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CHERE is a Key University Research Centre of the University of Technology, Sydney, and is affiliated with the Central Sydney Area Health Service.

The Centre aims to further its reputation as a nationally and internationally recognised centre of excellence which contributes to the development and application of health economics and health services research through research, policy support, education and capacity building.

The objectives of the Centre are:

In research, to promote and conduct research projects for the development of the theory, methods and applications of health economics and health services research.

In education, to provide educational programs to increase the number of economists and other researchers attracted and appropriately skilled to work in public health and health services research.

In policy support, to contribute to policy analysis and evaluation, disseminate knowledge through publications, seminars and short courses and promote the application of health economics by researchers, clinicians, managers and policy analysts.

In capacity building, to increase the number of economists and other skilled researchers working in public health and health services research, to enhance the skills and expertise of researchers in public health and health services research, disseminate knowledge through publications, seminars and short courses, extend links with overseas scholars and institutions, and build NSW health system capacity in producing and using health services research.

The Centre is a reference point at UTS for expertise, consultation and opinion on issues and policy for health system financing and organisation, health services organisation and delivery, and applied welfare economics.
2002 was a landmark year for the Centre for Health Economics Research and Evaluation (CHERE). The period proved to be one of significant growth and change for the organisation. Notably, 2002 marked the commencement of CHERE’s affiliation with our University. Starting off the association as a joint research centre of the Faculties of Business, and Nursing, Midwifery and Health, CHERE was designated as one of 10 UTS Key University Research Centres in November 2002.

CHERE continued to enhance its national and global reputation as a centre of excellence in health economics and health services research in 2002. Members of the CHERE team were called upon to contribute their knowledge and expertise in a number of international health forums. Director of CHERE, Professor Jane Hall, was asked to present an invited paper at the Commonwealth Fund International Symposium on Health Policy in the US; and the Centre was invited to join an international project on comparative health policy sponsored by Germany’s Bertelsmann Foundation.

On the local front, CHERE sustained its commitment to work towards the development and application of health services research and the application of health economics through research, teaching and policy support. In order to achieve this, CHERE has successfully managed to attract various research funds. This funding includes a special research grant awarded by the NSW Department of Health of $150,000, an ARC grant of $135,000 over 3 years, and a Commonwealth Department of Health and Ageing commissioned $160,000 research project on alternatives to the corporatisation of general practice.

One of CHERE’s outstanding achievements of 2002 was the award of a $6.875 million Program Grant from the National Health and Medical Research Council program. The grant was awarded for CHERE’s innovative submission to employ “economic theory to understand and predict individual and household decisions about healthcare” in Australia. This is a notable accomplishment for CHERE and the health system in general: it is the largest grant ever to be awarded for humanities research, and the first time the NHMRC has directed the monies towards a project which contributes to health policy and not biomedical research. The study will be globally useful in providing an understanding of issues relating to the supply of and choices made in the use of healthcare.

We are confident that 2003 will be another outstanding year for CHERE - one in which it will build upon the successes of 2002, and create new opportunities to constructively impact on the health area. In April, CHERE will be moving into UTS premises in the newly refurbished D-Block on Quay St, Haymarket. We are proud to be associated with CHERE and believe that the CHERE-UTS affiliation will benefit both bodies and the community as a whole. On that note, it is our great pleasure to write this preface to the 2002 CHERE Annual Report.

Professor Rob Lynch
Dean, Faculty of Business

Professor Jill White
Dean, Faculty of Nursing, Midwifery & Health
There followed a series of presentations of current and recent work, which provided a cross-section of the topics we research. These included an analysis of the regional and socio-economic differentials in access to and use of breast cancer screening, an economic evaluation of genetic screening, exploring the links between private health insurance and the use of hospitals, understanding patient satisfaction, and meeting the challenges in assessing quality of life. The audience comprised of our research collaborators, people from the NSW and Commonwealth departments of health, and several of our new colleagues from the University.

The move to UTS has been a significant milestone. Like so many other health services research centres, CHERE lacked secure continuing funding, even for our senior and most experienced staff. It was becoming increasingly obvious that without such a base, the Centre would not survive as an academic endeavour. The UTS strategic plan provides a vision for research development that accords with ours, identifies the importance of health as a research field, and is backed up by a commitment to invest in centres of excellence. CHERE has now been recognised as a UTS Key University Research Centre, one of only ten groups which will be so designated. This ensures a solid base from which the Centre and its staff can thrive, develop and strive for excellence.

Another major milestone was the award of an NHMRC Program Grant of $1.3m per annum commencing in 2003 and continuing over five years. Sixteen such grants were made, but only one directed to health economics and health policy rather than (the customary) biomedical research. NHMRC program grants are intended to enable successful teams to contribute new knowledge, develop novel ideas and approaches, and address problems for which longer term, stable funding is essential. They are also encouraged to develop training and career development opportunities within the team and facilitate collaborative use of specialised facilities or expertise.
This program is investigating decision making by consumers and providers, using microeconometric modelling techniques, to identify the drivers of cost and utilisation, to assess the effectiveness of different policy levers, and to evaluate the impact on individual and social welfare. The approach can be applied to the investigation of any aspect of health care that involves decision making - consumers, providers and funders. Our first research topics include the use of primary care, the demand for private health insurance and the resulting effect on hospital use and expenditure, the interaction of providers and consumers in choosing between competing technologies, the provision of informal, ie unpaid, care as an alternative to hospitals and other institutions, and the decision to be tested for inherited conditions. It is an exciting opportunity because it addresses important policy issues, but it also brings together a team at the forefront of economics and health economics internationally. All have outstanding research records, and jointly represent a level of research capacity that has not previously been assembled in Australian health economics.

Although the Program Grant has given us a strong focus on research, there have also been substantial achievements in our other areas of activity. CHERE was invited to join the Bertelsmann Foundation network for the study of health policy development. This Foundation is based in Germany, and this is a new initiative to study, through international comparisons, how new policies emerge and whether and how they are implemented successfully. CHERE is the Australian collaborating group. This work is coordinated by Marion Haas who attended an inaugural meeting in Germany in September. My involvement with the Commonwealth Fund and the Harkness Fellowship in Health Policy and Practice continues; and Elizabeth Savage and I co-authored a paper presented at the 2002 International Health Policy Symposium in Washington, DC, in October. Nationally, we continue to pursue a policy focus also. Senior staff are represented on key policy committees:

Rosalie Viney on the Economics Sub-committee of the Pharmaceutical Benefits Advisory Committee, and I on the Medical Services Advisory Committee and the Australian Health Care Agreements Working Party. We are one of the successful groups tendering to provide health economics advice to the Commonwealth Department of Health and Ageing.

CHERE is building teaching activities within UTS. CHERE staff have contributed to several courses in the Faculty of Nursing, Midwifery and Health; and tutored in Introductory Economics in the School of Finance and Economics. We have continued to offer our annual workshop in introductory health economics; and this year provided a special workshop on the use of discrete choice experiments in health program evaluation for the Commonwealth Department of Health and Ageing.

CHERE staff have continued to progress professionally. This year has seen the award of three PhDs. First to Marion Haas for her work on the benefits of health care which are important to patients. Next, to Madeleine King for her investigation into the measurement, interpretation and analysis of health related quality of life. The significance of this work is evidenced in Madeleine’s place on the Board of the International Quality of Life Research Society. And finally, to Rob Anderson whose topic was the economic evaluation of emergency dental care. Emily Lancsar completed her Master of Economics at the University of Sydney.

2002 saw some departures. Kees van Gool was attracted to work with the OECD in Paris on a project on new technology; Marian Shanahan moved to the National Drug and Alcohol Research Centre at the University of NSW, to support their growing commitment to health economics. Christine Pollicino has joined the NHMRC Clinical Trials Centre to focus on her interests in biostatistics. Philip Haywood had continued a part time association with CHERE since completing the health economics training program but left to pursue other adventures. Emma Warren joined CHERE in October from Sheffield where she had been working in economic evaluation. Jo Thompson was also recruited from the UK.

