



Dissemination of Information. Articles/Reports. September 2010

Dear [ECONMED](#) participants:

In this occasion, and within the framework *occasional information* series, we are glad to share the article appeared in the September's issue of the [Drugs and Therapeutics Bulletin](#) (part of the [British Medical Journal Group](#)) (No. 9 Volume 48. pag. 105-108) ***A guide to health economic evaluations*** that we distribute making use of the "fair use" clause.

- It focuses on the main concepts behind health economic evaluations practices, topic that was already raised with the August 23rd distribution of professor Beatriz Lopez-Valcarcel paper on [Incorporation of new technologies, health and health expenditure](#) (in Spanish) appeared in the [I Salud](#) University review (April 2010 issue); we consider worthy reminding that the institutional adoption of economic evaluation strategies within health systems was identified as an effective and useful strategy to reduce costs and improve conditions of access at the First International Meeting on Access to High-cost and Limited Sourced medicines, held in November 2008 in Brasilia, Brazil, which later turned into a publication [Acceso a Medicamentos de Alto Coste en las Américas. Contexto, desafíos y perspectivas](#) issued in November 2009 and distributed through [ECONMED](#) (with an English version currently in development).

- According to the attached document, economic evaluations are important in healthcare because they help to inform decisions on allocating resources within cash-limited systems. Such evaluations are increasingly carried out in appraisals of new treatments, such as those by the [National Institute for Health and Clinical Excellence](#) (NICE). Healthcare professionals and others need a working knowledge of health economic evaluations to assess or reach decisions informed by results from such calculations. Different types of health economic evaluations and how the calculations from these analyses are used in decision-making are discussed.

1. **Efficacy and effectiveness**
2. **Comparators and uncertainties**
3. **Quality-adjusted life-year**
4. **Cost-utility analysis**
5. **Cost-benefit analysis**
6. **Cost-minimization analysis**
7. **Is it cost-effective?**
8. **Cost-effectiveness plane**

- The article concludes that Health economic evaluations are techniques that can be employed to assess benefit from a new treatment relative to its cost. They can also compare new treatments relative to alternative treatments, and are important tools in allocating resources in healthcare. The various types of analysis techniques offer different ways of assessing effectiveness depending on the comparison. Various assumptions made about an intervention contribute to uncertainties or confidence around the findings from health economic evaluations; so results generated must be interpreted with care before making a final decision. The likelihood of the intervention being used may depend on whether its cost-effectiveness falls below a defined threshold. However, in some settings, the threshold is not the sole determinant of whether an intervention is likely to be approved for use and other factors might be taken into account.

