

Developing economic evaluation in speech and language therapy services



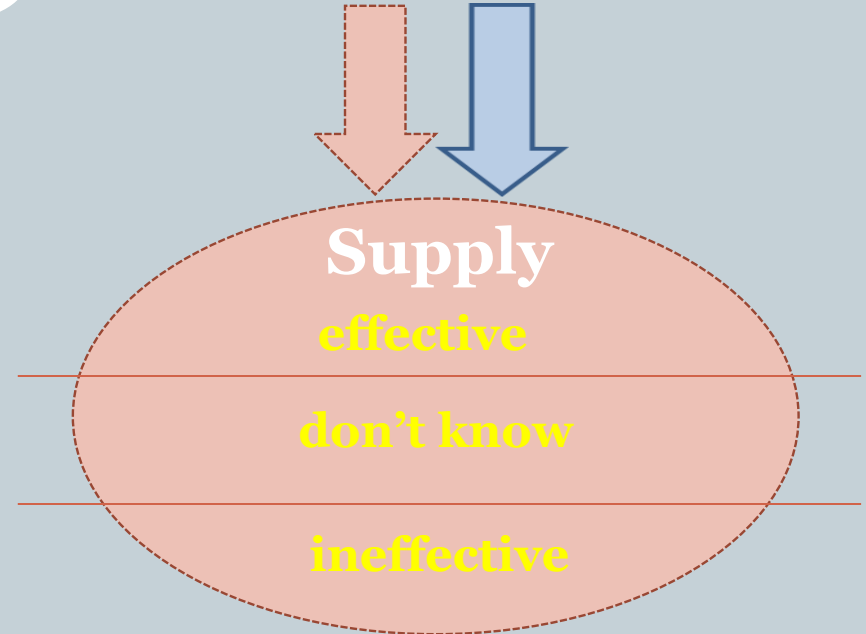
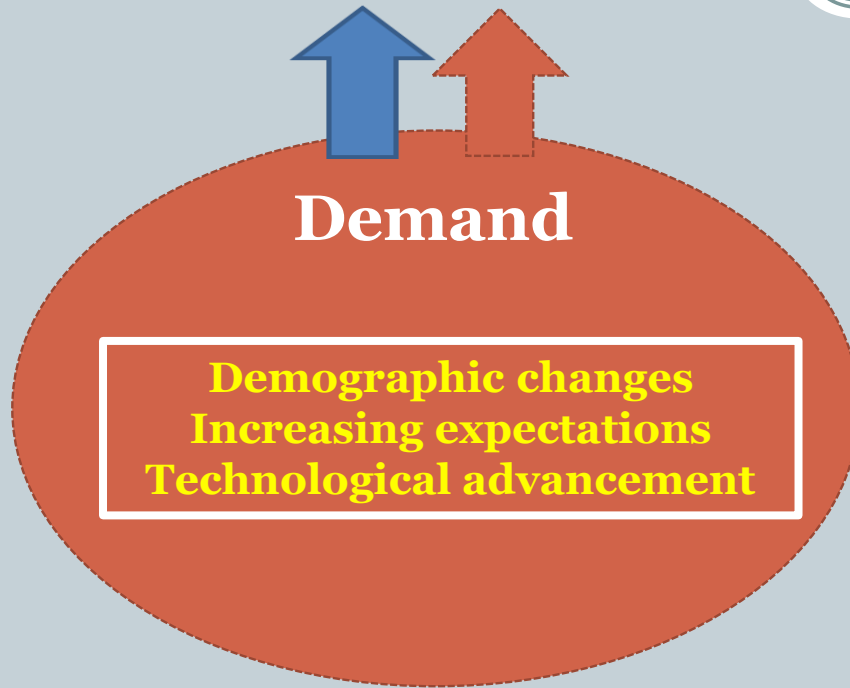
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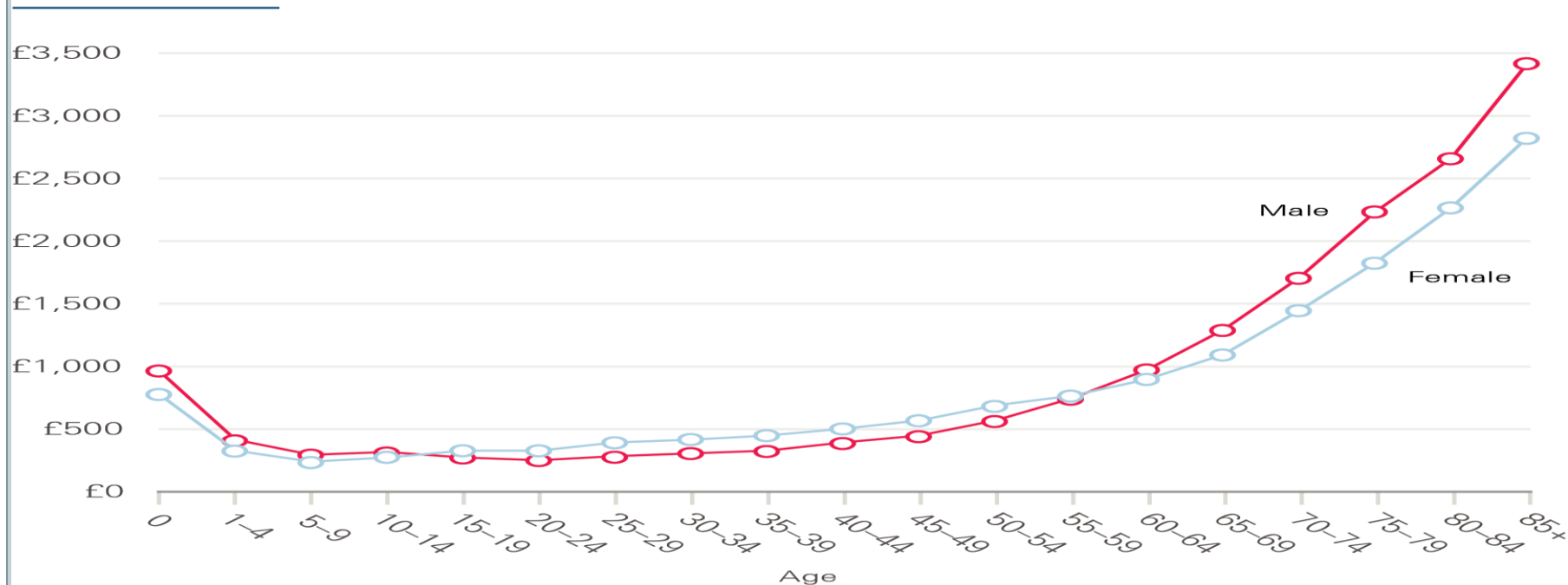
Swansea University
Prifysgol Abertawe

