

*Centre for Health Economics Research & Evaluation*

**CHERE**

---

***Annual***

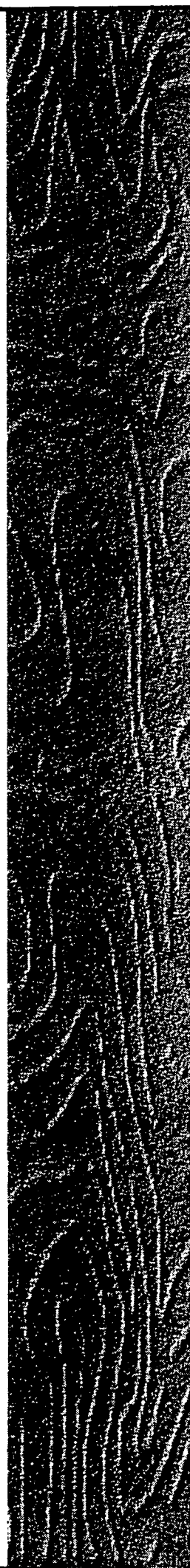
---

***Report***

---

**1994**

---



*Centre for Health Economics Research & Evaluation*

**CHERE**

---

***Annual***

---

***Report***

---

***1994***

---



## CONTENTS

Director's Report	1
Research	4
Education	19
Policy Support	21
Advisory Committee	23
Staff and Associates	24
Publications 1994	26
Seminars and Presentations	29

## DIRECTOR'S REPORT

This year has been one of expansion for CHERE. The academic standing of the Centre has been strengthened with the establishment of the first Chair in health economics at the University of Sydney. An increase in the core grant from NSW Health and the commitment to five year funding has provided a more secure base from which to operate. The Public Health Education and Research Program (PHERP) grant for a special centre in health economics has ensured both the impetus and the resources to develop a number of specialist electives in health economics within the Master of Public Health. It has also enhanced the links between CHERE and the University.

The links with NSW Health have also been strengthened over this year, principally through the Department's Health Outcomes Program.

### Funding

Core funding continues to be provided primarily by NSW Health. Educational activities are supported by a grant from the Australian Health Minister's Advisory Council and from the Commonwealth Department of Human Services and Health and PHERP. Approximately half of the ongoing funding is from research grants and commissioned projects.

### Research

At the beginning of 1994, the research program was reviewed and a new research strategy was developed. From this, six major research themes were clarified. These provide the focus for our research and identify the methodological directions we hope to pursue. Overall, our research aims to explore the contribution of health and health care to individual and social welfare. Much of the applied research involves economic evaluation.

The research themes are:

**Economic evaluation:** the development of the methods of economic evaluation.

**Health related quality of life:** the assessment of health status outcomes and the valuation of those outcomes in terms of QALYs and HYE's.

**Non-health outcomes:** analysis of the extent to which patient choice and satisfaction with care processes are valued additionally to health as benefits of health care. This theme includes the value of information both to the consumer of health care and to the provider (ie information in medical decision-making).

**Equity in health care:** the interpretation of equity in health care is open to several meanings, including access to care, utilisation of care, and health outcomes. Clarification of the meaning of equity is essential to the setting and monitoring of equity objectives in health care.


**The economics of health:** most health economics is concerned with the economics of health care. The production and distribution of health can also be investigated using the insights of economics.

**Economics and health care decision making:** projects may be commissioned or evolved in collaboration with decision-makers to aid analysis of current issues. These are frequently economic evaluations.

### Education

CHERE's educational programs encompass

- \* health economics within formal public health education,

- 
- \* practical experience and career development in health economics applied to public health, health policy, and management,
  - \* professional development of health economists,
  - \* teaching of health economics to economists.

Teaching within the University of Sydney in both the Departments of Public Health and of Economics continues. The development of a number of new electives in the Master of Public Health course has commenced; these will be offered in 1995. Further development of health economics within the Department of Economics is being sought, particularly in the graduate program.

CHERE has worked with the National Centre for Health Program Evaluation at Monash University to develop a national training effort in health economics. CHERE staff teach in the Monash Graduate Diploma in Health Economics and Evaluation.

The University of Sydney Faculty of Medicine is moving to a new post graduate medical degree. CHERE staff have contributed to the development of the community-doctor theme of the curriculum.

## **Policy Support**

The settings and circumstances under which health economics is relevant and used by health care planners, policy makers, and managers, are not well identified. CHERE aims to identify appropriate opportunities. The application of economic evaluation methods is one avenue. Projects may be directly commissioned by NSW Health or others. Priority is given to those bodies who support CHERE through the provision of core funding.

During 1994, CHERE worked with NSW Health on a range of issues, mainly through the Health Outcomes Program. Increasingly CHERE's service role is being fulfilled by working directly with policy makers. CHERE members sit on various committees and working parties, including the NSW Health Outcomes Forum and local Health Outcomes Councils. CHERE has provided advice and support to a number of health outcomes projects. With NSW Health, CHERE is helping Areas and Districts apply program budgeting and marginal analysis in a series of demonstration projects. CHERE has remained a focus for advice and consultation across our local hospital and area staff, other hospitals, Areas and Districts, other government departments and agencies.

Members of CHERE are also involved in national committees and working parties, including a number of NHMRC committees.

A further component of the service role is the provision of specialised seminars and specially designed short courses.

## **Staffing**

It has been a year of new arrivals in CHERE. Gavin Mooney took up the Chair in Health Economics early in the year. He brings a wealth of experience and a depth of intellectual rigour to the group. It is a great compliment to what CHERE has already been able to achieve that he has chosen to join us.

Marion Haas has been welcomed back to the Centre after completing the Public Health Officer Training Program. Marion previously spent a year at CHERE on secondment as part of this training. The new faces include Rosalie Viney, Simon Eckermann, Virginia Wiseman and Robert Carruthers. Rosalie had previously worked as a policy analyst in NSW Health and joins the Centre as a Research Fellow. The Centre's Administrative Coordinator, Sharon Cleland, left to join the Northern Sydney Clinical School and has been replaced by Pamela Everingham. Alan Shiell has transferred to the PHERP funded program to head up the development of the new courses. However, he remains Deputy Director of CHERE.

## **The Future**

At the end of 1994, CHERE has become a strong and stable group of health economists and collaborating researchers. It has a reasonably secure financial base, academic standing and good links with policy makers. Our strategic directions, set in the light of NSW Health strategic policy, particularly the Health Outcomes Program, provide the focus for our research, teaching and service activities. It now seems appropriate to review the organisational and accountability mechanisms under which CHERE works to ensure that they meet the expanding demands and expectations of its sponsors.

## **Acknowledgments**

CHERE gratefully acknowledges the continuing support of the NSW Health Department, especially the commitment and openness of Mr John Wyn Owen, Director General, and Dr George Rubin, Chief Health Officer, to research and development. Professor Stephen Leeder, as Head of the Division of Community Medicine and Chair of the Advisory Committee, has been a source of encouragement and wise counsel. The financial and administrative support provided by Westmead Hospital and Western Sydney Area Health Service is much appreciated.

Our special thanks go to all the individuals and departments who have worked with us over the last year and to all those funding agencies who have supported our work.

As Director, my thanks go to all staff for their commitment, hard work and loyalty. Alan Shiell as Deputy Director, Gavin Mooney and Rosalie Viney have been generous and enthusiastic in their support and make me confident in predicting an even more exciting and successful year ahead.



Dr Jane Hall, Director

## **RESEARCH**

### **CHERE's Strategic View**

The research themes identify CHERE's areas of expertise. Particular projects or topics contribute to developments in health economics, develop our own expertise, allow the application of economic methods, and provide training opportunities both for CHERE staff and for those others with whom we work collaboratively. In addition, research grants and commissioned projects bring in funds which support CHERE's consolidation and development.

Research themes selected should be relevant to the priorities of CHERE's main sponsor, NSW Health. As CHERE is a health economics group, our research themes are defined in terms of economic issues, not by diseases or target groups for services. Further, our research themes should be those to which, given our existing expertise and skills, we can contribute significantly at a local, national and even international level.

### **Research Themes**

#### **1. Methods of economic evaluation**

Many of the projects underway at CHERE are economic evaluations. Wherever possible, the investigation of methodological issues is incorporated into practical and applied projects. During 1994, work has proceeded on the issue of indirect costs, their valuation and the appropriateness of inclusion in cost effectiveness or cost utility ratios. The topic of unpaid care as an input to health care and the impact of providing such care is another area of inquiry.

