



Comparing the application of CEA and BCA to tuberculosis control interventions in South Africa



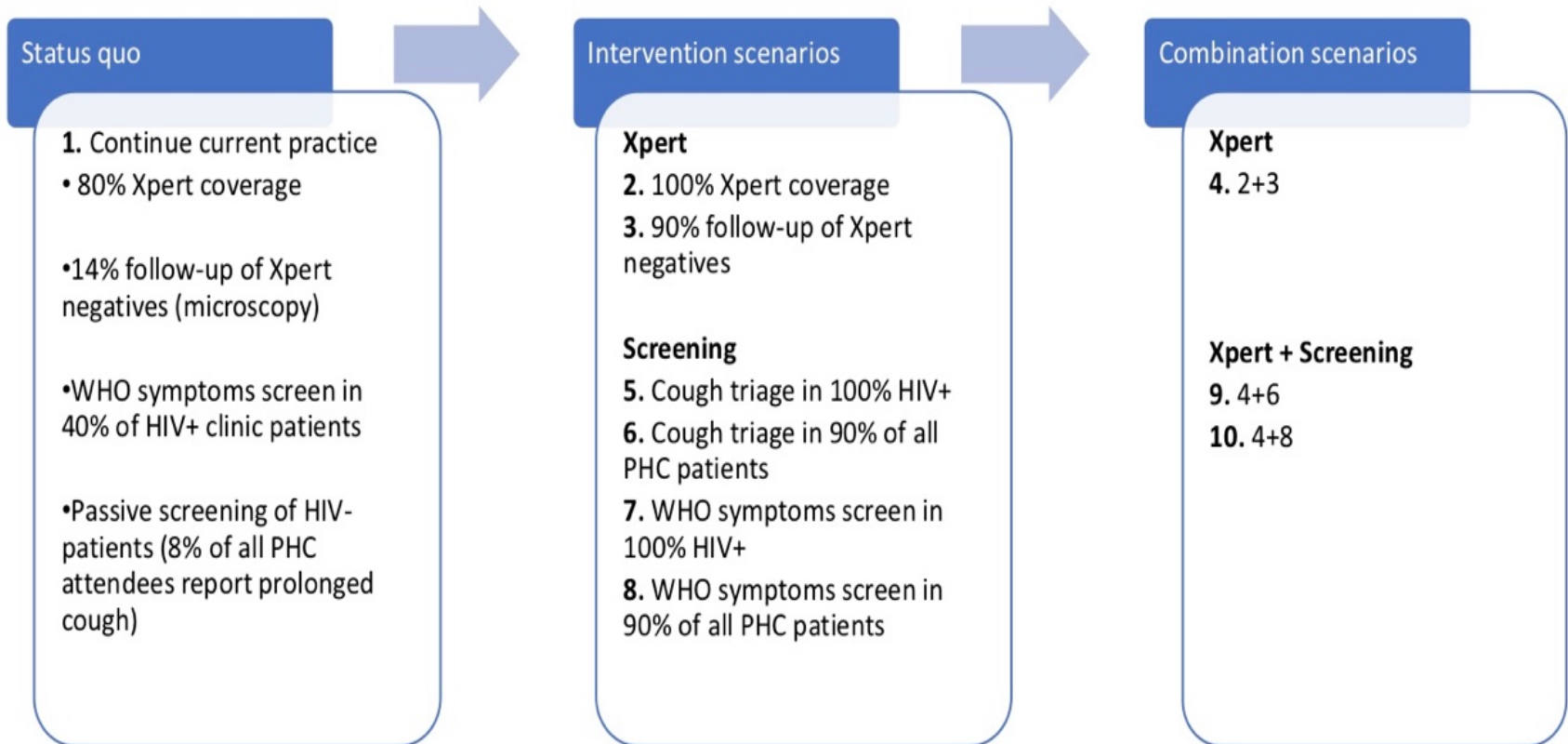
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Background