Denzil Fiebig, now Professor of Economics at the University of NSW, has been collaborating with CHERE since 1999. One result of that collaboration is the success of the Program Grant application. Denzil has been appointed as Adjunct Professor, formally recognising this continuing relationship. Patricia Apps, Professor of Economics at the University of Sydney, and also a Chief Investigator on the Program Grant has similarly had her contribution to CHERE recognised by an appointment as Adjunct Professor.

My role as Centre Director is made enjoyable by the co-operative working relationships within and beyond CHERE. Marion Haas and Rosalie Viney continue in their roles as my Deputies, sharing in both the strategic and practical aspects of management. And to a large extent, those tasks are now shared with the other academic staff of CHERE, Madeleine King and Elizabeth Savage.

My thanks go to them and indeed to all CHERE staff, for hard work, enthusiasm and fun. I have felt warmly welcomed and appreciated within UTS, as have all CHERE staff. It would be too difficult to thank everyone individually who has helped with the transition but I would like to mention specifically Professor Lesley Johnson, Pro-Vice-Chancellor, Research, for her investment, both financial and moral; Professor Peter Booth, now Deputy Vice-Chancellor (Academic) but then Dean, Faculty of Business, for taking on the re-location of CHERE as a special project; and Professor Jill White, Dean of the Faculty of Nursing, Midwifery and Health, and Professor Rob Lynch, Acting Dean, Faculty of Business, for all their encouragement and simply making things happen the right way. Thanks go too, to the past Vice-Chancellor, Professor Tony Blake, and to the current Vice-Chancellor, Professor Ross Milbourne for their support of CHERE and for ensuring that UTS is a good place to be.
Health services research and evaluation is motivated by policy relevance and application. However, the links between research output and change in policy and/or practice are rarely as straightforward as those between the invention of new devices or the development of new treatments or procedures and subsequent health care practice. The development and implementation of health policy is more complex, more contested by competing interests, and more subject to a myriad influences than a new clinical approach (Sax, 1990, Health Care Choices and the Public Purse, Allen & Unwin, Sydney). And in terms of health system reform, there is frequently enthusiasm for radical change based on little or no evidence. As Maynard remarked, ‘The challenge for researchers is to slow the rush of politicians’ enthusiasms and invest in well-designed piloting and evaluation involving the application of micro-econometrics and quasi-experimental methods’ (Maynard, 2003, Safety behind the veil of ignorance, Health Economics, 12:1-2.)

Thus health services researchers must seek a variety of means to facilitate the dissemination of research, from the focus on translating a specific research finding into contemporary policy and practice, to a more analytic and evidence based approach to the consideration of broad issues. Indeed, researchers who are successful in working well with policy makers and practitioners will ensure a skills transfer that changes the style of interaction between the two parties so that policy makers and practitioners are able to address issues themselves. They may appear to seek researchers’ advice less often, although what has happened is that the nature of the advice has changed; that what is required is more broad and comprehensive, but is far less likely to demonstrate clear links between research and practice (Hall, 1994, From research to action: does economic evaluation affect health policy or practice? in Economics and Health: 1993 Proceedings of the fifteenth Australian Conference of Health Economists. C Selby Smith (ed) Public Sector Management Institute and National Centre for Health Program Evaluation, Monash University).
We have identified several ways in which our research can have an effect outside the organisation: one, projects which are undertaken to evaluate new proposals or interventions already implemented and where further developments are dependent on the research results; two, where previous specific research projects provide a basis of expertise and credibility from which the individual/group are able to provide specialised advice around broad issues; and three, where previous specific research projects provide a basis of expertise and credibility from which the individual/group are able to provide expert commentary to the media or other non-specialist groups. Over the past twelve months we have provided expert commentary through the media and to various expert forums and working groups. Specific research projects which are motivated by or commissioned to respond to policy issues are reported under research projects. In this section, the details of committee membership are reported.

In 2002 staff at CHERE contributed to the following working parties and committees at international, Commonwealth, State and Area Health service levels:

**Jane Hall** - Member of the Board of the International Health Economics Association (iHEA); NHMRC Reference Group on Health Services Research; Medical Services Advisory Committee (MSAC); Continuum between preventative, primary, chronic and acute models of care, Australian Health Care Agreements Reference Group; NSW Health Working Party on Equity; NSW Health: Government Action Plan for Health; Teaching and Research Implementation Committee; Australian Medical Workforce Advisory Committee (AMWAC) Research Committee; National Advisory Committee (NAC) on Cervical Screening; New Technologies Working Group, NAC on Cervical Screening; Health Services Research Association of Australia & New Zealand executive.

**Madeleine King** - Member of the Board of the International Society of Quality of Life Research (ISOQOL); Chair of ISOQOL Conferences & Workshops Subcommittee of Education Committee; Member of ISOQOL 2002 Scientific Program Committee; Member of the Cochrane Collaboration Health-related Quality of Life Methods Group; Advisor on Statistics and Outcome Measurement for the Cochrane Consumers and Communication Review Group; Corresponding member of the EORTC Quality of Life Group.

**Emily Lancsar** - Commonwealth Medicare Services Advisory Committee (MSAC) Supporting Committee for Genetic Test for Fragile X Syndrome; Judge Baxter 2002 NSW Health Awards; Vice President Australian Health Economics Association (AHES).

**Elizabeth Savage** - Member of the Board of the Uniting Care Ageing and Disability Service, NSW & ACT.

**Rosalie Viney** - Economics sub-committee of the Pharmaceutical Benefits Advisory Committee (PBAC); National Advisory Committee (NAC) on Cervical Screening Program; New Technologies Working Group, NAC on Cervical Screening; Health Services Research Association of Australia & New Zealand executive.
Related to consumer preferences is understanding how individuals make decisions, whether these be participating in public health programs, consulting a primary care provider, following the recommended treatment, or seeking further medical or other opinions. Identifying and quantifying the factors that influence these decisions enables us to predict the choices that will be made, and thus the consequent use and costs of health services. Our work has included general practitioner consultations, use of mammography screening, and the use of genetic testing. One particularly important application of this approach is in chronic disease, as these patients are high users of the health care system. Little is known about how patients’ decision making affects health service use over time, the interaction between conventional health services and other approaches, or the out of pocket costs and other problems experienced by patients and their families. To investigate these issues, we have currently underway a longitudinal study of a community sample of asthma sufferers.

The provision of health services depends on an adequate supply of labour. Thus another area for research is the Australian health workforce. Current work is focused on the nursing workforce. Finally, our international links facilitate work on international comparisons across health systems.
Cooperative Research Centre for Asthma

The Cooperative Research Centre for Asthma (CRCA) was established in October 1999 under the Commonwealth Government CRC Program. CHERE is one of 6 research partners within the CRCA. Other research partners include the Institute of Respiratory Medicine, the University of Sydney, Monash University, the Garvan Institute of Medical Research, and the University of Western Australia. The NSW Department of Health and six pharmaceutical companies are involved in the CRCA as supporting members.

CHERE is responsible for one of the economic evaluation projects within the CRCA. CHERE’s role within the CRCA is twofold: to undertake a number of research studies on the economics of asthma; and to provide ongoing economic support and advice to the other Projects within the CRCA.

The economic burden of asthma: a longitudinal cohort study investigating costs and utilisation

The aim of this research is to quantify the economic burden of asthma from the perspective of the patient and the health care system. The major outcome of this research will be the provision of the first longitudinal data on the cost and utilisation of health services and products for the management of asthma in Australia.

Understanding the services used and costs borne by patients with asthma has important policy implications in terms of improving access to services, providing an efficient mix of services and providing valuable evidence on out of pocket expenses. This study will provide insights into whether costs act as a barrier to asthmatics obtaining optimal asthma management and whether service utilisation and costs differ according to health insurance status, rurality and different cultural backgrounds. Study participants include two cohorts of asthmatics from throughout NSW. Cohort 1 was recruited from the general population using random telephone methods and Cohort 2 was recruited from among hospital emergency department attendees for asthma in 2001-2002. The study will collect information about their use of products and services to manage asthma, the out of pocket costs they face and their quality of life over 5 years. Data sources include regular cohort surveys and routinely collected administrative data. Recruitment of both cohorts was finalised in 2002 and data collection will continue until 2006.