#### **2. Health related quality of life**

Cost utility analysis requires the measurement of benefits in Quality Adjusted Life Years (QALYs) or similar measures. Work is currently underway exploring the different valuation methods used to derive such measures. However, before valuation, a valid description of health related quality of life is required. Another major topic of work is the comparison of different instruments which measure quality of life and the assessment of the appropriate methods of statistical analysis.

#### **3. Non-health related outcomes**

Non-health related outcomes are concerned largely with the process of care and include such things as information, satisfaction and choice. Many of the economic evaluations include non-health outcomes, such as patient satisfaction with the care provided. Methods of measuring these factors are being investigated.

#### **4. Equity**

Most, if not all, health systems endorse both equity and efficiency as goals. However, it is not clear what equity in health policy does or should mean to decision-makers, or to the community. The work underway is attempting to explore the interpretation of equity, to clarify the policy objective and to see how it can be incorporated into decision making.

#### **5. Economics of health**

Health is the outcome of many factors, including socio-economic status and lifestyle choices. The contribution of health care is relatively minor. Research is developing which can explore the contribution of these other factors to health, as well as assessing the contribution that health makes to individual well-being and social welfare.

#### **6. Economics and health care decision-making**

Many of the projects underway are aimed specifically at informing decision makers, from the central office of NSW Health to clinicians. As well as using current research to aid decision making, CHERE is investigating what circumstances enhance the value added by health economics advice.

## CHERE RESEARCH PROJECTS FOR 1994

PROJECT	THEMES						INVESTIGATORS	STATUS
	1. Economic Evaluation	2. Quality of Life	3. Non-health Outcomes	4. Equity	5. Health Care	6. Planning		
Evaluation of Domiciliary Chemotherapy	✓	✓	✓				<i>Jane Hall Madeleine King Sue Cameron Robert Carruthers Howard Gurney Paul Harnett</i>	Current
Early Stage Breast Cancer	✓	✓	✓				<i>Alan Shiell Patsy Kenny Madeleine King Sue Cameron Janelle Seymour John Boyages Alan Langlands</i>	Current
LIPID	✓		✓				<i>Jane Hall Virginia Wiseman Paul Glasziou Sarah Mulray John Simes Andrew Martin</i>	Current
Quality of Life in Cancer		✓					<i>Madeleine King</i>	Current
PBMA						✓	<i>Gavin Mooney Marion Haas Rosalie Viney</i>	Current
Team Midwifery Project	✓		✓				<i>Patsy Kenny Jane Hall Simon Eckermann Pat Brodie</i>	Completed
Cost-effectiveness of Screening for Colorectal Cancer in Australia	✓						<i>Glenn Salkeld Graeme Young Les Irwig Marion Haas Paul Glasziou</i>	Completed
Cost-effectiveness of CVD Prevention	✓					✓	<i>Rosalie Viney Marion Haas Janelle Seymour</i>	Completed
Cost-effectiveness of a CVD Risk Reduction Program in General Practice	✓						<i>Glenn Salkeld Philyrath Phongasavan Bruce Oldenburg Magnus Johannesson</i>	Completed



**PROJECT**

**THEMES**

**INVESTIGATORS**

**STATUS**

1. Economic Evaluation

2. Quality of Life

3. Non-health Outcomes

4. Equity

5. Health Care

6. Planning

Clinical Budgeting in Allied Health, Westmead



*Marion Haas  
Jane Hall  
Sharelle Murphy  
Elizabeth Iskander  
Michael Price*

Current

Diabetes Health Outcomes Prototype



*Rosalie Viney  
Marion Haas  
Jane Overland  
Dennis Yu  
Maria Constantina*

Current

Illawarregon



*Rosalie Viney  
David Cromwell  
John Halsall  
Don Hindle  
Kathy Eagar*

Current

Early Return to Normal Activities



*David Ross  
Jane Hall  
Virginia Wiseman  
Rob Denniss  
Pramesh Kovoov  
Fiona Moir  
Elizabeth Wallace*

Current

Economics of Disease Surveillance & Preventative Strategies in the Workplace



*Glenn Salkeld  
Charles Kerr  
Steve Morrell  
Richard Taylor  
Stephen Corbett*

Completed

Review of Economic Evaluations in Australia



*Glenn Salkeld  
Peter Davey  
Gaston Arnolda*

Completed

Public/Private Provision of Rehabilitation for Older People



*Ian Cameron  
Wes Baker  
Glenn Salkeld*

Current

Health Gains



*Gavin Mooney  
Stephen Jan  
Virginia Wiseman*

Current

Cost-effectiveness of Intensive Case Management for Schizophrenia



*Susan Johnston  
Glenn Salkeld*

Current

**PROJECT**

**THEMES**

**INVESTIGATORS**

**STATUS**

1. Economic Evaluation

2. Quality of Life

3. Non-health Outcomes

4. Equity

5. Health Care

6. Planning

Quality of Life in Older People

A Feminist Perspective on Health Economics

Implications of Industry Sponsored Economic Research

Improving the Management and Outcomes of Dyspepsia

Palliative Care GP Program

7 Equity and Health

Communitarianism and Health

Cost-effectiveness of continuous ambulatory peritoneal dialysis

Preferences for Health

Diabetes Outcomes in South Western Sydney

Valuation of Time Costs

Cost-effectiveness of Bee Venom Immunotherapy

Hospital Productivity



*Glenn Salkeld*  
*Charles Blumer*

*Jane Hall*  
*Rosalie Viney*  
*Virginia Wiseman*

*Jane Hall*  
*Rosalie Viney*

*Johanna Westbrook*  
*Louise Rushworth*  
*Robert Batey*  
*Kerry Goulston*  
*Geoffrey Berry*  
*Rosalie Viney*

*Marion Haas*  
*Jane Hall*  
*Phillip Lee*  
*Tony Odum*  
*Howard Gurney*

*Gavin Mooney*

*Gavin Mooney*

*Elizabeth Yuill*  
*David Harris*  
*Janelle Seymour*

*Stephen Jan*  
*Gavin Mooney*

*Jeff Flack*  
*Elsbeth van Arkel*  
*Gordana Strumfin*  
*Dorothy Choi*  
*Stephen Jan*

*Adrian Bauman*  
*Sally Davies*

*Stephen Jan*  
*Jane Hall*  
*John Posnett*

*Simon Eckerman*  
*Bradley Frankum*  
*Connie Katelaris*  
*Helen Hill*

*Simon Eckermann*

Current

Current

Current

Current

Current

Current

Current

Current

Completed

Completed

Completed

Completed

Completed

### **Evaluation of domiciliary chemotherapy**

Jane Hall, Madeleine King, Sue Cameron, Robert Carruthers, Howard Gurney<sup>1</sup>, Paul Harnett<sup>1</sup>

This study is a prospective evaluation of domiciliary chemotherapy compared with standard hospital-based chemotherapy. Domiciliary care offers the patient home comforts, reduces travel to the hospital, and frees up hospital facilities under heavy demand. The evaluation is being conducted in two Western Sydney hospitals, Westmead and Nepean. While other home-based schemes are operating in Tasmania and Victoria, this is the only comprehensive evaluation of both costs and impact on patients and their carers. The impact is assessed in relation to patient satisfaction, quality of life and compliance, and staff and carer satisfaction. This is a prospective cross-over study, which means that each patient is provided with both home and hospital care, with the order of treatment being randomly allocated. If the results of the pilot are promising, the hospital will provide the service to a range of cancer patients, saving them the burden of repeated trips to hospital and waiting time in the chemotherapy clinic.

Funding source: NSW State Cancer Council  
Status: Current  
Publications/  
Reports to date: AMOS N, HOLLINS M. Establishing a domiciliary chemotherapy service. Cancer Forum 1994; 18(3) 168-171.  
AMOS N, HOLLINS M, MAHER L, MORAN D. Establishing a domiciliary chemotherapy service. Proceedings of the 21st Annual Scientific Meeting of the Clinical Oncology Society of Australia, 1994.  
Acknowledgment: 1. Departments of Medical Oncology, Westmead Hospital & Nepean Hospital

### **Costs and Quality of life in early stage breast cancer**

Alan Shiell, Patsy Kenny, Madeleine King, Sue Cameron, Janelle Seymour, John Boyages<sup>1</sup>, Alan Langlands<sup>1</sup>

This is a descriptive study of quality of life (QOL) following treatment for early stage breast cancer. This study compares mastectomy with lumpectomy and radiation in terms of costs and quality of life. The overall aim of this project is to assist clinicians and women in the choice of the best treatment for early stage breast cancer, by providing comprehensive information about quality of life. The specific aim of this project is to describe relevant dimensions of QOL in women with early stage breast cancer. A set of self-completed questionnaires covering the relevant dimensions of QOL are being used to describe short-term and long-term effects of treatment. We are assessing the following dimensions of QOL: physical symptoms, physical function, mood, fear of recurrence, body image, sexual function, relationships (partner, children, friends), role function (home, social, work) and general well-being. In addition to a descriptive assessment of quality of life and individual valuation of own health outcome, this project will contribute to the understanding of valuation methodologies currently used in health economics.

