- (1) year 2 and 3 are assumed as the same as year 1,
 - (2) requirements may change significantly depending on specifics of a research proposal
 - (3) other costs, such as direct research costs and equipment are not included.

Other possible budget items

- Access costs for PBS/MBS data
 - Varies from \$5000 to \$10,000
- Travel to investigator meetings
- Specialist software, e.g. TreeAge for economic modelling

Final tips

- Don't under budgeting – items and amount
- Always justify each of them adequately and clearly
- Appropriate match of CI/AI and finding one who has not filled all their NH&MRC project places
- Engaging economist early increases chances of finding one with capacity