#### Cost-Effectiveness Calculators for SUD: A Pilot of Peer Recovery Support Services and Bystander Naloxone Distribution

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## **Outline for Today**

- Background and goals for the future
- Learn about cost-effectiveness analysis
- How we structured our analysis to make the calculator
- Hands-on cost-effectiveness calculator tutorial your feedback encouraged!

### Background

- Our ultimate goal:
  - A free, web-based multi-faceted cost-effectiveness calculator that
    - Empowers stakeholders (RCOs, advocates, community decision-makers) to use cost-effectiveness information
    - Increases support for existing programs, build support for the adoption of programs
- Bonus goal:
  - Fill in the knowledge gaps very little economic evaluation research on peer-driven SUD interventions

### Background

- Lots of work to do!
- Unfunded collegiate recovery program calculator <u>here</u>
- Pilot funding to make today's calculator:
  - Long-term PRSS + Bystander Naloxone Distribution
  - Free, web-based, more accessible
- Will also seek peer-reviewed publication

THANK YOU to <u>Communities for Recovery</u> and <u>RecoveryATX</u> for



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Resources that make an intervention happen The <u>intervention</u> (program, activity)

The **good stuff** that our intervention produces



How balanced are resources to good stuff?

#### Cost-Effectiveness

Cost-Benefit Analysis

Return on Investment



How balanced are resources to good stuff?





good stuff?

Cost of Intervention-Cost of Treatment as Usual

Intervention Effect-Treatment as Usual Effect

- The result is called an Incremental Cost-Effectiveness Ratio (ICER) and represents the cost of the intervention per unit of good stuff produced.
- Examples: \$100 per person quitting tobacco, \$20 per averted sick day, or \$500 per quality-adjusted year of life added.
- Let's look at an everyday example!

• Grocery store metaphor:

 Compare sticker prices, but packaging or product is not identical, so we can compare price per ounce (or other unit), instead. • Grocery store metaphor:

- Compare sticker prices, but packaging or product is not identical, so we can compare price per ounce (or other unit), instead.
- For different types of cereal.





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- Grocery store metaphor:
  - Compare sticker prices, but packaging or product is not identical, so we can compare price per ounce (or other unit), instead.
  - Or for the exact same product and brand, but different sizes (economies of scale)



Cost of Intervention-Cost of Treatment as Usual

Intervention Effect-Treatment as Usual Effect

- The result is called an **Incremental Cost**-**Effectiveness Ratio (ICER)** and represents the cost of the intervention per unit of good stuff produced.
- Examples: \$100 per person quitting tobacco, \$20 per averted sick day, or \$500 per quality-adjusted year of life added.

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{Intervention Effect-Treatment as Usual Effect} = ICER$ 

- Compare to current standard of care, often called "treatment as usual."
- Example: Intervention is a new vaccine, treatment as usual is the old vaccine.

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{I} = ICER$ 

Intervention Effect–Treatment as Usual Effect

#### Effects (the good stuff):

- Don't assign \$\$\$
- Always have to do QALYs (quality-adjusted life year)

Intervention Effect–Treatment as Usual Effect

#### Effects (the good stuff):

- Don't assign \$\$\$
- Always have to do QALYs (quality-adjusted life year)

**4 years perfect health** QOL weight = 1 4 x 1 = 4

= 4 QALYs added

**4 years at half of perfect health** QOL weight = 0.5 4 x 0.5 = 2

= 2 QALYs added

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{I} = ICFR$ 

Intervention Effect–Treatment as Usual Effect

#### Effects (the good stuff):

- Don't assign \$\$\$
- Always have to do QALYs (quality-adjusted life year)
  - Can compare to past studies very useful to researchers
- **Should** also do something useful to stakeholders and people who can use this information most
  - Examples: per additional person in recovery, per life saved, etc.

