



More than just the money: Health economic evaluation of different ways of increasing physical activity

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Why is physical activity valuable?

- It makes us happy
- It keeps us fit
- It improves our health
- It enhances our well-being in various ways
- i.e. value is about more than just the money



But money talks....

-when we have to make decisions about how best to promote PA and we can't do everything....
- we need to assess potential investments in terms of how much VALUE they add in relation to how much resource they require i.e. how much they cost



Economic impact of inactivity

- The economic impact of physical *inactivity* is important...
- *BUT* investment decisions should be guided by what we can do about it relative to the cost
- i.e. by whether there are effective (and cost-effective) options



Value and economic impact

- Valuable doesn't JUST mean it reduces economic impact
- Valuable doesn't JUST mean it helps us save money



Savings?

- Potentially, but....
- No other areas of public health and health care are required to save money
- We invest in them to improve health, improve well-being and prolong lives i.e. to promote value



Savings?

- Realising *potential* savings is difficult
- Resources are hard to release
- The *long-term* financial consequences of improving health are uncertain, but this does not mean we shouldn't invest in health improvement or prevention



Economic evaluation

- So we need tools for comparing value to cost
- Bangs per buck, with the emphasis on the bangs



For example

- NICE public health guidance
- Cost-utility analysis
- i.e. cost per quality adjusted life year (QALYs)



Examples

- Walking and cycling interventions to promote PA
- cost per QALY £300-£9448
- Brief advice on PA for adults in primary care
- cost per QALY £1730
- PA exercise referral schemes
- cost per QALY £88,742



What do these figures mean?

- Economic evaluation is not just about money
- It's about value relative to cost: bangs per buck
- The 'bangs' can be measured in QALYs...
- ... a measure of additional length and quality of life
- **MOST** of these interventions are a 'good buy'

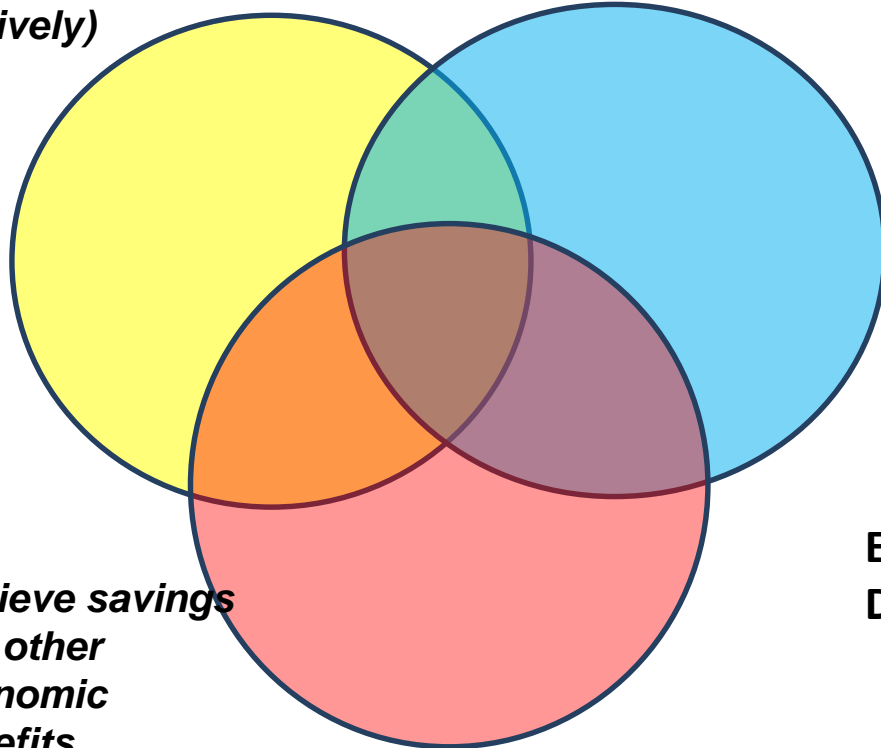


Other types of economic evaluation

- Cost-consequence analysis
- Cost-effectiveness analysis
- Cost-benefit analysis
- All measure VALUE in relation to cost

***Improve health and wellbeing
(cost-effectively)***

Reduce health inequalities



***Achieve savings
and other
economic
benefits***

**ECONOMIC EVALUATION:
DIMENSIONS OF VALUE**

Economics of prevention

Health Scotland

NHS Health Scotland is a national Health Board working with and through public, private and third sector organisations to reduce health inequalities and improve health. We are committed to working with others and we provide a range of services to help our stakeholders take the action required to reduce health inequalities and improve health.

Key messages

- Many preventative measures have been shown to be cost-effective.
- Some forms of prevention, in particular those addressing the social and economic determinants of health, are likely to reduce health inequalities.
- Some interventions will reduce demand for health and social care and will be cost-saving, although most will generate additional health (and other) benefits for additional costs.

Key actions

- Invest in programmes that address the social and environmental determinants of health.
- Where universal services are provided, invest more in services for vulnerable groups.
- Promote actions and policies that make it easier for everyone to adopt healthy behaviours by increasing the price and/or reducing the availability of products that are damaging to health.

Inequality Briefing 3 March 2016

A series of briefings to promote action to reduce health inequalities.



Resources

- Blogs >
- Learning >
- Courses >
- Research >
- Academic >
- Tools >
- Groups >
- Organisations >
- Journals >
- Video >

Home > Networks > Resources > Blogs

Blogs

Making the Economic Case for Prevention

Read the [latest blog post](#) by Public Health England's Chief Economist Brian Ferguson.

Access the [Health Economics Evidence Resource \(HEER\)](#) referred to in the blog.

It contains:

- An overview of the resource
- Instructions and guidance on how to use it
- Economic evidence
- Further information about the resource including information on different types of economic analysis
- A glossary of economic terms

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Conclusions

- Economic evaluation is NOT just about the money
- It's about measuring VALUE in relation to cost
- VALUE is not the same as savings
- Many, *but not all*, PA interventions are a 'good buy'
- Be pragmatic!