The success (and problems) of NHS Wales



Health Foundation Figure 2: Cost of acute care in Wales

Average annual cost by age and sex 2014/15



Source: ONS

The challenge



'In a system with limited resources, health professionals have a duty to establish not only that they are doing good, but that they are doing *more* good than anything else that could be done with the same resources'

(Williams A, 1993).

'I even believe that being efficient is a *moral obligation*, not just a managerial convenience, for *not* to be efficient means imposing avoidable death and unnecessary suffering on people who might have benefited from the resources which are being used wastefully'

(Williams A, 1990).

Parliamentary Review



The Parliamentary Review of Health and Social Care in Wales

A Revolution from Within: Transforming Health and Care in Wales



Final Report
January 2018

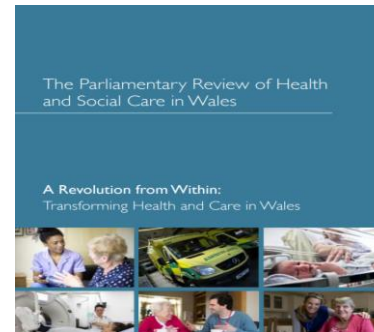
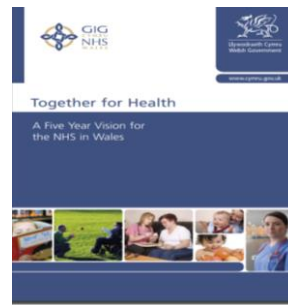
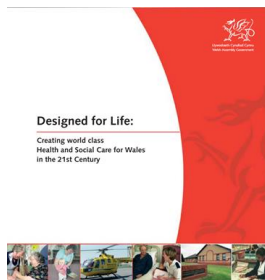
Recommendation 2: The Quadruple Aim for all