- Tuberculosis (TB) is the leading cause of death in South Africa.
- In 2014, the South African TB Think Tank was established to advise the National Department of Health (NDoH) on policy and programmatic implementation of TB interventions
- Institutionalisation of economics and disease modelling to inform priorities for the national TB programme
- Economic evaluation conducted to inform the National Strategic Plan 2017-2022, employing the TIME (TB Impact Model Estimates)
- Conventional approach, estimating of incremental cost-effectiveness ratios (per DALY averted (Burden of Disease)) with and without constraints of different interventions

10 scenarios for TB case detection:



Applying the BCA guidelines

- Provide a test-case for the BCA guidelines
- Feasibility under data scarcity
- Would the results tell us or policy makers something new/ different than CEA?

| | Costs | Health Impact | Summary Analytical Output |
|-----------------------------|--|--|---------------------------------------|
| Cost Effectiveness Analysis | South African government Health system and TB program costs | Lives saved, DALYs averted | Incremental cost effectiveness ratios |
| Benefit Cost Analysis | South African government Health system and TB program costs, with third party costs represented as additional analysis | Valuation of mortality and morbidity risk reductions | Net benefits, return on investment |

Data on costs and benefits

- Extensive primary data collection of TB costs
- Surveys of patients (direct costs and income loss)
- Programmatic data for coverage (baseline) (incremental)
- Effectiveness data systematic reviews and meta-analysis
- Incidence data and other data combination of secondary and primary data collection
- Conventional model calibration, extensive consultation with NDoH

Costs

| | Intervention | Total 0% discount rate | Total 3% discount rate | Total 5.04% discount rate |
|----|------------------------|---------------------------|---------------------------|---------------------------------|
| 2 | 100% Xp | \$1 175 | \$836 | \$ 672 |
| 3 | 90% FU Xp - | \$257 | \$183 | \$ 147 |
| 4 | 2&3 | \$1 464 | \$1 042 | \$ 838 |
| 5 | 100% HIV+ cough triage | -\$1 807 | -\$1 241 | -\$971 |
| 6 | 90% PHC cough triage | \$1 843 | \$1 314 | \$ 1 058 |
| 7 | 100% HIV+ SS | \$9 504 | \$6 729 | \$5 394 |
| 8 | 90% PHC SS | \$13 383 | \$9 494 | \$ 7 617 |
| 9 | 4&6 | \$3 468 | \$2 469 | \$ 1 987 |
| 10 | 4&8 | \$16 323 | \$11 570 | \$9 277 |

Total cost of interventions by element of the treatment pathway 2015-2035 at differing discount rates (in 2015 Int\$, millions, incremental to status quo)

Value of statistical life: South Africa

- **Lack of data on WTP in SA, so conduct benefits transfer**

- Value of statistical life calculation:

$$VSL_{\text{target}} = VSL_{\text{base}} * (\text{Income}_{\text{target}} / \text{Income}_{\text{base}})^{\text{elasticity}}$$

- Income base is SA 2015 per capita income adjusted for purchasing power parity (\$12,840), adjusted for income growth 2.52% over time
- Approach 1: ratio of GNI per capita to VSL estimates commonly used in the US (\$9.1 million), with elasticity of 1 = Int\$2 054 400
- Approach 2: ratio of GNI per capita to VSL estimates commonly used in the OECD (\$2-3 million) with elasticity of 1 = Int\$1 284 000
- Approach 3: approach 1, but using an elasticity of 1.5 = Int\$ 981 652
- Value of statistical life year (VSLY) calculated by dividing VSL by mean undiscounted expected life years remaining for average South African adult (30.75 years)

Deconstructing the DALY: Years Lived with Disability, Years of Life Lost (Red area measures DALYs. Red + white is a “full and healthy” life)