Funding source: Cooperative Research Centre for Asthma

CHERE staff: Jane Hall, Emily Lancsar, Patsy Kenny, Madeleine King, Ajsa Mahmic

Collaborators: Dr Guy Marks

1 Institute of Respiratory Medicine

Economic evaluation of three asthma medications

CHERE is undertaking the economic evaluation of 3 asthma medications within an RCT as part of another CRCA research project. Four discrete choice experiments (DCEs) are being used to investigate patient preferences for the 3 trial medications and for the attributes of each medication. The results of the DCEs will also be used to estimate patients’ willingness to pay (WTP) for the 3 asthma medications. The WTP results will be used in a cost benefit analysis of the 3 medications. Two cost-effectiveness analyses will also be undertaken. This will allow a comparison of the use of different outcome measures. Finally, patients’ stated preferences derived from the DCEs will be compared with patients’ revealed preferences for ongoing treatment collected via a survey after the completion of the clinical trial. The past year has been spent collecting the relevant data which will be analysed in 2003.

Funding source: Cooperative Research Centre for Asthma

CHERE staff: Jane Hall, Emily Lancsar, Jordan Louviere, Madeleine King

Collaborators: Dr Christine Jenkins

1 Institute of Respiratory Medicine
Economic evaluation of the use of PET in the management of non-small cell lung cancer

Positron Emission Tomography (PET) is a functional imaging technique. Over the past decade there has been growing recognition of its potential role in the management of cancer patients, in particular in diagnosis and staging of disease. One area where it has been widely used is in staging apparently resectable non-small cell lung cancer. PET can potentially avoid the morbidity and resource use associated with unnecessary surgery. However, this role has not been adequately evaluated as yet. This study is a randomised controlled trial to examine the impact of the use of PET on costs and outcomes of care for patients with non-small cell lung cancer. Consenting patients were randomised either to undergo a PET scan or not prior to the final decision about surgery being made. All patients in the study are being followed up for 2 years. The study will assess the proportion of patients for whom unnecessary major surgery is avoided, and the impact of PET on resource use and patient quality of life. Follow up was completed in December 2002 and analysis is currently under way.

Funding source: NHMRC

CHERE staff: Rosalie Viney, Christine Pollicino, Patsy Kenny, Madeleine King, Marion Haas, Jane Hall

Collaborators: Michael Fulham1, Brian McCaughan1, Michael Boyer1, Jocelyn McLean1, Sandra Wojcinski1

1 Royal Prince Alfred Hospital

Antenatal day care for high risk pregnancy: an economic evaluation alongside a randomised controlled trial

Antenatal day care is being introduced into maternity care in Australia as a substitute for hospital admissions for high-risk pregnancies. A prospective randomised controlled study of the clinical, psychosocial and economic impact of day care for three antenatal complications (non-proteinuric hypertension, proteinuric hypertension, pre-term premature rupture of membranes) was conducted at the Royal Women’s and Children’s Hospital, Adelaide. Initial analysis suggests that there are no statistically significant or clinically meaningful differences in maternal or perinatal outcomes between the two groups. Final analysis will be completed in 2003.

Funding source: NHMRC

CHERE staff: Marian Shanahan

Collaborators: Deborah Turnbull1, Chris Wilkinson2, Karen Gerard3

1 Department of General Practice, University of Adelaide
2 Department of Obstetrics and Gynaecology, Royal Women’s and Children’s Hospital, Adelaide
3 Health Care Research Unit, Southampton General Hospital, Southampton University
OTHER RESEARCH

Methods for interpreting and comparing quality of life measures

There are many instruments that measure the impact of disease and treatment on the health-related quality of life (HR-QoL) of patients. This abundance makes it difficult to develop the familiarity required to interpret scores and to accumulate evidence across studies. This project develops some methods for comparing and interpreting QOL measures, and illustrates them with two instruments designed to measure QOL in cancer clinical trials: the Functional Living Index - Cancer (FLIC) and the Quality of Life Questionnaire Core module (QLQ-C30). Little work has been done on the longitudinal comparison of instruments, even though most applications of QOL assessment are longitudinal. This project has developed two novel methods, both for longitudinal data. One uses multivariate multilevel models to compare how two instruments distinguish between patients and how they register various aspects of change in QOL over time. The other generalises a standard responsiveness index for paired differences so that responsiveness to change in QOL may be assessed using more than just two observations per person, and then compared in a statistically rigorous way. One of the problems with understanding HR-QoL results is that most researchers have limited experience with most HR-QoL scales, and interpretation guidelines for HR-QoL instruments are rare. Another output from this project is interpretation guidelines for FLIC or QLQ-C30. These illustrate how collective experience with HR-QoL measures can be synthesised into guidelines for interpreting scores. Madeleine King was awarded her PhD in June 2002.

Funding source: CHERE
CHERE staff: Madeleine King

The benefits of health care beyond health: an exploration of non-health outcomes of health care

The concept and measurement of health outcomes has mainly focussed on improvements in health status but non-health outcomes may also be important to patients. In her PhD thesis, Marion Haas completed four tasks with the aim of identifying non-health outcomes and establishing the extent of their relevance and importance to patients. First, the illness experience literature was reviewed to identify potential non-health outcomes. Seven categories of non-health outcomes were identified: information, being treated with dignity, being able to trust the health care provider, having distress recognised and supported, participating in decision making, legitimisation and reassurance. Second, topic-specific literature was reviewed and synthesised. Third, in order to confirm how relevant and important the concepts were to patients, a qualitative study was conducted with each of two different groups of health service users. Broadly, patients considered that all the non-health concepts were relevant, although the extent to which they were important varied. Fourth, to test the relative importance of the seven concepts, a Discrete Choice Experiment in the context of general practice was conducted. This study showed that most people thought their GP demonstrated behaviour likely to result in the production of non-health outcomes. The results showed that although all the non-health outcomes were, to some extent, preferred by respondents, trust was most important, followed by legimitation and recognition of and support for emotional distress. Once again, these results point to the importance of context in the evaluation of health care from the patient’s perspective. While still being perceived as positive aspects of health care, the provision of information or participating in decisions about their health care were the non-health outcomes considered least important by patients. Marion Haas was awarded her PhD in November 2002.

Funding source: CHERE
CHERE staff: Marion Haas

Understanding and valuing risk in health care decision making: issues for economic evaluation

Economic evaluation is concerned with capturing the value of health care interventions to society. Health care involves risk and uncertainty. Thus, the value of health care interventions to individuals will incorporate the value of the outcomes and the value of the risk. If individuals value risk, then this is relevant to the value that society places on health care, and on different health care interventions. However, none of the conventional methods of economic evaluation have adequately considered the impact of the value of risk associated with health care. The conventional approaches have not distinguished between aggregating the value of the expected outcomes of the intervention to the individual and valuing the aggregated outcomes of the intervention to the population. This project involves investigation of the issues which arise from recognising the need to include the value of risk and uncertainty associated with health care in economic evaluation.

Funding source: CHERE
CHERE staff: Rosalie Viney

The cost-effectiveness of out-of-hours dental services

This project compared the cost and effectiveness of alternative arrangements for providing out-of-hours dental care, in the UK context and was completed in 2002. Whilst the empirical surveys for the cost-effectiveness analysis were carried out in the UK, the cost-effectiveness modelling and policy analysis were carried out at CHERE. To date the work has informed three publications in peer-reviewed journals, and is the only research on dental services cited in the recent UK government report Reforming Emergency Care. In addition to the core cost-effectiveness analysis, the work incorporates a broader analysis of related issues - such as, the organisation of emergency services, demand management...
Collaborators: CHERE staff: Emily Lancsar

Deriving welfare measures from stated preference discrete choice modelling experiments

As part of her Master of Economics, Emily Lancsar undertook a project investigating the derivation of welfare measures from discrete choice experiments (DCEs). The use of DCEs is gaining currency in the health economics field as a method of eliciting preferences for goods and services; the rate at which individuals are prepared to trade off different attributes of a good or service; and the willingness to pay for goods and services. This project investigated whether commonly adopted methods of eliciting measures of welfare are consistent with microeconomic welfare theory and random utility theory. Emily used an alternative method of eliciting welfare changes from discrete data, the Hicksian compensating variation, that is consistent with both welfare and random utility theory and compared the results to those elicited from the method currently used in the health economics literature.