Underpin the “one system” vision with four aims – the Quadruple Aim. That is, health and social care staff, volunteers and citizens should work together to deliver clear outcomes, improved health and wellbeing, a cared for workforce and better value for money

“The quadruple aim is really important because it builds on prudent healthcare and gives a tangible way of delivering it”

- improve population health and wellbeing through a focus on prevention
- improve the experience and quality of care for individuals and families
- enrich the wellbeing, capability and engagement of the health and social care workforce
- increase the value achieved from funding of health and social care through improvement, innovation, use of best practice and eliminating waste

Patient's journey through health and social care system



Patient's journey though health and social care system

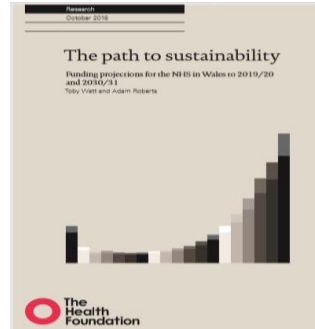


- A society that spends so much on healthcare that it cannot spend adequately on other health-enhancing activities may actually be reducing the health of its population (Evans and Stoddart, 1994)

Patient's journey through health and social care system



- The Health Foundation report suggested that spending would rise to £10.4bn (2016/17 prices) in 2030/31, subject to a series of assumptions, to provide the current range and quality of services.
- However, in the light of changing circumstances, spending is likely to be nearer £11bn, while in the longer-term and based on the current assumptions, additional expenditure of £7.3bn would be required resulting in total expenditure of £13.6bn, equivalent to 52% of WG budget.
- Such estimates are highly dependent on the assumptions being maintained. If circumstances change and, for example, the WG budget increases in line with anticipated GDP growth, expenditure of health would equate to 57% of the budget. If demand for services increases, at a slightly higher rate than anticipated, the additional expenditure required would be in excess of £11bn and consume 66% of WG budget.



Patient's journey through health and social care system



The economic problem



The economic problem arises because there will never be enough resources to completely satisfy human desires. Since resources are scarce, **choices** have to be made about different ways of using them. When resources are used in one way, they are not available for use in other activities and the benefits that would have resulted are sacrificed. These sacrifices are referred to as **opportunity cost** and in this sense, cost is the value placed on the sacrifices, regardless of whether or not money is paid for them.

Allocating resources: moving towards efficiency



- The term **efficiency** is used to assess the extent to which the allocation of limited resources maximises the benefits for society
 - Therefore not (only) about making savings
- Accountants know the cost of everything and the value of nothing; doctors know the value of everything and the cost of nothing

The issue



Your coffee is intriguing to the economist...the outcome of a system of staggering complexity... the product of an incredible team effort

“The Undercover Economist,” Tim Harford

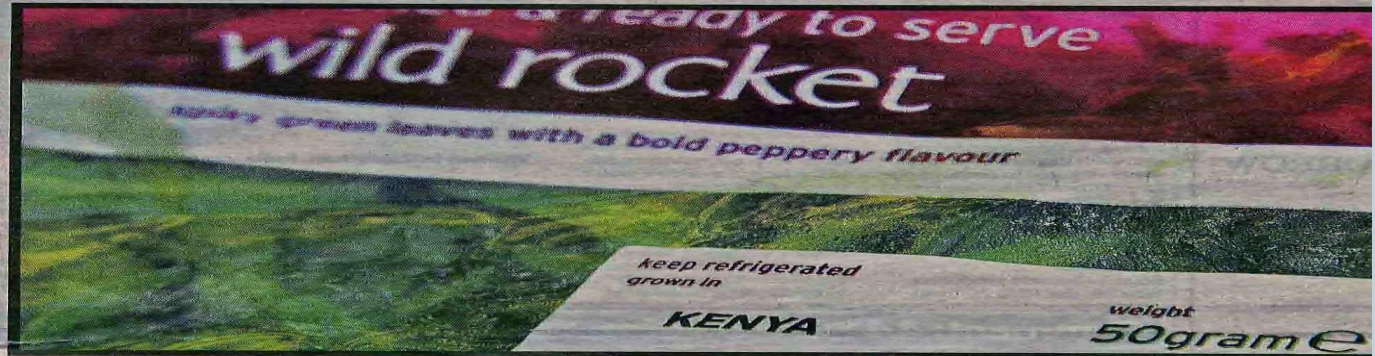
.....but pales into insignificance when compared with healthcare?