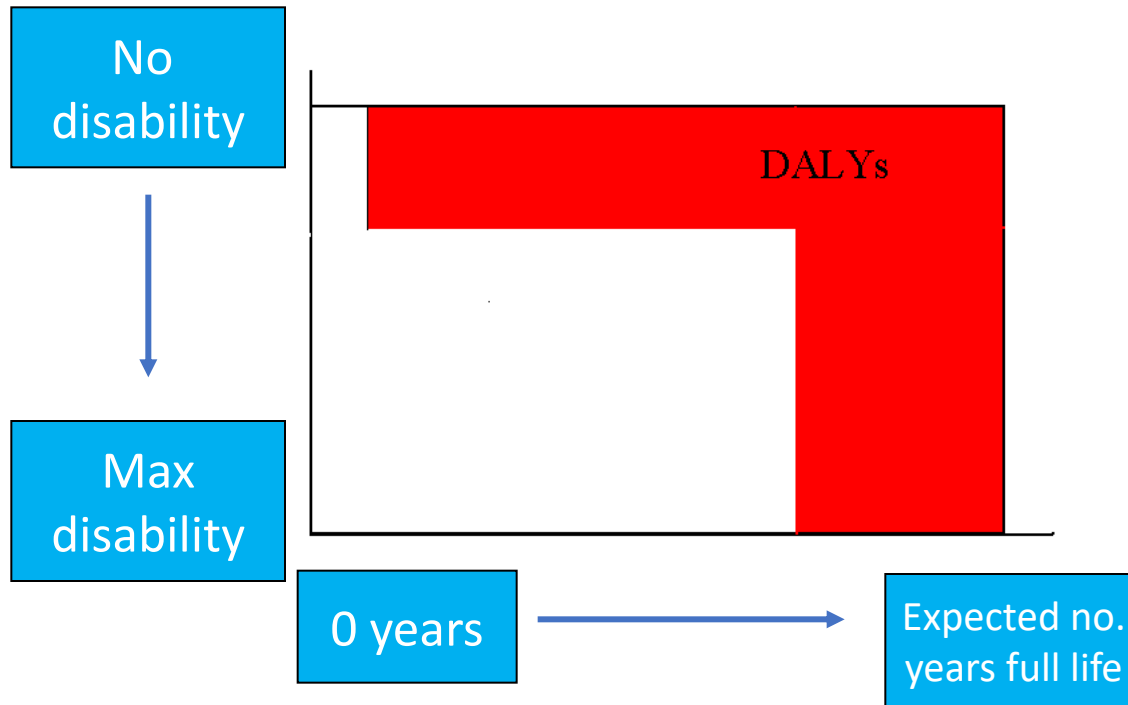
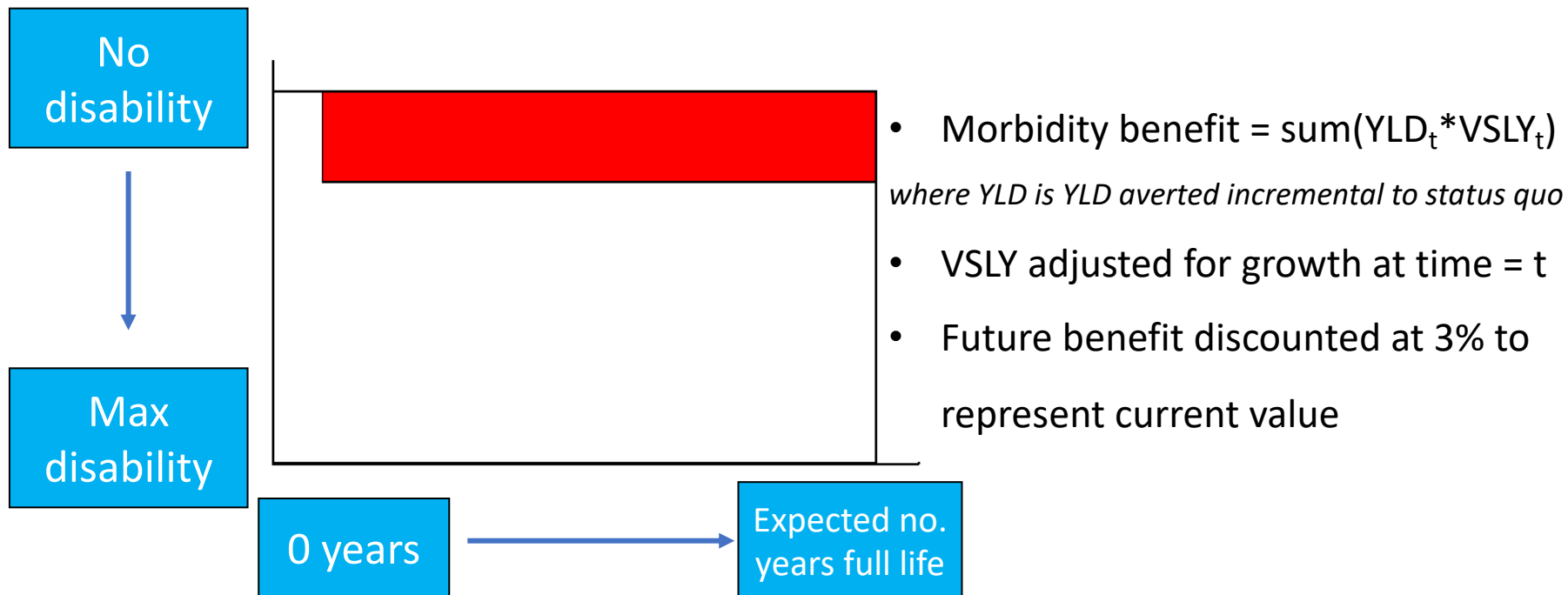