Funding source: CHERE

Private health insurance and health care utilisation

Private health insurance has always played a significant role in the Australian health care system, despite being limited to covering private in-patient treatment in a system that provides universal access to free public hospital care. The proportion of the population with private insurance dropped from 50% to 30% between 1984 and the mid-1990s. The Australian Government’s response was to introduce a number of private health insurance incentives aimed at increasing the uptake of private health insurance, particularly at younger ages. This project analyses the demand for private health insurance and the impact of insurance cover on the level and intensity of use of health care resources. It also examines the effectiveness of the government’s private health insurance incentive strategies.

Funding source: CHERE

Confidence intervals for indexes of responsiveness

The responsiveness of a measurement instrument is its ability to detect “real” change. Responsiveness is tested and calibrated in situations where clinically meaningful change is likely to occur, such as a treatment of known effectiveness administered to patients who are likely to respond. Responsiveness may be characterised as a “signal-to-noise” ratio. Such ratios are unitless, allowing comparison of responsiveness among scales and instruments. Responsiveness is often assessed concurrently for two or more instruments, to determine which instrument is the most responsive. A number of signal-to-noise ratios, or responsiveness indexes, have been proposed. Four of these are variants of the effect size for differences between paired observations. However, the sampling distribution of these indexes is not well understood, and so empirical studies rarely consider the precision of estimates of responsiveness. The purpose of this research is to develop formulae for confidence intervals for estimates of responsiveness and differences in responsiveness for each of the commonly used responsiveness indexes. These formulae should facilitate future studies to consider the precision of estimates when drawing conclusions about the relative responsiveness of candidate instruments.

Funding source: CHERE; Department of Mathematical Statistics, University of Sydney

1 Department of Mathematical Statistics, University of Sydney

Equity of access to GPs

Equity of access to health care is a primary goal of many health systems around the world. In Australia, two of the three objectives of Medicare relate to equity of access to health care on the basis of need rather than ability to pay. An important research question is whether the Australian health care system is meeting this aim in terms of access to General Practitioner (GP) services. To investigate this issue, this study modelled GP utilisation as a function of need for health care and other non-need factors using data from the Australian Bureau of Statistics 1995 National Health Survey. Estimation results suggest that need is important in explaining utilisation of GP services but not income. These results reflect favourably on the equity of access objective of the Australian health care system.

Funding source: CHERE

1 Michael Stewart

Funding source: MRC (UK) and Wales Office of Research and Development in Health and Social Care

CHERE staff: Rob Anderson

1 Department of Oral Surgery, Medicine & Pathology, University of Wales College of Medicine, Cardiff, UK

2 Centre for Health Economics and Policy Studies, University of Wales, Swansea, UK

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Funding source: CHERE

CHERE staff: Denzil Fiebig, Jane Hall, Elizabeth Savage, Rosalie Viney

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Funding source: CHERE

CHERE staff: Emily Lancsar, Denzil Fiebig

1 Michael Stewart

Funding source: MRC (UK) and Wales Office of Research and Development in Health and Social Care

CHERE staff: Rob Anderson

1 Department of Oral Surgery, Medicine & Pathology, University of Wales College of Medicine, Cardiff, UK

2 Centre for Health Economics and Policy Studies, University of Wales, Swansea, UK
Other Health Related Quality of Life Research

Other HRQOL research includes an Australian validation of the EORTC’s generic HRQOL instrument, QLQ-C30, and its lung-cancer specific module in people diagnosed with early-stage lung cancer. This work is an offshoot of the evaluation of PET (described in full elsewhere in this report). Another HRQOL study is being conducted in collaboration with Dr Mark Haran of the Department for Aged Care and Rehabilitation Medicine, RNSH and Dr Martin Stockler of the Sydney Cancer Centre, Royal Prince Alfred & Concord Repatriation General Hospitals. This involves an assessment of the validity and responsiveness of the SF-36 in people with spinal injuries. A third Australian validation, of measures of pediatric HRQOL in young people with cancer or a blood disease, is being conducted as a UTS Masters research project, in collaboration with Jane Ewing and Dr Peter Petoz of the UTS Department of Mathematical Sciences and Dr Belinda Goodenough, Centre for Children’s Cancer and Blood Disorders, Sydney Children’s Hospital.

CHERE staff: Madeleine King

COMMISSIONED PROJECTS AND CONSULTANCIES

Cost-effectiveness of directional vacuum assisted breast biopsy

The aim of this project is to evaluate whether directional vacuum-assisted (DVA) breast biopsy is a cost-effective technology when compared with core biopsy in the diagnosis of microcalcifications. Effectiveness in this study is measured in terms of the number of open biopsies avoided. This reasoning for the use of this measure is as follows: if microcalcifications are detected in a patient, they will go on to have either a core biopsy or a DVA breast biopsy to obtain a definitive diagnosis. If a definitive diagnosis is not reached through this procedure then the patient will go on to have an open biopsy. However, as an open biopsy is a relatively invasive procedure it is beneficial to the patient (and the health care system) if this procedure can be avoided. This is what the effectiveness measure used captures.

There are currently 25 centres across Australia that use DVA breast biopsy technology. All 25 centres were included in a survey which was designed to obtain data on the effectiveness of DVA breast biopsy and information on the resources used in both DVA and core breast biopsy. Additional information on core biopsy was sought from 6 other centres that do not use DVA technology. The information obtained from the surveys will be combined to produce an incremental cost-effectiveness ratio, providing us with some initial evidence on the cost-effectiveness of DVA breast biopsy technology.

Funding source: Source National Breast Cancer Centre

CHERE staff: Lorraine Ivancic, Marion Haas

Alternative models to GP corporatisation

This policy support work aimed to develop a national Division-based service support model (or models) as an alternative to GP corporatisation, based on the outcomes of the seven Commonwealth-funded Alternative Models to Corporatisation (AMC) projects. The design of the national model has been informed mainly by reviewing the seven AMC projects, which involved ten Divisions and one State-Based Organisation. Secondly we reviewed overseas models of GP joint-working and inter-practice collaboration, especially in the UK, Canada and New Zealand. Thirdly, we also reviewed some of the initiatives of other State-Based Organisations aimed at better supporting Divisions’ effectiveness at GP business support.

The output of the project is a proposed standard process for Divisions, rather than a specific achievable endpoint or ‘model’. This comprises a clarification of the key choices being faced by Divisions, the practical activities that can inform these choices, and some principles that have been associated with successful Divisional change.

Funding source: Commonwealth Department of Health and Ageing, General Practice Branch

CHERE staff: Rob Anderson, Phil Haywood, Lorraine Ivancic, Marion Haas, Jane Hall

Collaborators: Professor Tim Usherwood1, Dr Simon Young2

1 Department of General Practice, Western Clinical School, University of Sydney
2 Practising GP and Department of General Practice, Western Clinical School, University of Sydney
Nursing workforce transitions in NSW
There are growing concerns about a steady decline in the size of the nursing workforce in Australia. Anecdotal evidence suggests that the proportion of trained nurses who choose not to nurse is rising and the durations of nursing employment are falling. This research project examines nursing workforce transitions using a unique panel data set of all nurses, registered or enrolled, in NSW covering 1993 to 2000. It analyses the effects of personal and job characteristics, as well as local economic indicators on the decision to exit from the nursing workforce or to reduce the intensity of work. The research also investigates the factors influencing the decision to move from the hospital sector to other nursing occupations and moves from the public to the private sector.