Funding source: PHRDC, NHMRC  
Status: Current  
Acknowledgment: 1. Department of Radiation Oncology, Westmead Hospital.



Alan Shiell, Deputy Director

### **Long term intervention with pravastatin in ischaemic disease (LIPID)**

Jane Hall, Virginia Wiseman, Paul Glasziou<sup>1</sup>, Sarah Mulray<sup>1</sup>, John Simes<sup>1</sup>

LIPID is a randomised controlled trial of 8,000 patients. Its aim is to determine whether HMG-CoA reductase inhibitors reduce coronary heart disease mortality in post myocardial infarction or unstable angina pectoris patients. For the most part, outcomes considered in economic evaluation are only those of the patient (the recipient of care). However, this study considers not just the quality of life of patients as an outcome measure but recognises that the impact of illness extends beyond the person who suffers from it, and particularly affects the main care-givers. Once it is recognised that the provision of informal care affects the care-giver's health status, then health outcomes for the care-giver must also be taken into account. We have now completed an extensive review of the relevant literature and have devised a framework for evaluating the impact of illness on carers. The framework has two dimensions, the inputs and the impact of informal care. Inputs include daily activities and financial costs. Impact is described in terms of opportunities lost/gained and mental/physical health. Piloting of questionnaires is scheduled to begin in May/June 1995.

Funding source: National Heart Foundation  
Status: Current  
Publications/  
Reports to date: DAVEY P, HALL J, SEYMOUR J. Cost effectiveness of pravastatin for secondary prevention of IHD - feasibility and pilot study, CHERE Discussion Paper 17, 1993.  
Acknowledgment: 1. NHMRC Clinical Trials Centre

### **Assessing quality of life (QOL) in cancer**

Madeleine King

This project is about the measurement and statistical analysis of quality of life (QOL). It uses two instruments for the empirical component: the Functional Living Index - Cancer (FLIC) and the Quality of Life Questionnaire Core module (QLQ-C30). Given that the two instruments were designed for the same purpose, investigators will be interested in whether they produce the same results when used to discriminate between groups of patients which differ in health status. The study considers the distinction between statistical significance and clinical importance in QOL measures, considering the features of QOL scales which are important when choosing statistical methods.

Funding source: Public Health Research Scholarship, NHMRC  
Status: Current  
Publications/  
Reports to date: KING MT, DOBSON AJ, HARNETT PH. A comparison of two quality-of-life questionnaires for cancer clinical trials: the Functional Living Index - Cancer (FLIC) and the Quality of Life Questionnaire Core module (QLQ-C30). J Clin Epi (in press).  
KING MT. Clinical importance and statistical significance of QLQ-C30 scores. Quality of Life Research (submitted).  
Acknowledgment: Annette Dobson, Centre for Clinical Epidemiology and Biostatistics, University of Newcastle.

## Program budgeting and marginal analysis

Gavin Mooney, Marion Haas, Rosalie Viney

CHERE has been funded by NSW Health to liaise with some of the Area and District Health Services in NSW to implement demonstration projects in Program Budgeting and Marginal Analysis (PBMA). This process is a mechanism for assisting in priority setting in resource allocation. It involves identifying, according to programs such as care of the elderly, mentally ill, surgery, etc., what monies are being spent where (program budgeting). Thereafter questions are posed with respect to the margins of these different programs (marginal analysis) as to whether some movement of funding between programs would result in some overall better outcome with the resources involved. A series of seminars will be held to show what is involved with PBMA both in principle and practice and Areas and Districts will be asked to volunteer to be involved in demonstration projects.

Funding source: NSW Health Department  
Status: Current  
Publications/  
Reports to date: MOONEY G, JAN S, SEYMOUR J, The NSW health outcomes initiative and economic analysis. Aust J of Public Health 1994; 18(3): 224-49.  
SHIELL A, HALL J, JAN S, SEYMOUR J, Advancing health in NSW: Planning and economic framework. CHERE Discussion Paper No. 23 1993.

## Team midwifery project

Patsy Kenny, Jane Hall, Simon Eckermann, Pat Brodie<sup>1</sup>

The Team Midwifery Project was an economic evaluation of a new way of organising midwifery care and included measurement of non-health outcomes of health care. Team midwifery care involved women being assigned to a team of midwives who are responsible for their care during all phases of maternity care rather than usual hospital care where women are attended by different midwives in the antenatal, delivery and postnatal units. The project was a randomised trial comparing team midwifery care to usual hospital maternity care in terms of costs, rates of medical intervention during childbirth, maternal and infant complications and maternal satisfaction with care.

Funding source: Western Sydney Area Health Service, National Women's Health Initiative.  
Status: Completed  
Publications/  
Reports to date: KENNY P, BRODIE P, ECKERMANN S, HALL J. Westmead Hospital Team Midwifery Project Evaluation. Final Report. October 1994.  
Acknowledgment: 1. Team Midwifery, Westmead Hospital.



A client on the Team Midwifery Program at Westmead Hospital

### **Cost-effectiveness of faecal occult blood testing for colorectal cancer in Australia.**

Glenn Salkeld, Graeme Young<sup>1</sup>, Les Irwig<sup>2</sup> Marion Haas, Paul Glasziou<sup>3</sup>,

Evidence of the effectiveness, compliance with, and cost-effectiveness of annual faecal occult blood testing is incomplete. The working party of the Australian Gastroenterology Institute and the Australia Cancer Society do not recommend routine population-based screening. However, they do recommend that pilot screening programs be established to evaluate various approaches. More information on the cost-effectiveness of screening should be available before proceeding to commit resources to pilot projects and any expansion of screening services.

Funding source:           CHERE core funding  
Status:                    Completed  
Publications/  
Reports to date:        TOWLER B, IRWIG L, GLASZIOU P, HAAS M, PLUNKETT A, SALKELD G.  
Potential benefits and harms of screening for colorectal cancer. Aust J of Public Health 1995; 19(1): 24-8.  
Acknowledgment:        1. Department of Medicine, University of Melbourne  
                                  2. Department of Public Health, University of Sydney  
                                  3. Department of Social & Preventative Medicine, University of Queensland

### **Cost-effectiveness of cardiovascular disease prevention: health promotion strategies to reduce the prevalence of smoking.**

Rosalie Viney, Marion Haas, Janelle Seymour

The aim of this project was to undertake an economic evaluation of a range of health promotion strategies to reduce the prevalence of smoking. This provides a summary of available knowledge based on published evidence, which will be useful for health promoters in making resource allocation decisions. Based on the evaluation, the most cost-effective strategies are those which are able to achieve large coverage of the population, such as mass media campaigns and opportunistic advice from general practitioners. This report also addresses the issue of how cost-effectiveness information can be used to inform health promotion policy. The report suggests that to address issues in health promotion policy, a framework for setting priorities in health promotion resource allocation is needed. This framework should take into account the objectives of health promotion, the results of economic evaluation and other factors such as target group, equitable distribution of resources and the need to invest in a broad range of strategies.

Funding source:        NSW Health Department  
Status:                   Completed  
Publications/  
Reports to date:        VINEY R, HAAS M, SEYMOUR J. Cost-Effectiveness of Cardiovascular Disease Prevention: Health Promotion Strategies to Reduce the Prevalence of Smoking. NSW Health, December 1994.

### **Cost-effectiveness of a CVD risk reduction program in General Practice**

Glen Salkeld, Philyrath Phongasavan<sup>1</sup>, Bruce Oldenburg<sup>2</sup>, Magnus Johannesson<sup>3</sup>

The aim of the 'Fresh Start' program is to diffuse and disseminate printed information and educational videos on CVD risk reduction amongst general practitioners. This in turn 'predisposes' GPs to consider changing patient screening practices and to encourage patients to adopt a healthier lifestyle. This economic evaluation examines the cost-effectiveness of three dissemination strategies in three Divisions of General Practice in South Western Sydney.