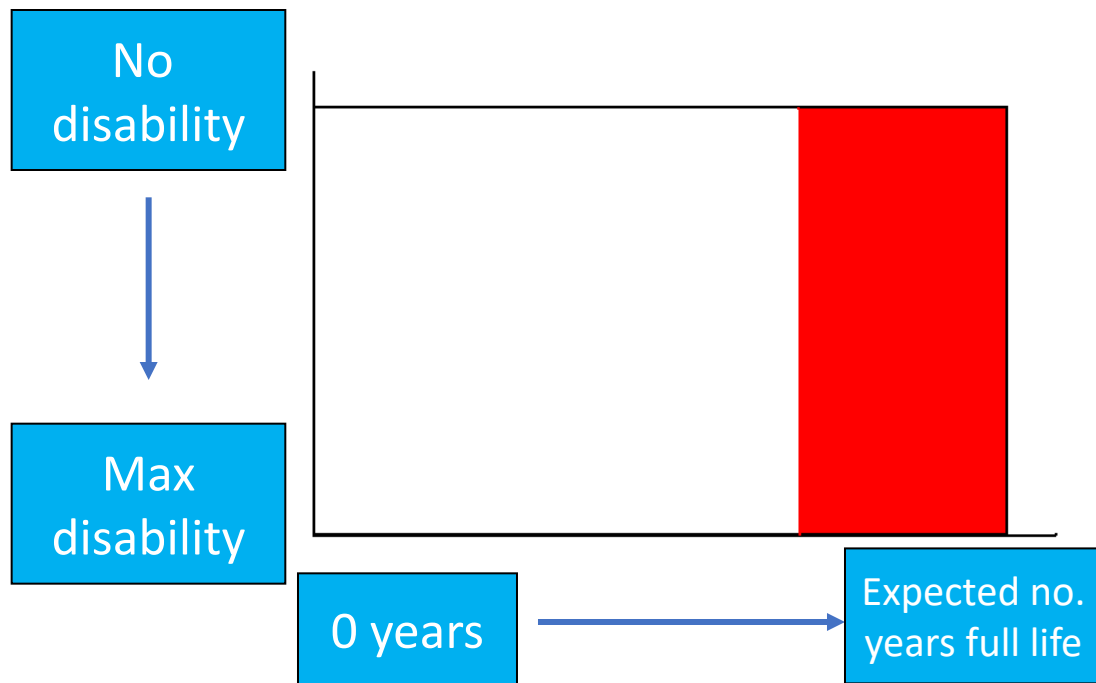