Costs to whom



THE REAL COST OF A BAG OF SALAD

You pay: 99p
Africa pays: 50 litres
of fresh water



The war in Afghanistan has cost Britain at least £37bn and the figure will rise to a sum equivalent to more than £2,000 for every taxpaying household. Since 2006, on a conservative estimate, it has cost £15m a day to maintain Britain's military presence in Helmand province. The equivalent of £25,000 will have been spent for every one of Helmand's 1.5 million inhabitants, more than most of them will earn in a lifetime. By 2020, Britain will have spent at least £40bn on its Afghan campaign, enough to recruit over 5,000 police officers or nurses and pay for them throughout their careers. It could fund free tuition for all students in British

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Afghanistan war has cost Britain more than £37bn, new book claims

Frank Ledwidge, author of damning study *Investment in Blood*, says failing, bloody campaign has cost £2,000 per UK household

Richard Norton-Taylor

The Guardian, Thursday 30 May 2013

 [Jump to comments \(594\)](#)



British soldiers in Helmand province. A new book claims despite the cost of the war, not a single al-Qaida operative has been killed or caught in the province since 2006.

Value



- Patient health outcomes per dollar spent – *Porter*
- Therefore, not cost containment, not access, not experience, but rather BANG per BUCK!!

Economic evaluation: key questions



- How much **more effective** is the new programme/intervention/device/technology/therapy and at how much **greater cost**?
- What is the **additional value** to be gained from purchasing the intervention?
- How much is society **prepared to pay** for this additional value?

Value: so what's the issue?

Experts in drug 'ration' warning

Some of the UK's top cancer consultants warn that NHS drug "rationing" is forcing patients to remortgage their homes to pay for treatment.

The specialists accuse the government drugs advisory body of "rationing" too severely and call for a "radical change" in the way decisions are made.

Their letter to the Sunday Times also says research success is not being translated into modern treatments.

It follows a decision not to offer some drugs to NHS kidney cancer patients.

Earlier this month, the National Institute of Health and Clinical Excellence (NICE) published its draft guidelines on treatments for patients with advanced kidney cancer.

It concluded that the drugs - bevacizumab, sorafenib, sunitinib and temscolimus - did not offer value for money.

But in their letter, the 26 cancer specialists say the decision shows how "poorly" NICE assesses new cancer treatments.



NICE advises on which drugs should be bought by the NHS

“ We have seen distraught patients remortgaging their houses, giving up pensions and selling cars to buy drugs ”

Letter signed by 26 consultants

Cost per QALY of £170K

Cost per QALY of £94K

Cost per QALY of £103K

Cost per QALY of £54K

NICE recommends that society is prepared to pay £20-£30K per QALY

Prudent healthcare



- “healthcare which is conceived, managed and delivered in a cautious and wise way characterised by forethought, vigilance and careful budgeting which achieves tangible benefits and quality outcomes for patients” (Bevan Commission, 2013)
- “The NHS in Wales must adopt a new approach to healthcare in order to stop wasting resources on the 20% of services that either do not work or even cause harm” (Minister’s speech to NHS Confederation Wales, January 2014)

Prudent Healthcare



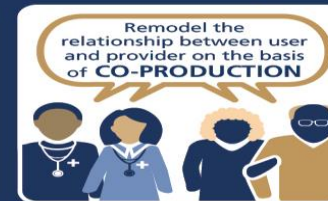
The 4 principles of prudent healthcare



For further information visit www.prudenthealthcare.org.uk



The 5 principles of prudent healthcare



Value-based healthcare: reducing demand



- **Avoiding people from entering healthcare system**
 - lifestyle changes
 - addressing poverty
 - incentives
 - education
- **Removing people from healthcare system**
 - outcomes focus
 - integration of health and social care systems
- **Eliminating unnecessary treatments and procedures**
 - improvements in diagnostics and assessments
 - integrated information systems
 - better communication
- **Provision of right care for right patient in right place at right time by right professional – AT ALL TIMES**