Funding source: General Practice Evaluation Program  
Status: Completed  
Publications/  
Reports to date: Final report submitted to the General Practice Evaluation Program  
Acknowledgment: 1. Department of Community Medicine, University of NSW  
2. Queensland University of Technology  
3. Centre for Health Economics, School of Economics, University of Stockholm

**A clinical budgeting pilot program in the Division of Allied Health, Westmead Hospital**

Marion Haas, Jane Hall, Sharelle Murphy<sup>1</sup>, Elizabeth Iskander<sup>1</sup>, Michael Price<sup>2</sup>

The major objective of this pilot project is to test the feasibility of a clinical budgeting model based on the creation of an "internal market" for allied health services in Westmead Hospital. CHERE's role is one of evaluation of the availability and usefulness of the data systems used to measure allied health inputs and outputs, the differences in resource allocation before and during the pilot project and the overall impact the introduction of clinical budgeting will have on both allied health and clinical departments in Westmead Hospital. A pilot service agreement will be implemented between the Speech Pathology Department in March 1995, and the evaluation of the project will be completed in October 1995.

Funding source: CHERE core funding  
Status: Current  
Acknowledgment: 1. Department of Allied Health, Westmead Hospital  
2. Department of Geriatrics, Westmead Hospital

**Diabetes health outcomes prototype: program budgeting and marginal analysis**

Rosalie Viney, Marion Haas, Jane Overland<sup>1</sup>, Dennis Yu<sup>1</sup>, Maria Constantina<sup>1</sup>

This project is closely linked with CHERE's other work on PBMA. Diabetes management is being developed by the NSW Health Department as a prototype for a health outcomes approach in NSW. As part of this, CHERE has contributed to the Project Team developing the prototype. In particular, CHERE's role has been to provide advice on linking health outcomes and resource allocation, based on the PBMA framework. CHERE is currently working with the Diabetes Centre at RPAH and the NSW Health Department to apply the PBMA framework within diabetes management at RPAH.

Funding source: CHERE core funding  
Status: Current  
Acknowledgment: 1. Diabetes Centre, Royal Prince Alfred Hospital  
2. NSW Health Department.

**Illawarregon: Developing resource allocation priorities within an Area Health Service**

Rosalie Viney, David Cromwell<sup>1</sup>, John Halsall<sup>1</sup>, Don Hindle<sup>1</sup>, Kathy Eagar<sup>1</sup>

The aim of this project is to develop a framework which will assist in rationing health resources. The approach involves the construction of a linear programming model of resource allocation, based on information about the costs and effectiveness of and demand for the available treatments. The model is a decision support system because it assists in analysing alternative options, rather than dictating the solution.

Funding source: DEET  
Status: Current  
Acknowledgment: 1. The Centre for Health Service Development, Wollongong University.  
2. Illawarra Area Health Service

#### **Early return to normal activities (ERNA)**

David Ross<sup>1</sup>, Jane Hall, Virginia Wiseman, Rob Denniss<sup>1</sup>, Pramesh Kovoov<sup>1</sup>, Elizabeth Wallace<sup>1</sup>, Fiona Moir<sup>1</sup>

This project is designed to determine whether heart attack patients at low risk of dying or having another heart attack can safely return to normal activities one week after discharge. Outcomes are assessed in terms of health related quality of life. Quality of life assessment includes return to normal daily activities. For the economic evaluation, quality of life outcomes will be calculated using QALY methodology. The valuation of quality of life health states will be conducted using standard time trade-off techniques. This project is expected to conclude at the end of 1997.

Funding Source: MRC, NHMRC  
Status: Current  
Acknowledgment: 1. Cardiology Unit, Westmead Hospital

#### **The economics of disease surveillance and preventive strategies in the workplace**

Glenn Salkeld, Charles Kerr<sup>1</sup>, Steve Morrell<sup>1</sup>, Richard Taylor<sup>2</sup>, Stephen Corbett<sup>2</sup>

Economics can offer a useful insight into how and how much society might be prepared to spend on accident and disease surveillance and other preventive measures aimed at reducing the risk of death and disease due to exposure to chemicals in the workplace. This research reviews compensating wage differential theory and alternative approaches to measuring the benefits of risk regulation and risk reduction in the workplace, such as revealed preference methods.

Funding source: Worksafe Australia  
Status: Completed  
Publications/  
Reports to date: Final report submitted to Worksafe Australia  
Acknowledgment: 1. Department of Public Health, University of Sydney  
2. NSW Health Department

#### **A critical review of health-related economic evaluations conducted in Australia since 1978**

Glenn Salkeld, Peter Davey<sup>1</sup>, Gaston Arnolda<sup>2</sup>

As the demands on researchers and practitioners for timely economic information increases, the question might be asked 'how good is the information contained in existing economic evaluation in the health care field'? This study attempted to answer this question in the context of published economic evaluation studies in Australia since 1978.

Funding source: Department of Public Health, Sydney University  
Status: Completed  
Publications/  
Reports to date: SALKELD G, DAVEY PD, ARNOLDA G. A Critical Review of Health-related Economic Evaluations in Australia: Implications for Health Policy. Health Policy (in press).  
Acknowledgment: 1. Medical Technology Assessment Group (MTAG)  
2. Department of Public Health, University of Sydney





## **Public and private provision of rehabilitation services for older people**

Ian Cameron<sup>1</sup>, Wes Baker<sup>1</sup>, Glenn Salkeld

This project involves a detailed cost analysis of two public and one private provider of rehabilitation services for older people. The study includes resources consumed in the hospital sector, community services and the cost of care. Extensive measurement of patient outcomes using SIP, Barthel and FIM have been used to evaluate the effectiveness of treatment post discharge. Data have been collected and are being prepared for analysis as at March 1995.

Funding source: Research and Development Grants Advisory Committee (RADGAC)  
Status: Current  
Acknowledgment: 1. Northern Sydney Area Health Service

## **Health gains**

Gavin Mooney, Stephen Jan, Virginia Wiseman

Resource allocation decisions are often made implicitly on the basis that equal health gains are not valued equally in different contexts. The project sought to examine the basis for these value judgements in health care and the factors upon which they rely. One method used was to ask health care decision makers their relative preference for health gains allocated across groups which differ by age, sex, number, socio-economic status, health status and over time. The results will provide insights into the way the community views equity in the provision of health care.

Funding source: CHERE core funding  
Status: Current

## **Cost-effectiveness analysis of intensive case management for patients with schizophrenia**

Susan Johnston<sup>1</sup>, Glenn Salkeld

An economic evaluation is being conducted alongside a randomised controlled trial of ICM for people with severe schizophrenia. A major component of this study is to measure and value the costs of care. Data collection will be completed in September 1995 and data analysis and report writing by December 1995.

Funding source: Health Outcomes Program, NSW Health Department  
Status: Current  
Acknowledgment: 1. Inner City Mental Health Service, Eastern Sydney Area Health Service

## **A review of measurement of quality of life in older people**

Glenn Salkeld, Charles Blummer<sup>1</sup>

This review summarises the main measurements of quality of life in older people. It describes the conceptual development of measurement tools, the application of the measures and methodological issues. The review has almost been completed and a report will be written by June 1995.

Funding source: Department of Public Health, University of Sydney  
Status: Current  
Acknowledgment: 1. Department of Public Health, University of Sydney

### **A feminist perspective on health economics**

Jane Hall, Virginia Wiseman, Rosalie Viney

The aim of this project is to re-evaluate health economics and economic evaluation of health care in light of the feminist critique of neoclassical economics. Health economics is firmly grounded in neoclassical welfare economic traditions. The justification for intervention in the market is the existence of market failure in terms of information failure, public goods and concerns about distribution justice. Economic evaluation of health care is based on seeking maximisation of social welfare, and uses market or shadow prices to capture value. Even the recognised departures from applied welfare economics, such as QALYs are essentially based on an individual conception of welfare. In other areas of economics, this neoclassical orthodoxy is being challenged by feminist economics. In this project we investigate the implications of this critique for health economics. There are three major areas to be explored: valuation of unpaid work, valuation of health states, and the valuation of production gains and losses associated with health outcomes of treatment.

Funding source:           CHERE core funding

Status:                     Current

### **The implications of industry sponsored economic evaluation research**

Rosalie Viney, Jane Hall

The introduction of cost-effectiveness criteria for listing of new drugs on the Pharmaceutical Benefits Scheme shows that economic evaluation can be used to guide resource allocation in health care. However, criticisms of the practice of economic evaluation suggest that it may not always promote efficiency. These criticisms are directed at the quality of specific evaluations, the choice of which technologies are evaluated and the process by which evaluations are commissioned. With cost-effectiveness being seen as a criterion for approval of new therapies, industry will be a major sponsor of economic evaluation research. This project addresses four specific concerns about whether industry sponsored economic evaluation will promote the efficient allocation of resources to pharmaceutical therapies: the methods of economic evaluation as applied to industry sponsored research; the role of economic evaluation in setting prices for new therapies and the research agenda in health care and health economics.