Figure adapted from Arnesen, Norheim

Deconstructing the DALY: Deaths, Years Lived with Disability, Years of Life Lost



Deconstructing the DALY: Deaths, Years Lived with Disability, Years of Life Lost



- Mortality benefit = $\sum(\text{death}_t * \text{VSL}_t)$
where deaths are incremental to status quo
- VSL adjusted for growth at time = t
- Future benefit discounted at 3% to represent current value
- In context where mortality is occurring very early or very late in life, can also use:

$$\text{Mortality benefit} = \sum(\text{YLL}_t * \text{VSLY}_t)$$

Net health benefits = Mortality benefit + Morbidity benefit

Benefits

| | Intervention (incremental to status quo) | Total deaths averted | Monetized benefit of mortality risk reduction | Total YLD averted | Monetized benefit of morbidity risk reduction | Monetized benefit of morbidity risk reduction + 3rd- party costs) | Total monetized benefit (combined mortality and morbidity) |
|----|---|----------------------------|--|----------------------|--|--|--|
| 2 | 100% Xp | 17 913 | \$19 351 | 24 309 | \$854 | \$930 | \$20 205 |
| 3 | 90% FU Xp - | 5 170 | \$5 569 | 9 189 | \$321 | \$303 | \$5 891 |
| 4 | 2&3 | 22 780 | \$24 597 | 34 203 | \$1 201 | \$1 257 | \$25 798 |
| 5 | 100% HIV+ cough triage | 1 769 | \$1 832 | 5 047 | \$174 | \$233 | \$2 006 |
| 6 | 90% PHC cough triage | 15 571 | \$16 827 | 14 815 | \$521 | \$494 | \$17 347 |
| 7 | 100% HIV+ SS | 35 775 | \$38 490 | 52 771 | \$1 842 | \$1 615 | \$40 333 |
| 8 | 90% PHC SS | 55 429 | \$59 912 | 53 039 | \$1 865 | \$1 557 | \$61 778 |
| 9 | 4&6 | 37 237 | \$40 213 | 48 181 | \$1 692 | \$1 739 | \$41 905 |
| 10 | 4&8 | 73 970 | \$79 903 | 83 701 | \$2 941 | \$2 835 | \$82 844 |

Total monetized benefit by mortality and years lived in disability incremental to status quo 2015-2035 (in 2015 Int\$, 'millions)