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{Intervention Effect-Treatment as Usual Effect} = ICER$ 

- **Costs:** Two perspectives (at least)
  - Societal

# 

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{Intervention Effect-Treatment as Usual Effect} = ICER$ 

- **Costs:** Two perspectives (at least)
  - Societal

• Health System – flexible, meaningful



Intervention Effect-Treatment as Usual Effect

Recap:

- Effects:
  - No \$\$\$
  - QALY and ideally something meaningful
- Costs:
  - All \$\$\$
  - Societal and health system perspectives

Intervention Effect-Treatment as Usual Effect

Recap:

- Effects:
  - No \$\$\$
  - QALY and ideally something meaningful
- Costs:
  - All \$\$\$
  - Societal and health system perspectives

So we will have at least 2 ICERs, maybe 4

Intervention Effect-Treatment as Usual Effect

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{I} = ICER$ 

Intervention Effect-Treatment as Usual Effect

- It might look like one number (e.g. "\$10,000") but remember that it is actually a ratio (\$10,000/1), and that the 1 in the denominator represents <u>one unit of the good stuff.</u>
  - Just like the price per ounce in our grocery store example!

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{I} = ICER$ 

Intervention Effect-Treatment as Usual Effect

- Compare to "willingness to pay" or to some other threshold.
  - Standard: \$50,000; \$100,000; \$200,000 per QALY
  - A number that is meaningful in context
    - Example: Cost of specialty SUD treatment, cost of ICU care, etc.

Intervention Effect-Treatment as Usual Effect

Interpreting ICER

If ICER is less than the willingness to pay threshold, then it is cost-effective!  $\frac{Cost of Intervention-Cost of Treatment as Usual}{I} = ICFR$ 

Intervention Effect-Treatment as Usual Effect

- If ICER is less than the willingness to pay threshold, then it is cost-effective!
- Can be cost-effective to one threshold, but not to another (Example: "cost-effective to \$50k, but not compared to the cost of ICU care")

 $\frac{Cost of Intervention-Cost of Treatment as Usual}{I} = ICFR$ 

Intervention Effect-Treatment as Usual Effect

Interpreting ICER

If ICER is negative because it costs less and is more effective, then the intervention is BOTH cost-saving AND cost-effective.

intervention costs less, so negative

Because,

 $\frac{1}{\text{intervention does more good, so positive}} = -\text{ICER}$ 

Intervention Effect-Treatment as Usual Effect

Interpreting ICER

• The intervention does NOT have to be costsaving to be cost-effective!

#### **Dealing with Uncertainty**



### Dealing with Uncertainty

**Base Case:** Our basic model for a set time period. We're not looking at any uncertainty here, we're just using whatever numbers we have, usually an average or a median.



### Dealing with Uncertainty

One-Way Sensitivity Analysis: Change one input at a time: how does cost-effectiveness change when input changed (for example: more participants, higher cost of naloxone, better retention of participants)





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### Moving into the Models

• Bystander naloxone distribution - Marnie

 Long-term, post-treatment PRSS delivered in an RCO setting - Sierra

## Bystander Naloxone Distribution



Updated from Coffin and Sullivan, 2013

HEALTH SYSTEM

#### **Bystander Naloxone Distribution**



tx = usual treatment (e.g., EMS, ED treatment)
QALE = quality-adjusted life expectancy

#### **Bystander Naloxone Distribution**

#### • Recall: Health system perspective versus societal perspective

- Health system just the costs that would be carried by whatever the health system is.
   Care about averted medical costs within the health system, too.
- Societal Need to think about things like someone's time outside of the health system, productivity, etc.
- With bystander naloxone distribution programs, a significant factor for the societal perspective is lives saved.





tx = specialty SUD treatment

#### Long-Term PRSS



tx = specialty SUD treatment

#### Long-Term PRSS



tx = specialty SUD treatment
QALE = quality-adjusted life expectancy

#### Long-Term PRSS



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#### Let's look at the calculator!

# web.sph.uth.edu/cea/



#### Additional feedback or questions?

Please take our feedback survey! https://redcap.link/calculator



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