Funding source:           CHERE core funding

Status:                     Current

Publications/

Reports to date:

VINEY R, HALL J. Health Economics Research and Evaluation: The Implications of Industry Sponsored Research. Ch. 11: 136-147. Economic Evaluation in Australian Health Care. Selby Smith C & Drummond MF (eds). Australian Government Publishing Service (in press).

HALL J. The Practice of Economic Evaluation in Australia. Paper presented to "Economic Evaluation in Health Care", Monash University, Department of Management. 12-13 December 1994.

### **Improving the management and health outcomes of dyspepsia**

Johanna Westbrook<sup>1</sup>, Louise Rushworth<sup>2</sup>, Robert Batey<sup>3</sup>, Kerry Goulston<sup>4</sup>, Geoffrey Berry<sup>5</sup>, Rosalie Viney

Dyspepsia and abdominal pain are among the commonest symptoms suffered by Australians. Investigation of such symptoms involves visits to medical practitioners and the use of diagnostic tests such as endoscopy and barium meal. There is little information about the reasons for and outcomes of such diagnostic testing. Similarly, although the management of peptic ulcer has changed over recent years, with growing availability of endoscopy and pharmaceutical agents, there is considerable uncertainty about the most cost-effective management of patients presenting with dyspeptic symptoms. This project investigates current management

and outcomes of treatment for patients with dyspepsia. It will examine the costs and outcomes of alternative treatment paths.

Funding source: NSW Department of Health  
Status: Current  
Acknowledgment: 1. School of Health Information Management, Cumberland College  
2. NSW Health Department  
3. John Hunter Hospital  
4. Royal North Shore Hospital  
5. Department of Public Health, University of Sydney

#### **Palliative care general practice program**

Marion Haas, Jane Hall, Phillip Lee<sup>1</sup>, Tony Odlum<sup>1</sup>, Howard Gurney<sup>2</sup>

CHERE is involved in the evaluation of the Western Sydney Area Palliative Care GP program. Two general practitioners have been employed on a session basis to be involved in the education of and consultation with other health care providers about palliative care in the community. They can also provide direct care to palliative care patients. CHERE is evaluating the impact of the GP's work on community nurses and general practitioners in the Area. A "before and after" design using surveys has been implemented, with the second survey due to be sent out in March 1995, and the evaluation completed by June 1995.

Funding source: Blacktown Hospital, Medicare Incentive Program  
Status: Current  
Acknowledgment: 1. General Practitioner  
2. Department of Medical Oncology, Westmead Hospital

#### **Equity and health**

Gavin Mooney

This project is examining different concepts of health, looking in particular at the work of Amartya Sen. It is largely at this stage conceptual but should lead on to some policy relevant applications.

Funding source: CHERE core funding  
Status: Current



Gavin Mooney, Professor in Health Economics at Sydney University

### **Communitarianism and health**

Gavin Mooney

Most health economics assumes that values are derived from individuals qua individuals. This project is looking at the application of communitarian ideas to health economics.

Funding source:       CHERE core funding  
Status:                 Current

### **Cost-effectiveness of continuous ambulatory peritoneal dialysis**

Elizabeth Yuill<sup>1</sup>, David Harris<sup>1</sup>, Janelle Seymour

This study compares the costs and outcomes associated with the freeline solo and the basic Y fluid transfer systems in the treatment of patients on continuous ambulatory peritoneal dialysis (CAPD). A total of 100 patients entering the CAPD program or who are already on the program (not having had more than 3 separate infective episodes related to CAPD in the last 12 months) at either Blacktown or Westmead Hospitals will be randomised to receive either the freeline or solo or the basic Y fluid transfer system. All costs and treatment details will be collected for each patient over a 12 month period. The costs and outcomes for each group will then be compared.

Funding source:       Regional Dialysis Centre & Baxter Pharmaceuticals  
Status:                 Current  
Acknowledgment:      1. Regional Dialysis Centre & Renal Unit Nephrology, Westmead Hospital.

### **Preference for health**

Stephen Jan, Gavin Mooney

This project examined the assumption underlying the assessment of health related quality of life in cost-utility analysis that preferences for health do not vary. The analysis was done at a conceptual level through an investigation of the type of utility function which QALYs (and HYE) assume. The consistency of such a defined objective function with normal axioms of welfare economics was considered.

Funding source:       CHERE core funding  
Status:                 Current

### **Diabetes outcomes in South Western Sydney**

Jeff Flack<sup>1</sup>, Elsbeth van Arkel<sup>1</sup>, Gordana Strumfin<sup>1</sup>, Dorothy Choi<sup>1</sup>, Stephen Jan, Adrian Bauman<sup>2</sup>

The stabilisation of diabetes patients is required at the commencement of insulin therapy. The project compared the costs and outcomes of ambulatory stabilisation with the costs and outcomes of inpatient stabilisation in order to guide the planning of diabetes services in NSW. It involved data collected at five centres in South Western Sydney. Preliminary results were presented at the Australian Diabetes Society Annual Conference in October 1994 and the report is to be finalised in January 1995.

Funding source:       Health Outcomes Project, NSW Health Department  
Status:                 Completed  
Acknowledgment:      1. Diabetes Centre, South Western Sydney Area Health Service  
                            2. Epidemiology, South Western Sydney Area Health Service

### **Valuation of time costs**

Stephen Jan, Jane Hall, John Posnett<sup>1</sup>

Unpaid time represents a potentially significant input into the health production function. This project examines the basis for valuing time inputs consistent with the notion of opportunity cost. The analysis therefore involves examining whether time displaced in the production of health involves lost work or lost leisure.

Funding source:           CHERE core funding  
Status:                    Completed  
Acknowledgment:        1. York Health Economics Consortium, University of York

### **A comparative study of cost-effectiveness and tolerability of rush versus conventional bee venom immunotherapy**

Simon Eckermann, Bradley Frankum<sup>1</sup>, Connie Katelaris<sup>1</sup>, Helen Hill<sup>1</sup>

This project compares two types of treatment for severe bee venom allergies. The conventional bee venom immunotherapy has been around for approximately 15 years and works by giving patients weekly doses for 16-18 weeks, slowly increasing each dose and building the dose up to a maintenance level, rendering patients non allergic. The rush immunotherapy is a much faster method, although it requires patients to spend one night in hospital. The two types of treatments were compared for cost-effectiveness, patient satisfaction, and preference of treatment.

Funding source:           CHERE core funding  
Status:                    Completed  
Acknowledgment:        1. Department of Clinical Immunology, Westmead Hospital

### **Hospital productivity: A contradiction in terms?**

Simon Eckermann

What are hospitals trying to achieve? How do hospitals behave? These are questions that have been investigated too little by the health economics community in recent years. This project explored these questions and possible answers arguing that we cannot discuss efficiency and/or productivity in the hospital sector until this is done. Other issues explored are that of the hospital's position in the health care industry, the role of the hospital in this wider setting, and the question of whether the hospital is the right level of aggregation to consider questions of efficiency and productivity. It is stated that when these sorts of questions are addressed, there is then the question of providing the right set of incentives in the hospital (and non-hospital) sectors to encourage the relevant objectives to be met a least cost and within the context of the relevant behavioural model of the hospital. Only then can we sensibly return to questions of how we measure efficiency and productivity in the hospital sector.

Funding source:           CHERE core funding  
Status:                    Completed  
Publications/  
Reports to date:        ECKERMANN S. Economics and Health: 1994 Proceedings of the Sixteenth Australian conference of Health Economists. Richardson J (ed). School of Health Administration, University of NSW (in press) .

## EDUCATION

### CHERE's Strategic View

Educational activities serve to promote the development of health economics through enhancing the skills of decision makers in using economics, through increasing the health economics content in public health and health services research, and through increasing the supply of health economists. The development of educational and training activities has been enhanced by two major grants. One is the award from the Australian Health Ministers Advisory Council (AHMAC) to support the training of economists in conjunction with the National Centre for Health Program Evaluation at Monash University. The other is the grant from the Public Health Education & Research Program (PHERP) which has made CHERE the national centre for public health education in health economics.

In addition to formal coursework, practical experience in the application of health economics can be provided through periods of secondment. The professional development of health economists can be supported through the career structure within CHERE and through encouragement of staff to seek higher degrees.

### Coursework

#### Master of Public Health Coursework

The Centre is involved in presenting courses within the Master of Public Health degree at the University of Sydney in the Department of Public Health and Community Medicine. Topics include Introduction to Health Economics, Key Issues in Health Economics, and Economic Evaluation of Health Care.