Value-based healthcare: managing demand



- **Quality and safety as paramount drivers of system**
- **Improvements in diagnostics and assessment**
- **Targeted treatment and care; appropriate management of risk**
- **Prioritisation schemes – elimination of waste**
- **Whole systems perspectives and thinking**
 - Integrated Health Boards
 - Removal of fragmentation in finance and information
 - Out-of-hours services to be embraced within primary/community care
 - Changing role of hospital – location of last (not first) resort
 - Information and communication
- **Provision of right care for right patient in right place at right time by right professional – AT ALL TIMES**

Value-based healthcare: affecting supply



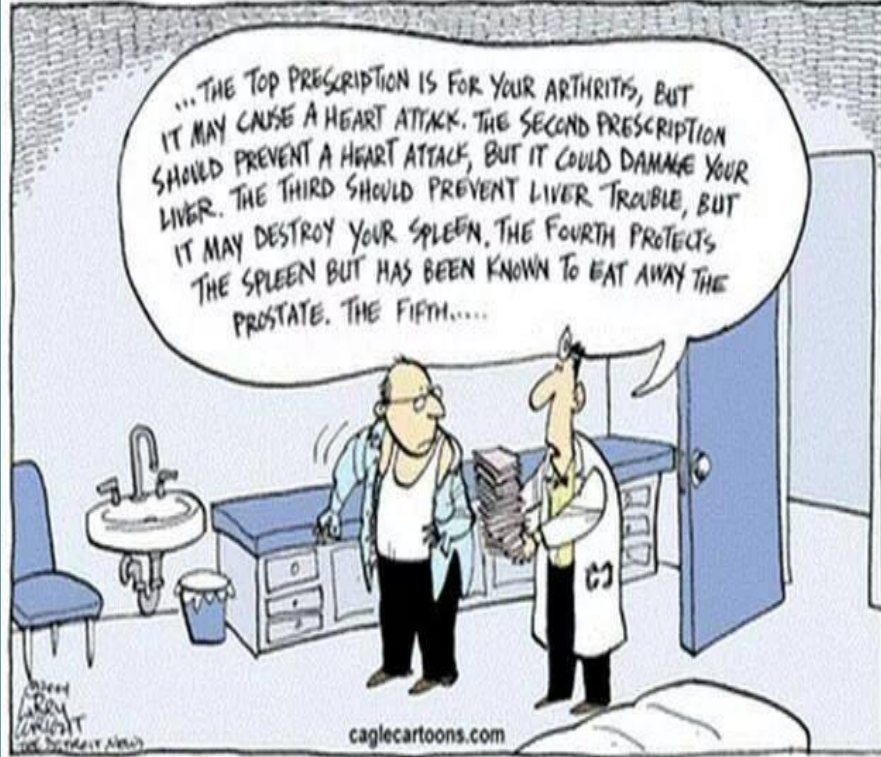
- **Quality and safety as paramount drivers of system**
- **Development of ‘can-do’ culture**
- **Professional leadership development**
- **Appropriate incentivisation/rewards**
- **Multi-disciplinary working**
- **Eradication of poor practice**
- **“Doing more good than anything else that could be done with the same resources”**
- **Provision of right care for right patient in right place at right time by right professional – AT ALL TIMES**

Examples in SLT



Area of therapy	Cost-benefit ratio
enhanced SLT program targeting parent-child interaction aimed at improved communication and increased future independence	1.23
enhanced SLT program aimed at teaching communication strategies and strengthening language abilities	1.37
hospital SLT program aimed at helping patients manage the effects of dysphagia and achieve improved levels of nutrition	2.32
tailored SLT programme aimed at preventing the development of communication barriers in children and at developing appropriate language skills	6.64

Diolch yn fawr



‘Peppa Pig is to blame for unrealistic expectations of GP services’