Funding source: NSW Health
CHERE staff: Jane Hall, Elizabeth Savage
Collaborators: Denise Diron1, Glenn Jones2
1 School of Economics, University of NSW
2 Department of Economics, Macquarie University

Cost-effectiveness of prison methadone in NSW
The aim of this project, which will be completed mid 2003, is to evaluate the cost-effectiveness of the NSW prison methadone program. This project builds on CHERE’s work in economic evaluation in the correctional system. The focus of the project is to assess the cost-effectiveness of prison methadone in terms of the net cost of the program and the potential benefits in terms of avoided cases of HCV and HIV and the reduction in re-incarceration. The project will involve an economic evaluation of implementing and operating the prison methadone program in NSW.

Funding source: National Drug and Alcohol Research Centre (NDARC)
CHERE staff: Emma Warren, Rosalie Viney

Evidence-based effect-sizes for the FACT-G
This project will produce evidence-based guidelines for the FACT-G, a valid and widely-used instrument to measure health-related quality of life (HR-QoL) in cancer. Such guidelines can inform both the design and interpretation of clinical trials: a priori knowledge of what constitutes a clinically important effect-size is necessary for determining the sample size required for a pending trial, and for understanding of the clinical relevance, and hence policy relevance, of the trial’s HR-QoL outcomes. Interpreting the clinical significance of effects observed on HR-QoL scales is problematic because their units of measurement are unfamiliar to clinicians, policy makers and patients alike. Like validity, interpretability is not readily established; rather it is something which develops as a body of evidence accumulates.

Some of the most useful evidence for developing interpretations that are meaningful to clinicians comes from studies that report the HR-QoL of patients grouped by established clinical criteria. The patterns of HR-QoL scores across clinical groups provide evidence of clinical validity, and the relative sizes of scores can be used to develop interpretations. Similarly, interpretations for changes in HR-QoL can be developed from longitudinal data collected during conventional treatments with clear clinical effects, including evidence about responsiveness. In this proposal, standard meta-analytic methods will be used in a novel application to synthesise all the available evidence to develop interpretations and evidence-based effect sizes for the FACT-G.

Funding source: Astra Zeneica
CHERE staff: Madeleine King, Jo Thompson
Collaborators: Prof David Celli1, Dr David Eton1, Dr David Osova2, Dr Martin Stockler1
1 Northwestern University, Illinois, USA
2 QoLConsulting, West Vancouver, Canada

Cost-effectiveness analysis of cervical screening
This project was completed in 2002. It consisted of two components, a description of the conduct of the National Cervical Screening Program, including resource commitments and outputs; and a cost-effectiveness analysis comparing the current strategy of biennial screening for women between the ages of 20 and 69, with alternative strategies of annual, triennial and quinquennial screening for women beginning at ages 20 or 25 and finishing at ages 64, 69 and 74. In the two year period 1999-2000, 3.4 million women were screened for cervical cancer, 3.3 million of whom were aged between 20 and 69 years. In one year, 106,444 abnormalities were detected of which 5722 were high grade (CIN3) lesions or cancer. The total cost to government over the 2-year period 1998-1999 was $289,235,791, while the total out-of-pocket costs to women were $22,171,508.

The cost-effectiveness analysis (CEA) aimed to investigate the effect of different Pap screening intervals (Annual, 2-yearly, 3-yearly and 5 yearly) and different screening age- ranges (20 or 25 to 64, 69 or 74 years). Additional life years can be saved by moving to screen women aged 20-74 on a 2 yearly basis (2 additional life years saved) or women aged 20-64, 69 or 74 on a 2-yearly basis (85, 93 and 95 additional life years saved, respectively). However, the incremental cost per life year saved ranges from $197,500 to $380,200. Although it is possible to save resources, this comes at a cost of fewer life-years saved. For example, although $117,100 per life year could be saved by moving to a 3-yearly screening strategy, 102 fewer life years would be saved.

Funding source: Commonwealth Department of Health and Ageing
CHERE staff: Marian Shanahan, Rob Anderson, Marion Haas, Jane Hall
Collaborators: Dr Marion Saville1
1 Victorian Cytology Services
Hospital cost comparison of three alternative drug therapies to treat osteolytic bone metastases

This study consisted of a cost-minimisation analysis of three alternative bisphosphonate drug therapies used to treat osteolytic bone metastases in patients with breast cancer and multiple myeloma. The primary aim of the study was to determine whether an orally or intravenously administered bisphosphonate was least costly from a hospital perspective. Standard treatment protocols associated with the use of bisphosphonate drug therapies were identified and decision trees to link the probability of treatment events with per unit costs were designed. A model which estimates the hospital costs associated with drug administration in alternative hospital settings was also produced.

Funding source: Aventis Pharma

CHERE staff: Lorraine Ivancic, Jane Hall

Cost-effectiveness of the NSW Adult Drug Court (ADC)

Adult Drug Courts are a new approach to dealing with substance addicted criminal offenders which incorporate elements of both the judicial and health care systems. The focus of this project, which was completed in 2002, was to evaluate the cost-effectiveness of the Western Sydney ADC compared to conventional sanctions in terms of rates of, or time to re-offending for non-violent offenders. The estimated total cost of the Drug Court program for the 309 participants who formed part of the cost-effectiveness analysis was $13,495,727. More than half of this amount ($8,805,146) was expended on individuals who were terminated from the Drug Court program. Although health care treatment ($3,352,341) and court attendances ($2,846,362) were the single most important contributors to the overall cost of the Drug Court program, the cost of sanctioning program participants ($1,417,677) was also significant. The cost per day for an individual placed on the Drug Court program ($143.87) was slightly less than the cost per day for offenders placed in the control group and sanctioned by conventional means ($151.72). There was little difference between the Drug Court and conventional sanctions in terms of their cost-effectiveness in increasing the time to the first re-appearance at court. There was a larger difference between the alternatives in terms of the cost-effectiveness of reducing the rate of reappearance at court. It cost nearly $2,000 more for each offence averted using conventional sanctions than it cost using the Drug Court program.

Funding source: NSW Bureau of Crime Statistics and Research

CHERE staff: Marian Shanahan, Marion Haas, Emily Lancsar

Collaborators: Don Weatherburn, Bronwyn Lynd

Clinical practice guidelines for the management of lung cancer: Cost-effectiveness literature review

This project involved a review of the cost-effectiveness literature on lung cancer as part of the preparation of the Lung Cancer Clinical Practice Guidelines. The review was very broad and wide ranging, covering all aspects of the clinical management of lung cancer. The major topics reviewed included smoking cessation and prevention, lung cancer screening, initial assessment and follow up, treatment of non-small cell lung cancer and treatment of small cell lung cancer.

Funding source: Australian Cancer Network

CHERE staff: Lorraine Ivancic, Rosalie Viney

Economic evaluation of Tai Chi for the elderly

Tai Chi has been shown to be effective in not only addressing some risk factors such as balance and gait, but also in reducing the number of falls experienced by older people. A randomised controlled community trial of Tai Chi classes is being conducted by the Health Promotion Unit at Central Sydney Area Health Service (CSAHS) where subjects will be randomly allocated to either an initial-intervention group or a waiting-list control group. CHERE will conduct a cost-effectiveness analysis alongside this RCT. The study, which began in 2001, will be conducted over a three year period.

Funding source: NSW Health Department, Health Promotions Unit, CSAHS

CHERE staff: Marion Haas, Jo Thompson, Rosalie Viney

Collaborators: Alex Voukelatos 1, Dr Chris Rissel1, Dr Robert Cumming2, Dr Stephen Lord3

1 Health Promotion Unit, CSAHS
2 University of Sydney
3 Prince of Wales Medical Research Institute

1 NSW Bureau of Crime Statistics and Research
PUBLICATIONS

Peer reviewed


Book Chapters


Non peer reviewed


King MT. Effect sizes for deterioration in quality of life in progressive metastatic cancer: the relative responsiveness of the dimension-specific and total scales of the QLQ-C30 and FLIC (oral). Quality of Life Research 2002; 11(7): 629 (published abstract).