#### BA Economics: Health Economics (third year)

This course focuses on the economic analysis of health and health care. The course considers the economic characteristics of the commodity health care and the impact market failure has on both its demand and supply. Subsequent sessions cover priority setting and economic evaluation, the valuation of life and equity in the provision and payment of health care.

#### Monash Graduate Diploma in Health Economics and Evaluation

CHERE provided a one week residential course in October on Aspects of Applied Health Economics, as part of the Graduate Diploma in Health Economics and Evaluation, Monash University. The objective of the course was to develop an understanding of the related issues of equity, ethics and community values in applying health economics. Topics included, measuring the benefits of health care for economic evaluation, health economics in health care and planning, equity in health and health care, agency in care, and the economics of health promotion.



Rosalie Viney, Research Fellow, leading a session on economic evaluation in health

## **Other education and training**

CHERE is also involved in contributing health economics teaching through a range of other university courses and postgraduate and professional training. In 1994, CHERE staff provided a series of six lectures to postgraduate dental students enrolled in Public Health Dentistry at the Westmead Dental School. A subject titled Introductory Health Economics was presented to postgraduate dental students. The topic of Introduction to Economic Evaluation was presented to postgraduate health service managers at Wollongong University.

CHERE staff contributed to the PAGE (Open Learning) course in Health Economics, screened on SBS during 1994. CHERE staff provided a 3 hour lecture on Introduction to Economic Evaluation to managers in the Illawarra Area Health Service; a 4 hour lecture on Health Economics for the Masters of Public Health at the University of Western Sydney; a 2 hour lecture on Economics of Screening for the Masters of Nursing at Sydney University; a 2 hour lecture in the Management for Clinicians Course at Terrigal.

A number of staff from CHERE also contributed as lecturers and tutors in the NSW Health Outcomes Workshop conducted in December.

## **Postgraduate Training**

### **CHERE staff enrolled**

CHERE is committed to supporting training and development for its staff, through enrolment in higher degrees and professional development activities. In 1994 the following CHERE staff were enrolled in higher degrees:

Patsy Kenny, MPH  
Stephen Jan, MEd  
Alan Shiell, PhD (Economics)  
Madeleine King, PhD (Medical Statistics), Quality of life in cancer

Two staff at CHERE undertook the Distance Learning Course in Health Economics at the University of Tromsø, Senior Research Assistant Simon Eckermann, and Research Assistant Robert Carruthers.

### **Students under Supervision**

CHERE is involved in the supervision of research students at the University of Sydney.

Caroline Ayres, MPH, Cost-utility analysis: Two drugs used in combination for the treatment of hypertension.

Matthew Dobson, PhD, Evaluation of Vietnam veterans' counselling service.

Alex Goodwin, MPH, Consumer participation in health and decision making.

Peter McIntyre, PhD, Childhood invasive haemophilus influenzae disease in the Sydney region.

Michelle McClennan, MPH, Comparison of the responsiveness of two quality of life instruments in coronary artery surgery patients.

### **Theses submitted and accepted**

Jane Hall, PhD, Equity, Access and Health.

## **POLICY SUPPORT**

### **CHERE's Strategic View**

The strategic directions for research and education have been framed with the requirements of NSW Health, in its broadest and long term sense, in mind. The policy support role relates more specifically to the short term needs of NSW Health. It is essentially responsive. It is also an important means for the dissemination of research findings and the transfer of skills and expertise.

### **Advice and Consultations**

CHERE has provided advice to many departments within Westmead Hospital, Western Sydney Area Health Service, NSW Health and the University of Sydney, as well as to other hospitals, Area Health Services, and government agencies. Other non-government organisations have also sought brief consultations and advice. CHERE members provide this service through meetings, by phone, as a committee member, or by providing training/presentations within various forums.

Official consultations included:

Performance monitoring of RHAs, New Zealand Ministry of Health.

WA Health Promotion Foundation (Healthway) Chair, Research Grants Committee.

Dr Peter Cooper, Dept of Paediatrics, Project to test home treatment for cystic fibrosis patients.

Royal Australian College of Medical Administrators, National Program of Management Development for Australian Clinicians, Selection of tender applicant for evaluation.

Health Outcomes and Finance, Commonwealth Department of Human Services & Health.

### **Committees and Working Parties**

#### **Jane Hall**

Jane is a member of the Ministerial Advisory Committee on the Longitudinal Women's Health Study and the Steering Committee for the Project on Community Consultation (Commonwealth Department of Human Services and Health). She is currently National President of the Public Health Association of Australia. She is also a member of the National Health and Medical Research Council, the NHMRC Strategic Planning and Evaluation Committee, the Health Outcomes Forum (NSW), and the Community-Doctor Theme Committee (Faculty of Medicine). Jane is on the editorial panels of Health Economics, Health & Social Care in the Community, and Public Health Bulletin.

#### **Alan Shiell**

Alan is a member of the NHMRC Working Party on Acute Cardiac Interventions, the PHRDC Training Awards Committee, and the NHMRC Health and Medical Services Standing Committee. Alan is also on the editorial board for the Australian Journal of Public Health.

#### **Rosalie Viney**

Rosalie is the Secretary of the Australian Health Economics Society. She is a member of the Health Advancement Standing Committee, AHMAC/NHMRC Task Force on Hepatitis C, NSW Health Department Health Outcomes Approach to Diabetes Project Team, PHA Health Systems Research and Evaluation Special Interest Group, PHA Development of Public Health Research in Australia Committee, and an Executive Member of the NSW Cancer Expert Working Party.

#### **Gavin Mooney**

Gavin is a member of the Economics Working Party of the Pharmaceuticals Benefit Advisory Council (PBAC), NHMRC National Health Advisory Committee, NHAC Aboriginal and Torres Strait Islander Health Standing Committee, and the Western Sydney Health Outcomes Council. Gavin is also on the editorial boards of the International Journal of Health Planning and Management, Health Policy, Journal of Health Economics and Social Science and Medicine.



### **Glenn Salkeld**

Glenn is convener of the PHA Health Systems Research and Evaluation Special Interest Group.

### **Marion Haas**

Marion is an executive committee member of the NSW Branch of the APHA.

## **CHERE Distinguished Lecture 1994**

The inaugural CHERE Distinguished Lecture was held in October. A speaker of international standing was invited to visit CHERE and give a lecture on a topic of their choosing.

This year's Distinguished Lecture was given by Uffe Juul Jensen, Professor of Philosophy at the University of Aarhus in Denmark. The topic was "The Challenge of Community Values: The Ethics of Resource Allocation in Health Care" in which he argued for a communitarian perspective in health care resource allocation, taking account of the values of the community rather than simply those of the individual.

## **Occasional Seminar Series**

Mike Drummond, Professor at the Centre for Health Economics, University of York.

Paul Kind, Senior Research Fellow, Centre for Health Economics, University of York.

Julie Radcliff, Research Fellow, Health Economics Research Unit, University of Aberdeen.

Frans Rutten, Professor of Economics, Institute for Medical Technology Assessment, Erasmus University.

Mandy Ryan, Research Fellow, Health Economics Research Unit, University of Aberdeen.

## **Overseas Visitors to CHERE**

Robert Bowie, Lecturer in Health Economics, Wellington School of Medicine.

Paul Kind, Senior Research Fellow, Centre for Health Economics, University of York.

Mandy Ryan, Research Fellow, Health Economics Research Unit, University of Aberdeen.

Frans Rutten, Professor of Economics, Institute for Medical Technology Assessment, Erasmus University.



An occasional seminar on health economics at Westmead Hospital



## **ADVISORY COMMITTEE**

The Advisory Committee brings together representatives of the organisations supporting and funding CHERE. It provides advice on the functions and strategic development of the Centre.

### **Committee Membership**

Prof Stephen R Leeder\*, Chair, Division of Community Medicine, Westmead Hospital; Professor of Public Health and Community Medicine, University of Sydney.

Ms Carla Cranny, Director, Health Services Development, Western Sydney Area Health Service.

Dr Jennifer Alexander, General Superintendent, Westmead Hospital.

Prof Geoffrey Berry, Head, Department of Public Health, University of Sydney.

Dr John Simes, Director, NHMRC Clinical Trials Centre, University of Sydney.

Dr Anthony Capon, Director, Public Health Unit, Western Sydney Area Health Service.

Representative of NSW Department of Health.

Prof Peter Castaldi, Representative of Clinical Directors, Westmead Hospital and of Western Sydney Area Health Service Board.

Centre staff representative

Dr Jane Hall, Centre Director.

Mr Alan Shiell, Centre Deputy Director.