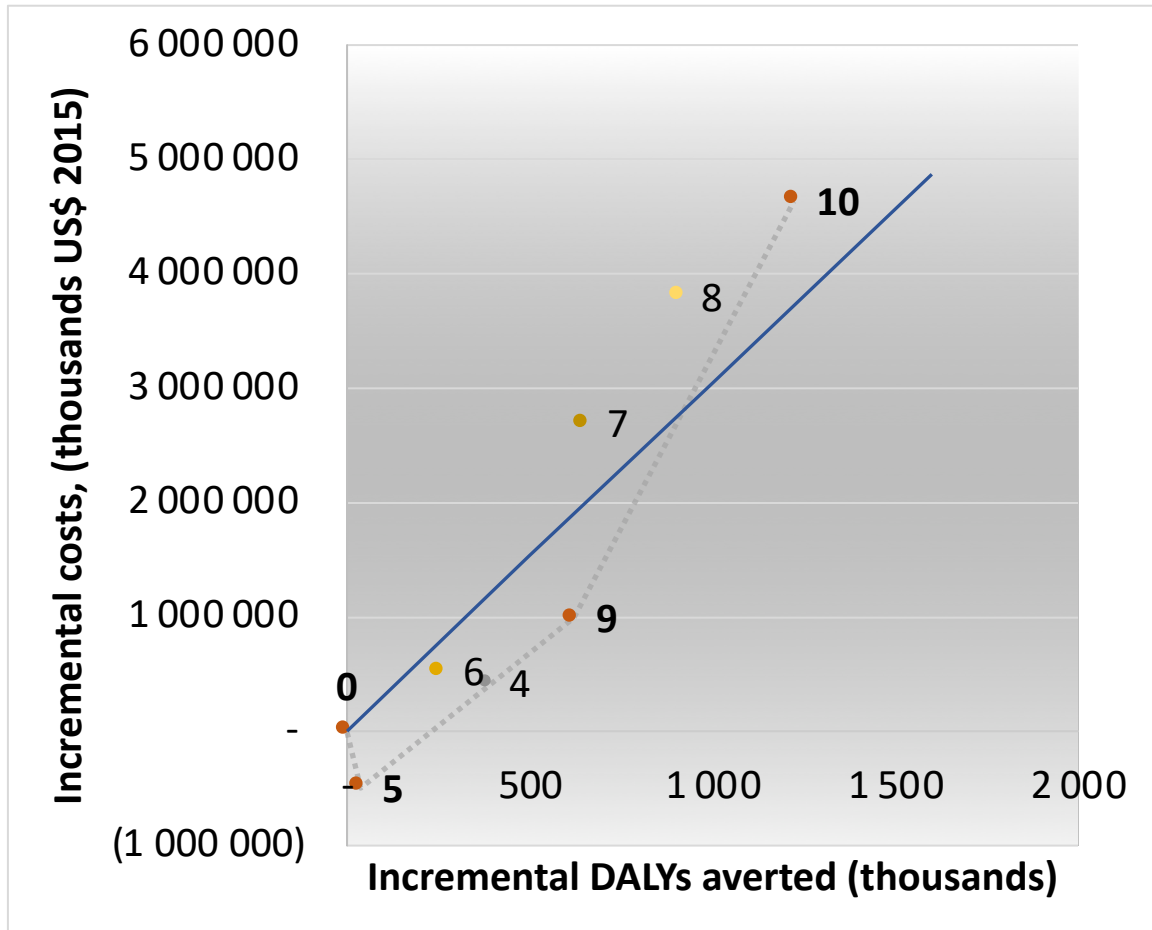
Net benefits and Rol

| | Intervention | Net benefit (Int\$) | Net benefit (ZAR) | Return on Investment |
|----|------------------------|------------------------|----------------------|-------------------------|
| 2 | 100% Xp | \$19 369 | R107 770 | 21 |
| 3 | 90% FU Xp - | \$5 708 | R31 757 | 28 |
| 4 | 2&3 | \$24 756 | R137 741 | 21 |
| 5 | 100% HIV+ cough triage | \$3 247 | R18 067 | >100 |
| 6 | 90% PHC cough triage | \$16 033 | R89 210 | 11 |
| 7 | 100% HIV+ SS | \$33 603 | R186 969 | 5 |
| 8 | 90% PHC SS | \$52 284 | R290 907 | 6 |
| 9 | 4&6 | \$39 436 | R219 420 | 15 |
| 10 | 4&8 | \$71 274 | R396 570 | 6 |

Net benefit and Rol by intervention, incremental to status quo 2015-2035 (in 2015 Int\$ millions and ZAR millions)

ICERs, unconstrained

- 4. Xpert utilisation + Xpert negative algorithm
- 5. Cough triage in 100% of known HIV+ clinic attendees
- 6. Cough triage in 90% of PHC attendees
- 7. Symptom screen in 100% of known HIV+ clinic attendees
- 8. Symptom screen in 90% of PHC attendees
- 9. 4 + 6
- 10. 4 + 8



Interpreting Results:

- CEA (decision rules based on opportunity cost threshold and expansion path)
 - Int. 9 Invest in Xpert with follow-up and cough triage, Int 5 and 10 potential policy options
- BCA (decision rule maximize welfare gain)
 - Int. 10: Highest net benefit under all approaches to VSL calculation, but a relatively low RoI
 - Investment in the above but replace cough triage with symptom screen
- **Both are “correct”, but measuring differing things**
- **Presentation and policy translation will determine interpretation and potentially policy responses**

Discussion: Methods

- Given historical and persistent levels of inequity and access to care in South Africa:
 - To what extent is a monetized value of individual preferences for changes in one's own risks valid in determining health policy?
 - How can the objective function to maximise health under a budget constraint be balanced against other social values?
- Intervention in TB is driven by mortality prevention:
 - But would it be consistent to assume the value of disability compared to death is the same as value of risk of disability to risk of death?
- Valid in South Africa for intersectoral resource allocation?
 - Likely, but more BCA evaluations required
 - But does either analytical approach sufficiently focus the issue on the constraints to health sector budget, capacity to deliver?
- Income growth assumptions in long term in South Africa
- **Credibility and complexity for non-economist decision makers (even if only advocating with the Treasury)**



Which method?

“Ultimately, the validity of the differing approaches rests on the requirements, understanding, and informational needs of the intended decision maker, and the realities of local perspective, and context”

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