CHERE discussion papers and project reports


Anderson R.
Methods for evaluating complex interventions. CHERE 10th Anniversary Seminar, Sydney, March 2002

Haas M.
A critical examination of the concept of patient satisfaction. CHERE 10th Anniversary Seminar, Sydney, March 2002

Hall J.
Consumer utility, social welfare and genetic testing. CHERE 10th Anniversary Seminar, Sydney, March 2002

King M.
Challenges in the assessment of health related quality of life. CHERE 10th Anniversary Seminar, Sydney, March 2002

Lancsar E.
Evaluating patient preferences and willingness to pay for asthma medications. CHERE 10th Anniversary Seminar, Sydney, March 2002

Savage E.
Private health insurance and private hospital utilisation. CHERE 10th Anniversary Seminar, Sydney, March 2002

Shanahan M.
Economic evaluation of the NSW Adult Drug Court Program. CHERE 10th Anniversary Seminar, Sydney, March 2002

van Gool K.
Access to mammography screening in NSW. CHERE 10th Anniversary Seminar, Sydney, March 2002

Viney R.
Understanding and valuing risk in health care decision making: issues for economic evaluation. CHERE 10th Anniversary Seminar, Sydney, March 2002

Hall, J.

Hall J.
Genetic testing, consumer utility and social welfare. Genetics and Financial Services Conference: Threat or opportunity? Faculty of Economics and Commerce, Australian National University, April 2002

Hall J.
The role of private health insurance in Australia. Regulating Private Health Insurance: Priorities for Australia and Lessons from Abroad, Research School of Social Sciences ANU, June 2002

Savage E.
Health insurance and health utilisation. Regulating Private Health Insurance: Priorities for Australia and Lessons from Abroad, Research School of Social Sciences ANU, June 2002

Hall J, Viney R, Savage E, King M, Fiebig D.
Stated preference discrete choice modelling and health policy analysis: Methods and applications. Workshop for the Commonwealth Department of Health and Aging, June 2002

Anderson R.

Haas M.
"I’d rather drop off the perch" and "pulling figures out of the sky": people’s reflections on their health state valuation responses and what we should do with them by Gold L, Riley T, Shiell A. Commentary. 24th Australian Health Economics Society (AHES) Conference, Sydney, July 2002
Hall J.
The Australian health workforce.

Lancsar E.
Policy change and private health insurance: Did the cheapest policy do the trick? by Butler, J. Commentary.

Lancsar E, Fiebig D.
Equity of access to GP services in Australia: A reality or an ideal?

Savage E.
The illusion of risk in standard gambles by Pope, R. Commentary.

Shanahan M, Lancsar E, Haas M, Weatherburn D, Lind B, Chen S.
Cost-effectiveness analysis of the NSW Adult Drug Court Program.

Viney R.
The Pharmaceutical Benefits Scheme: Rarely bad or ugly; is it good enough?
Economic Society of Australia, ACT Branch, Forum on the Pharmaceutical Benefits Scheme, Canberra, November 2002

Lancsar E.
A pilot study investigating patient preferences for asthma medication: A Discrete Choice Experiment (DCE) approach.
3rd CRC for Asthma Conference, Sydney December 2002

CHERE's seminars in Health Economics
Valuing the benefits of community development interventions in public health: issues from an ongoing study.
Lisa Gold, Research Officer, Centre for the Study of Mother’s and Children’s Health, La Trobe University.

Resource allocation in the National Health Service.
Charles Normand, Professor of Health Economics, London School of Hygiene and Tropical Medicine.

Using decision models to overcome limitations in data from randomised trials: The case of Glycoprotein 2b/3a antagonists for acute coronary syndrome.
Professor Mark Sculpher, Centre for Health Economics, University of York.

Thinking about how people think: New approaches to measuring health-related quality of life.
Ivan Barofsky, Associate Professor of Psychiatry and Behavioral Sciences, The meta-QOL Institute, East Sandwich, MA, USA.

Implementing outcomes research in clinical practice: A new fully integrated approach.
Bruce Shadbolt, Centre for Advances in Epidemiology & IT, Canberra Hospital.

The drug bargaining game: Pharmaceutical regulation in Australia.
Donald J Wright, Visiting Research Fellow, CHERE.
There is a critical shortage of experienced health services researchers in Australia and this is particularly acute in health economics. Repeated reviews of research and training have emphasised the need for capacity building in this field but educational and other programs have been sparse, inadequately funded, and short lived. As other countries, notably the UK and Canada, are investing in the field, and of course the US leads the world in funding health services research, Australia is left competing for skilled researchers, often unsuccesfully. Alongside formal education programs, CHERE has developed a range of strategies to build research capacity.

CHERE aims to attract both skilled and experienced researchers to extend their interests from other fields to health; and people at a more junior stage of their careers who will make a commitment to work in this field. Over the last few years, we have recruited a number of leading economics researchers to join the CHERE team and we actively seek new collaborators from many disciplines to work on specific issues. This gives more junior researchers the opportunity to work with more experienced staff on research projects and hence develop their skills and expertise. All CHERE staff are involved in professional development. Programs may encompass short or specialised training courses, attendance at conferences, guidance in developing new expertise and acquiring experience, and support for study towards postgraduate qualifications, including PhDs.

CHERE actively pursues collaborative links with scholars and institutions, both overseas and within Australia. During 2002, our study leave visitors were Professor Bernie O’Brien, Professor in the Department of Clinical Epidemiology and Biostatistics at McMaster University in Canada and Professor Don Wright, from the discipline of Economics at the University of Sydney.

CHERE has an active dissemination program which encompasses publications in a range of journals, presentations across the range of economics, policy, public health and clinical conferences, as well as the publication of a regular newsletter, the publication of CHERE Discussion Papers and Technical Reports, and the Occasional Seminars in Health Economics. Further, we hope to build NSW Health capacity through all our interactions with the health system, both formal and informal, through research, education and policy support.
Visiting Fellows
Bernie O’Brien was a sabbatical visitor to CHERE for 6 months in 2002 and concurrently a visitor to the NHMRC Clinical Trials Centre. Bernie is a UK-trained health economist by profession and currently a Professor in the Department of Clinical Epidemiology and Biostatistics at McMaster University, Canada. In addition to his applied economic evaluation work in many different disease areas, Bernie is known for his contributions to methods in the areas of willingness-to-pay and also the statistical analysis of uncertainty in cost-effectiveness. Trading the snow of an Ontario winter for the heat of a Sydney summer was personally and professionally productive. Several papers were completed including two reviews of statistical methods in economics evaluation; an analysis of double discounting of QALYs; a within-subject comparison of utility scores from the Health Utilities Index and the new Short Form 6D; a tutorial on probabilistic sensitivity analysis a model for stratified cost-effectiveness analysis and an editorial comparing pharmaceutical cost containment policies in Ontario and Australia. Bernie very much enjoyed the friendly environment of CHERE - and looks forward to returning to the surf of Bondi Beach some day soon.

Donald J Wright is an Associate Professor of Economics in the Faculty of Economics and Business at the University of Sydney. He has a PhD from the University of British Columbia and has broad research interests, including, international trade, industrial organisation, and health economics. He visited CHERE from July to December 2002 and researched the Australian Pharmaceutical Benefit Scheme. His findings were presented at a CHERE seminar and will be released as CHERE working paper, #52. He also attended the AHES conference in Sydney where he acted as a discussant. At the end of his stay he began work on Economic Epidemiology, in particular, vaccination programs in Australia. Don is also the book review editor for the Economic Record.

Teaching and training
Throughout 2002 staff members taught in the following courses:
- Economics for Business at UTS - Rob Anderson, Emily Lancsar, Lorraine Ivancic.
- Planning and evaluating health services at UTS - Marion Haas, Madeleine King (Guest Lecturers).
- CHERE Workshop: Stated preference discrete choice modelling presented to the Department of Health and Aging - Rosalie Viney, Jane Hall, Elizabeth Savage.
- Getting Research into Practice, Master of Medicine, University of Sydney - Rosalie Viney (guest lecturer).
- Clinical Economics, Master of Medicine, University of Sydney - Rosalie Viney (co-ordinator); Philip Haywood.