\* Chair of the Advisory Committee

## STAFF AND ASSOCIATES

### Staff

**Jane Hall** is Director of CHERE, and a clinical senior lecturer at the University of Sydney in the Departments of Public Health and Community Medicine. She has been working in health services research and evaluation for over ten years. Research interests include assessment of quality of life in economic evaluation, and equity in health and health care. In 1991, Jane was awarded the Australasian Evaluation Society award for her contribution to evaluation in Australia.

**Alan Shiell** is Associate Director of CHERE (University of Sydney), and a clinical lecturer at the University of Sydney in the Departments of Public Health and Community Medicine. Alan joined CHERE from the Centre for Health Economics in York, U.K. His research interests include the economic evaluation of health and social care services, choice and decision making in health care, health care finance and delivery, and outcome measurement and valuation.

**Gavin Mooney** is Professor of Health Economics at the University of Sydney in the Departments of Public Health and Community Medicine. Gavin also holds visiting appointments at the University of Aberdeen, Scotland, Tromsø University, Norway, and Victoria University, New Zealand. He runs a Distance Learning Course in Health Economics for the University of Tromsø. His research interests lie in priority setting, medical decision making, equity and what patients and citizens want from their health services.

**Sue Cameron** is the Survey Manager at CHERE and has also worked for a number of years within the Department of Community Medicine. She has coordinated workshops, seminars and conferences; assisted on the National Health Promotion Evaluation project; and assisted on the Breast Care Screening Project evaluation, coordinating and training interviewers and collecting data on the quality of life of women with breast cancer.

**Robert Carruthers** is a Research Assistant with CHERE. Robert has an honours degree in economics from Murdoch University. He is new to the field of health economics having previously worked in politics and banking. His areas of interest include the measurement and evaluation of health outcomes and efficiency as well as the role of consumer sovereignty and equity in health care.


**Sharon Cleland** was the Coordinator of CHERE until August and responsible for all the Centre's administration. She completed a Master in Health Administration degree and prior to joining CHERE completed a management training program with the Australian College of Health Service Executives.

**Simon Eckermann** is a Senior Research Assistant at CHERE. Simon joined CHERE from the Australian Institute of Health and Welfare. He is qualified in Economics and Mathematical Statistics and his interests include the provision of aged care, hospital productivity, agency theory, and outcome measurement and valuation.

**Pamela Everingham** became the Centre Coordinator in October. Pamela provides general administrative support to the department, including financial and asset management, personnel, overseeing publications, and organising seminars and workshops. She has completed a Bachelor of Business degree, majoring in Health Services Management.

**Marion Haas** joined CHERE in January as a Research Officer. Marion was a physiotherapist before completing her Masters in Public Health at the University of Sydney and joining the NSW Department of Health's Public Health Officer Training program in 1991. She is interested in a variety of research areas and the work she is currently involved with includes evaluations of clinical budgeting pilot project, palliative care in general practice, and health promotion strategies to reduce the prevalence of smoking,

**Stephen Jan** began work in June 1991 as a trainee in health economics and is now a Senior Research Assistant. He has been involved in projects examining the optimal size of renal transplant units, 'willingness-



to-pay' for road safety, and valuation of time costs. Stephen is currently a postgraduate student in economics at the University of Sydney.

**Patsy Kenny** worked as a registered nurse before joining CHERE in 1990 as a Research Officer. Patsy coordinated the evaluation of the Team midwifery project which was completed in October 1994. At present she is working on the cost utility analysis of the treatment of early stage breast cancer. She is currently studying for the Master of Public Health degree at the University of Sydney.

**Madeleine King** is a medical statistician with CHERE. Madeleine has worked on many of the projects at CHERE, including obstetric early discharge, reasons why people quit smoking, and the evaluation of domiciliary chemotherapy. She enjoys involvement in all stages of research and is currently working on her PhD on quality of life in cancer, having won a Public Health Research Scholarship from NHMRC.

**Kathleen Latter** is secretary to the Director, and provides clerical support for all other staff members. Kathie has over 23 years experience in the hospital system. She has worked in many departments throughout Westmead including, Operating Suite, Social Work, Dietetics, and the Drug and Alcohol Unit. Kathie has also taught Secretarial Studies at Sydney Technical College.

**Janelle Seymour** graduated from the University of Sydney with a BA degree in Economics and Government. After completing an 18 month traineeship in health economics at CHERE she was appointed as senior research assistant in 1993. Janelle is currently working on the cost utility analysis of the treatment of early stage breast cancer.

**Rosalie Viney** joined CHERE in January as a Research Fellow. Rosalie has a Masters of Economics from the University of Tasmania. She has worked as a Senior Policy Analyst in the NSW Department of Health where she was involved in the Medicare negotiations, development of the National Health Policy, and the National Health Strategy Review of Outpatient and Emergency Department Services. Her research interests include economic evaluation of health services, health financing and delivery arrangements, the value of information in health care, and evaluation of health promotion.

**Virginia Wiseman** is a research assistant at CHERE. She has studied economics at Monash University and has worked as a microeconomics tutor. Virginia is interested in issues of equity, valuation of unpaid care, and the financing and evaluation of health care in developing countries.

## **Research Associates**

**Karen Gerard** is a lecturer in health economics at the University of Newcastle upon Tyne. Karen was an original member of CHERE, working on the breast cancer screening project with Jane Hall. She stayed until February 1991, returning to CHERE in October for a two month visit to follow-up the breast cancer project.

**John Posnett** is Director of the York Health Economics Consortium, University of York. He has previously worked as a Senior Lecturer in health economics at the University of York, and was Director of the Graduate (MSc) program in Health Economics. He has held visiting positions at the University of Wisconsin, the University of Wyoming, and Lehigh University. His main interest lies in the area of social policy.

**Mandy Ryan** is a Research Fellow at the Health Economics Research Unit, University of Aberdeen. She is currently completing her PhD using contingent valuation methods to evaluate the costs and benefits of In Vitro Fertilisation Programs. During 1994/95 Mandy spent 3 months working at CHERE on a project related to her PhD, valuing IVF programs in NSW. Mandy has a particular interest in applying willingness to pay valuation methods, including conjoint analysis to valuation of health care.

**Glenn Salkeld** is a lecturer in health economics in the Department of Public Health, University of Sydney. Glenn, a graduate of the Australian College of Health Service Executives training scheme, has also completed an NHMRC Public Health Training Fellowship in health economics. His research interests include the economics of prevention, quality of life in older people, and economic evaluation.

## **PUBLICATIONS 1994**

### **Peer Reviewed Publications**

Chapman S, KING MT, Andrews B, Markham P, Woodward S.

Effects of publicity and warning letters on illegal cigarette sales to minors following purchase attempts by 12-17 year old children. *Aust J Public Health* 1994; 18:39-42.

Dorch NWC, KING MT.

A review of cerebral vasospasm in aneurysmal subarachnoid haemorrhage I: Incidence and effects. *J Clin Neuroscience* 1994; 1:19-26.

FARNWORTH M, KENNY P, SHIELL A.

A cost-effectiveness analysis of an early discharge program for fractured hip. *Age and Ageing* 1994; 23:190-194.

Harnett PR, HALL J.

Quality of life and adjuvant chemotherapy. *Cancer Forum* 1994; 18:69.

McIntyre P, HALL J, Leeder S.

Cost-effectiveness analysis of Hib immunisation. *Aust J of Public Health* (in press).

MOONEY G.

What else do we want from our health services? *Social Science and Medicine* 1994; 39(2):151-154.

MOONEY G, JAN S, SEYMOUR J.

The NSW health outcomes initiative and economic analysis. *Aust J Public Health* 1994; 18(2):15-20.

MOONEY G, Salmond G.

A reflection on the New Zealand reforms. *Health Policy* 1994; 29(1,2):173-182.

Olson LG, KING MT, Hensley MJ, Saunders NA.

A community study of snoring and sleep-disordered breathing. I: Prevalence and risk factors. *Am Rev Resp Dis* (in press).

Olson LG, KING MT, Hensley MJ, Saunders NA.

A community study of snoring and sleep-disordered breathing. II: Health outcomes. *Am Rev Resp Dis* (in press).

Olson LG, KING MT, Hensley MJ, Saunders NA.

A community study of snoring and sleep-disordered breathing. III: Symptoms. *Am Rev Resp Dis* (in press).

Salmond G, MOONEY G, Laugesen M.

Introduction to health care reform in New Zealand. *Health Policy* 1994; 29(1,2):1-4.

SALKELD G, GERARD K.

Will early detection of breast cancer reduce costs of treatment? *Aust J of Public Health* 1994; 18(4): 388-93.

SCOTT A.

A cost analysis of early discharge and domiciliary visits versus standard hospital care for low risk obstetric clients. *Aust J Public Health* 1994; 18(1):96-100.

SCOTT A, HALL J.

Evaluating the effects of GP remuneration: problems and prospects. *Health Policy* (in press).

Westbrook JI, HAAS M, Rushworth RL.

Evaluating health care: What can hospital separation data tell us about the complications of hospital care? *J of Qual Clin Prac* 1994; 14:157-166.

SHIELL A, BRIGGS A, Farrell GC.

The cost-effectiveness of alpha-interferon in the treatment of chronic active hepatitis C. *Med J Aust* 1994; 160(5):268-272.

SHIELL A, CAMERON S, KENNY P, KING M.

Mother's choice: The reasons women choose hospital stay over early discharge. *Health and Social Care in the Community* 1994; 2:69-76.

SMITH RD, JAN S, SHIELL A.

Efficiency considerations in the expansion of radiation therapy services. *International J of Rad Onc, Bio and Physics* (in press).

### **Non Peer Reviewed Publications**

HAAS M.

Epidemiology and Physiotherapy - worlds apart or an important connection. *NSW Physiotherapy Bulletin* August 1994.

HALL J.

Technology Trekking. *Health Management* 1994; 1(1):14-20.

HALL J.

Current status and future directions. *Introduction to Health Economics*. *Aust J of Hospital Pharmacy* 1994; 24(1):24-36.

HALL J.

Quality of life in economic evaluation. *Health Outcomes Bulletin* No 2, May 1994.

HALL J.

Economic analysis of hypertensive therapies. *Australian Prescriber* (in press).

MOONEY G, Cumming J.

Health gains: An economic perspective in the Ministry of Health, A report of the population health gains seminar. *Public Sector* 1994; 17(4):19-22.

SHIELL A.

A cost-analysis of interferon alfa-2b in the treatment of basal cell carcinoma. *Australasian J of Dermatology* (in press).

Towler B, Irwig L, HAAS M, Plunkett A, SALKELD G.

Should we screen for colorectal cancer. *NSW Public Health Bulletin* 1994.

### **Books, Chapters in Books, Conference Proceedings**

HALL J, Tattersall M.

Economic considerations in cancer care. Chapter in Peckham M, Pinedo R, Versonesi U (eds), *Oxford Textbook of Oncology*. Oxford University Press (in press).



JAN S, SMITH R, SHIELL A.

Issues involved with employing 'Willingness-To-Pay' in road safety. *Economics and Health: 1993. Proceedings of the Fifteenth Australian Conference of Health Economists.* Selby Smith C (ed). Faculty of Commerce, Economics and Management, Monash University, 1994.

MOONEY G.

Key issues in health economics. London: Harvester Wheatsheaf, 1994.

VINEY R, HALL J. *Health Economics Research and Evaluation: The Implications of Industry Sponsored Research.* Ch. 11: 136-147. *Economic Evaluation in Australian Health Care.* Selby Smith C & Drummond MF (eds). Australian Government Publishing Service (in press).

SCOTT A, SHIELL A.

The influence of fee descriptors and general practitioner supply on treatment of choices in general practice. *Economics of Health: 1993. Proceedings of the Fifteenth Australian Conference of Health Economics.* Selby Smith C (ed). Faculty of Commerce, Economics and Management, Monash University, 1994.

### **CHERE Discussion Papers**

Glasziou P, HAAS M.

An economic evaluation of the use of Tamoxifen in the treatment of early breast cancer, no 25, 1994.

RYAN M.

Evaluating assisted reproductive technology programmes: An Australian pilot study using willingness to pay, no 24, 1994.

## SEMINARS AND PRESENTATIONS

### **Jane Hall**

The implications of the development of pharmacoeconomics for health economics. AMGEN Scientific Conference, Gold Coast.

Building partnerships in public health. Public Health Association of Australia Annual Conference, Adelaide.

Opening address. Suicide Conference. Public Health Association of Australia, Canberra.

Health, economics and health economics. Federation of University Women, Sydney.

The implications of health outcomes for clinical practice. Grand Rounds, Westmead Hospital, Sydney.

From ideas to implementation. NSW Health Outcomes Conference, Sydney.

The practice of economic evaluation in Australia. Economic Evaluation in Health Care Forum, Department of Management, Monash University, Victoria.

Equity in Australian health care policy. The Western Sydney Public Health Consortium Seminar, Sydney.

### **Jane Hall, Rosalie Viney and Kim Scalion**

Economic evaluation of health promotion strategies. Public Health Network Conference, Sydney.

### **Robert Carruthers and Alan Shiell**

Jorm L, Fitzsimmons G, MacIntyre P. The cost-effectiveness of measles control strategies. Public Health Association of Australia Annual Conference, Adelaide.

### **Simon Eckermann**

Hospital productivity: a contradiction in terms? Health Economists' Conference, Canberra.

### **Marion Haas**

Outcomes research for physiotherapy. NSW Physiotherapy City/Country Forum.

March L, Carfrae B, Stokes ML, Schwartz J, Druce J, Finnegan T. A comparison of self-report and occupational therapy assessment of ADL (activities of daily living) status of older people living within the Northern Sydney Area. NSW Public Health Network Conference, Sydney.

### **Marion Haas, Rosalie Viney and Janelle Seymour**

Seeing through the smoke: An economic evaluation of health promotion. Public Health Association Annual Conference, Adelaide.

### **Patsy Kenny**

Issues of study design and the discriminatory power of health outcome measures. Public Health Network Conference, Sydney.

### **Madeleine King, Annette Dobson and Paul Harnett**

A comparison of two quality of life questionnaires for cancer clinical trials: the Functional Living Index - Cancer (FLIC) and the Quality of Life Questionnaire Core module (QLQ-C30). 1994 Clinical Oncology Society of Australia Annual Scientific Meeting, Adelaide.

### **Lesley Olson, Madeleine King, Michael Hensley and Nicolas Saunders**

Individuals with sleep-disordered breathing in a community sample had symptomatic sleep apnea. 1994 American Thoracic Society International Conference, Boston.





**Gavin Mooney**

Health, happiness or what? The goals of health services and health promotion. Australian Bioethics Conference, Adelaide.

Ethics of resource allocation. Australian Bioethics Conference, Adelaide.

Sen and some issues in health economics. Australian Health Economists' Conference, Canberra.

Allocation of resources and program budgeting. NSW Health Outcomes Conference, Sydney.

International setting for health care reform. Conference on New Zealand Health Care Reforms: The Way Forward, Wellington.

Using optim appraisal, Northern Territory Health Department, Darwin.

Ethics of public health, PHA Workshop on Public Health Ethics, Sydney.

**Glenn Salkeld**

1) Measuring the outcomes of health promotion - an economic perspective. 2) The costs of pharmaceuticals used in a cardiovascular disease risk reduction trial in general practice. GP Evaluation Program Conference, Canberra.

Educating Rita: Getting your message across to economists. Sixth Annual Health Promotion Conference, Melbourne.

Is screening for colorectal cancer worthwhile? Australian Gastroenterology Week Conference, Sydney.

Developing public health research in Australia. Public Health Association Annual Conference, Adelaide.

**Glenn Salkeld and Rosalie Viney**

Cost effectiveness of prevention and treatment of lung cancer. European School of Oncology Course, "Lung Tumours: Current Status & Future Directions", Sydney.

**Alan Shiell**

What do the community want from their health services. Discussant, Health Economists Group. Canberra.

Casemix funding and hospital policy. University of Ballarat, Ballarat.

Casemix funding, case payment and public health. Health Systems Research & Evaluation SIG Workshop, Public Health Association Conference, Sydney.

1) The cost effectiveness of cancer screening. 2) The ethics of resource allocation. Andres Soriano Jr Lecture 1994, The Andres Soriano Cancer Research Foundation Inc. Manila, Philippines.

**Rosalie Viney**

Seeing through the smoke: Can economic evaluation usefully inform policy and resource allocation in health promotion. Health Economics Research Unit, University of Aberdeen.

Reform of private health insurance. ACHSE Forum, Reform of Private Health Insurance, Sydney.

Quality of life assessment following treatment of localised prostate cancer. Monthly G.U. Oncology Rounds, Westmead Hospital, Sydney.

**Virginia Wiseman**

In sickness and in health. Public Health Association Annual Conference, Adelaide.

***CHERE***

**Centre for Health Economics Research and Evaluation  
University of Sydney**

Division of Public Health and Community Medicine, Westmead Hospital Westmead, NSW 2145 Australia  
Phone (02) 633 6869 Facsimile (02) 689 1049