Post graduate training
During 2002 the following staff members were enrolled in higher degrees:
- Emily Lancsar - Master of Economics, University of Sydney. Awarded First Class Honours
- Rosalie Viney - PhD, Economics, University of Sydney
- Ajsa Mahmic - Master of Public Health, University of Sydney

Students under supervision
The following students were supervised by CHERE staff during 2002
- Rosalie Viney (PhD), Emily Lancsar (Master of Economics) - Department of Economics, University of Sydney
- Sarah Dewilde - (Master of Health Economics) University of York summer placement.
ACADEMIC STAFF

Marion Haas is a Deputy Director and Principal Research Officer at CHERE and a senior lecturer in the Faculty of Business at the University of Technology, Sydney. Formerly a physiotherapist, she has a Master of Public Health (University of Sydney), a Graduate Diploma of Applied Epidemiology (NSW Public Health Officer’s Training Program) and was awarded her PhD in 2002. Her research interests include the application of economics to planning and evaluating health care, policy evaluation, economic evaluation of complex interventions, the use of qualitative research methods in health economics and health services research and the evaluation of health care from patients’ perspectives. Her PhD thesis examined the benefits of health care beyond health gain which are important to and preferred by patients.

Jane Hall is the founding Director of CHERE, having developed the original application for the establishment of the Centre and has served as Director since its inception. She is also Professor of Health Economics in the Faculty of Business at the University of Technology, Sydney. She studied undergraduate economics at Macquarie University and holds a PhD from the University of Sydney. Her current research interests include the evaluation of informal (unpaid) care; and the implications of genetic screening. She holds a number of positions in policy making forums, most recently as a member of the NSW Health Council. Jane is the president of the Health Services Research Association of Australia & New Zealand.

Madeleine King leads biostatistics and outcomes research at CHERE, and lectures in Health Services Research at the University of Technology, Sydney. She has first class honours in Science from the University of Sydney, and both a graduate diploma and PhD in Medical Statistics from the University of Newcastle. In addition to applied health services research, Madeleine has made several innovative contributions to the methodology of health-related quality of life (HRQOL) assessment, including pioneering work in interpreting the QLQ-C30. With her PhD completed last year, Madeleine is now pursuing a research agenda in QOL research that grew out of her PhD program. Her current research interests include the measurement, analysis and interpretation of HRQOL; the analysis of longitudinal outcomes data; the application of meta-analytic methods to patient-reported outcomes and economic evaluations; the application of econometric methods to consumer preferences and choice in public health programs; and statistical issues in cost-effectiveness analysis. In 2002, Madeleine was voted onto the Board of the International Society for Quality of Life Research, joined the Cochrane collaboration’s newly formed HRQOL methods group, became the advisor on statistics and outcome measurement for the Cochrane Consumers and Communication Review Group and became a corresponding member of the EORTC Quality of Life Group, demonstrating her commitment to international HRQOL research.

Elizabeth Savage joined CHERE in February 2002 as a Senior Lecturer in the Faculty of Business at UTS. Her research focuses on modelling individual behaviour, welfare measurement and policy evaluation. She has modelled the welfare impacts of policy reforms in a range of applied areas including health, taxation, labour markets and public sector pricing. Research with Wright (forthcoming in the Journal of Health Economics), which models adverse selection and moral hazard in Australian private hospitals, is amongst a small number of papers internationally, to model hospital utilisation jointly with the private insurance choice. She is a Principal Investigator on the NHMRC Program Grant on Individual Decision-Making, Welfare Measurement and Policy Evaluation in the Health Sector awarded to CHERE during 2002. With Denzil Fiebig and Rosalie Viney she was also awarded an ARC Discovery Grant in 2002. She is currently involved in research projects on private health insurance, health care utilisation, nursing workforce transitions, informal care, welfare measurement of health care interventions, and estimation of utility functions for health care.
Rosalie Viney is a Deputy Director and Principal Research Officer at CHERE, and a senior lecturer at The University of Technology, Sydney in the Faculty of Business. She has a Master of Economics from the University of Tasmania. Her research interests include valuation of health outcomes, health financing and delivery arrangements, resource allocation and priority setting, the interface between research and policy and decision making under uncertainty in health. Rosalie is currently undertaking a PhD in the Department of Economics at The University of Sydney, examining the role of risk and uncertainty in valuing health outcomes.

**RESEARCH STAFF**

**Rob Anderson** is a Senior Research Officer at CHERE with experience in health services research, economic evaluation and the comparative analysis of health policies. Until February 2001 he was MRC Research Fellow in Health Services Research at the University of Wales College of Medicine, in Cardiff (UK). Rob has a PhD from the University of Wales (College of Medicine), an MA in Applied Social Research from the University of Manchester, and an MSc in Health Policy, Planning and Financing from the London School of Economics. Since joining CHERE he has worked on various policy and economic evaluations encompassing cervical screening, genetic screening, shared care, non-clinical support for GPs and the economic benefits of health surveys. He has particular research interests in primary care policy, the economic evaluation of complex interventions and services, genetic screening, and issues surrounding how and why people access health services.

**Lorraine Ivanic** is a Research Officer at CHERE. She holds a Bachelor of Economics (Hons) from the University of NSW. As part of this degree Lorraine completed a thesis in which she tested the validity of two competing theories which seek to explain health care utilisation drivers, with particular reference to Australia’s ‘older’ population. Prior to joining CHERE Lorraine was a Research Economist at the Centre for International Economics, a private economic consultancy, where she worked on a diverse range of projects spanning the private and public sectors. Since joining CHERE, Lorraine has worked on a number of projects including economic evaluations, costing studies and an evaluation of the cost-effectiveness literature for the lung cancer management guidelines.

**Patsy Kenny** is a Senior Research Officer. She has a Bachelor of Arts and Master of Public Health from the University of Sydney and has a clinical background in nursing. She has contributed to projects covering a range of topic areas including: quality of life in early stage breast cancer; patient participation in treatment decision making, evaluation of midwifery care, parents’ choices in childhood immunisation, evaluation of PET, costs of asthma and the incorporation of the work of unpaid carers into the evaluation of health services. Her research interests include measurement of quality of life and consumer views in health care evaluation, in addition to approaches to combining qualitative and quantitative research methods.

**Emily Lancsar** is a Senior Research Officer at CHERE. She has a Bachelor of Economics and a Bachelor of Arts from the Australian National University, a Postgraduate Diploma in Health Economics and Evaluation from Monash University and a Master of Economics (First Class Honours) from the University of Sydney. Prior to joining CHERE she was an officer at the Commonwealth Department of Health and Ageing where she was originally part of the graduate and cadet health economists programs and also spent time in the Northern Territory on secondment to Territory Health Services. Emily’s current research interests include investigating the methodological issues involved in deriving measures of welfare, or value, from stated preference discrete choice experiments and investigating the equity of access to GP services in Australia. Emily is Project Manager of CHERE’s contribution to the Cooperative Research Centre for Asthma which involves two major projects: an economic evaluation alongside a RCT of 3 asthma medications and a longitudinal cohort study investigating the economic burden of asthma. Emily has also contributed to a number of consultancy projects at CHERE including the evaluation of the NSW Adult Drug Court and is Vice President of the Australian Health Economics Society.

**Ajsa Mahmic** joined CHERE in September 2001 as a part-time Research Assistant. She has a Bachelor of Science from the University of NSW and a Graduate Diploma in Teaching from Charles Sturt University. She is currently completing a Master of Public Health at the University of Sydney. Her research experience is in asthma, and prior to joining CHERE, Ajsa worked at the Institute of Respiratory Medicine for a number of years. Currently at CHERE, she is working on the CRC for Asthma study, project 9, which is a longitudinal cohort study investigating costs and utilisation.

**Jo Thompson** joined CHERE in August 2002 as a Research Assistant. She has a Bachelor of Science (Hons) from the University of Liverpool (UK). Prior to joining CHERE, Jo worked in the Drug Addiction Unit at the University of Sheffield (UK), where she completed a research project investigating multi-vulnerable individuals. At CHERE she is working on the evaluation of PET, Tai Chi as a method of falls prevention in the elderly, and evidence based effect sizes for FACT-G.

**Emma Warren** joined CHERE as a Research Officer in October 2002. She has a Master of Economics from the University of Sheffield (UK). Prior to joining CHERE, Emma was an Operational Research Analyst at the School of Health and Related Research (ScHARR), University of Sheffield where her main role was the use of modelling in assessing the cost-effectiveness of new technologies (primarily for the National Institute of Clinical Excellence, NICE). She also gained experience in the use of modelling to support operational decision making in the NHS e.g. hospital bed planning. In her time at CHERE Emma has been working on a project to evaluate the cost-effectiveness of prison methadone in NSW.
SUPPORT STAFF

Liz Chinchen is the Centre’s Information Officer. She has a Bachelor of Applied Science (Information) from the University of Technology, Sydney. Liz is responsible for the management of the Centre’s library, which consists of a large number of books, reports, discussion papers and journal articles. She works closely with the researchers on a variety of projects, providing a current awareness service, undertaking literature searches and locating and providing relevant information as required. Liz also maintains CHERE’s web site and is responsible for the publication of the Annual Report. Another of Liz’s responsibilities includes working closely with the Executive of the Health Services Research Association of Australia & New Zealand and providing the Association with administration support as required.

Serena El Cham is the Centre’s Administration Officer and is usually the initial point of contact at CHERE. Serena contributes to the day to day running of the centre by providing administrative support to the researchers, support staff and the management team. Her key responsibilities include assisting the Accountant with a range of duties, the distribution and maintenance of CHERE’s mailing list and the management of the Kronos pay system. Serena also helps the researchers on different projects by transcribing research interviews and in the input of research data.

Catherine Kinsella is CHERE’s Accountant. She has a Bachelor of Commerce degree and is a Certified Practising Accountant (CPA). Catherine is responsible for the ongoing management of the internal accounts and financial reporting systems. This involves liaising with the Finance Departments of the Central Sydney Area Health Service, the University of Technology, Sydney and the University of Sydney, as well as organising the Centre’s income and expenditure processing and compliance with GST and other legislation.

Gretchen Togle is Executive Assistant to the Centre’s Director, Jane Hall. Her role revolves around the Director’s functions as well as providing administrative, organisational and secretarial support to other members of staff. She is the Program Assistant for the US-based Commonwealth Fund’s Harkness Fellowship Program, which is officially represented in Australia by Jane Hall.

RESEARCH ASSOCIATES AND AFFILIATES

Denzil Fiebig is a Professor of Economics and Head of the School of Economics at the University of New South Wales and is an Adjunct Professor at CHERE. His research interests are in applied econometrics with emphasis on the areas of energy, telecommunications and more recently health. During his time at CHERE Denzil’s research has focussed primarily on applying models of strategic behaviour and interaction to household decision making with respect to various choices in health. Recent research includes: (1) investigation of the decision-making process involving doctors and patients; (2) modelling the demand for medical care and how it relates to having private health insurance; (3) modelling how choices made by spouses influences the smoking behaviour of their partners. Denzil was a member of the team comprising researchers from CHERE, University of Technology, Sydney and the University of Sydney, that was awarded an NHMRC program grant that will support the continuation of his research agenda. Denzil has also provided econometric support for a number of CHERE projects and has been a member of appointment panels for several new staff.

Jordan Louviere joined CHERE in 1999 as a part-time Research Associate. Jordan is Professor of Marketing in the Faculty of Business at the University of Technology, Sydney (UTS) and Director of the Centre for the Study of Choice (CenSoC). Jordan’s PhD is from the University of Iowa in human geography and transportation planning, and he changed careers in 1978 to join the marketing department at the University of Iowa. Jordan’s research interests are in human judgment, decision-making and choice behaviour, and in a variety of related sub areas, such as design of choice experiments, methods of preference elicitation, pooling sources of preference and choice data and the external validity of laboratory experiments. Jordan recently completed work on two Australian Research Council large grants in the area of the design and testing of statistically efficient choice experiments (with Deborah Street, Department of Mathematical Sciences, UTS) and in consumer responses to ethical product attributes like the use of child labour in production, animal testing of products, etc. (with Timothy Devinney, AGSM), and recently received an Australian Research Council Discovery Grant to develop probabilistic discrete choice models for single individuals (with Deborah Street, Department of Mathematical Sciences, UTS) and in consumer responses to ethical product attributes like the use of child labour in production, animal testing of products, etc. (with Timothy Devinney, AGSM). Jordan’s research interests are in human judgment, decision-making and choice behaviour, and in a variety of related sub areas, such as design of choice experiments, methods of preference elicitation, pooling sources of preference and choice data and the external validity of laboratory experiments. Jordan recently completed work on two Australian Research Council large grants in the area of the design and testing of statistically efficient choice experiments (with Deborah Street, Department of Mathematical Sciences, UTS) and in consumer responses to ethical product attributes like the use of child labour in production, animal testing of products, etc. (with Timothy Devinney, AGSM). The MSISEs are also part of the Centre’s research teams, along with the Centre’s staff, the Centre’s researchers and the Centre’s Affiliates. The MSISEs are also part of the Centre’s research teams, along with the Centre’s staff, the Centre’s researchers and the Centre’s Affiliates.
MEMBERSHIPS
Australian Health Economics Society (AHES)
Rob Anderson, Marion Haas, Emily Lancsar, (Executive Member), Rosalie Viney (Executive Member), Jane Hall, Madeleine King, Elizabeth Savage
International Health Economics Association (IHEA)
Rob Anderson, Marion Haas, Emily Lancsar, Rosalie Viney, Madeleine King, Jane Hall (Executive Member), Elizabeth Savage
Economic Society of Australia (NSW Branch)
Rosalie Viney, Elizabeth Savage
Health Services Research Association of Australian & New Zealand (HSRAANZ)
Rob Anderson, Marion Haas, Rosalie Viney (Executive Member), Jane Hall (Executive Member), Madeleine King, Patsy Kenny, Elizabeth Savage
Australasian Evaluation Society
Rob Anderson
Australian Library and Information Association (ALIA)
Liz Chinchen
International Society for Quality of Life Research
Madeleine King
International Society of Clinical Biostatistics
Madeleine King
Statistical Society of Australia (NSW Branch)
Madeleine King
Clinical Oncology Society of Australia (NSW)
Madeleine King
Public Health Association (PHA)
Patsy Kenny; CHERE (Corporate Membership)

REVIEWS WERE CONDUCTED BY CHERE STAFF FOR THE FOLLOWING JOURNALS:
Health Economics
Applied Health Economics and Health Policy
Australasian Evaluation Society 20th International Evaluation Conference
Australian and New Zealand Journal of Public Health
Social Science and Medicine
Medical Journal of Australia

EDITORIAL ROLES BY CHERE STAFF FOR:
Health Economics
Health & Social Care in the Community
NSW Public Health Bulletin
Australian & New Zealand Journal of Public Health
Australian Journal of Labour Economics

COURSES ATTENDED BY CHERE STAFF
Social epidemiology and the social determinants of health, Deakin University, Melbourne, 24-28th June 2002
Patsy Kenny
Introduction to Microsoft Project 98, UTS, 27th November 2002
Patsy Kenny
Choice modelling postgraduate seminar by Professor Jordan Louviere
Emily Lancsar

CONFERENCES ATTENDED BY CHERE STAFF
Jane Hall, Marion Haas, Rosalie Viney, Elizabeth Savage, Emily Lancsar, Rob Anderson, Lorraine Ivancic, Denzil Fiebig
Econometric Society Australasian Meeting, Brisbane, July 2002
Denzil Fiebig, Emily Lancsar
Health Outcomes 2002: Current Challenges and Future Frontiers, Canberra, July 2002
Madeleine King
Jane Hall
9th Annual Conference of the International Society for Quality of Life Research, Orlando, Florida, USA, Oct/Nov 2002
Madeleine King
Cooperative Research Centre for Asthma Conference, Sydney, December 2002
Patsy Kenny, Emily Lancsar, Ajsa Mahmic