Health Economics Workshop: Costing Tools

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Today's presentation

- Review costing tools
  - What are they typically used for?
  - How are they different from costing for one off studies?
  - What are the advantages and challenges of using these tools?

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Reminder: uses of cost data

Priority setting for new interventions or introducing new technologies, drugs, vaccines

Resource requirements and advocacy

Financial planning and budgeting

Economic evaluation/Improving technical efficiency

Tools are typically used for:

- **Financial planning and budgeting**
- Projecting costs and impacts of scaling up interventions
- Estimating national strategic plans, ie. Immunization, HIV prevention and treatment
- Application to global agencies for funding require these types of budgets

- **Resource requirements and advocacy**
- Resource allocation
  - Resource needs for meeting Millennium Development Goals & Sustainable Development Goals
  - Estimating resource needs and impact for investing in prevention of disease or conditions
  - Numerous Lancet series on HIV, neonatal deaths, non-communicable diseases, essential surgery
- Most provide a global estimate needed to reduce deaths or meet some kind of goal
- Investment cases for new health technologies and interventions

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Costing tools are able to:

- Provide information on the cost of scaling up and sustaining health programs at different levels of the health system (and even for global programs)
- Aim to inform decision making and programming to achieve specific goals (i.e. sustainable development goals
- http://www.un.org/sustainabledevelopment/sustainable-development-goals/
- Technical review of costing tools conducted in 2008
- http://www.who.int/pmnch/knowledge/publications/costtoolsreview/en/
  - A few new tools since then

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Categories of tools

Child Health	HIV/AIDS/TB/Malaria	Reproductive health	General
Child Health Cost Estimation tool CHCET	Goals Model HIV/AIDS	Reproductive Health Costing Tool	Cost Revenue Analysis Tool Plus (CORE plus
cMYP-Comprehensive multi year plan Immunization	Malaria cost estimation tool		Integrated Healthcare Technology Package (iHTP)
	Planning & Budgeting for TB Control		Integrated Health Model (IHM)
	Resource needs Model HIV/AIDS		Marginal Budgeting for Bottlenecks (MBB)
	Spectrum PMTCT CE		Planning, costing and budgeting framework (PCBF)
	Optimize HIV/AIDS		OneHealth

Focus of tools:

- Determine:
  - Cost of scale up package of interventions
  - Cost of achieving target coverage
  - Cost of strategic multi-year plan
  - Impact of resource allocation on an outcome

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Methods used?

- Coverage guided decision making with budget constraint
- Impact guided decision making with budget constraint
- Short-term 1 year
- Medium term focus (1-10 years)
- Long term focus (10+ years)
- Most measure quantities and prices associated with activities

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Types of outputs from these models

- Average cost per intervention
- Total cost
- Scale up cost
- Funding gap
- Coverage
- Impact on health outcome
- Budget
- Summary table of costs and/or benefits
- Graphs

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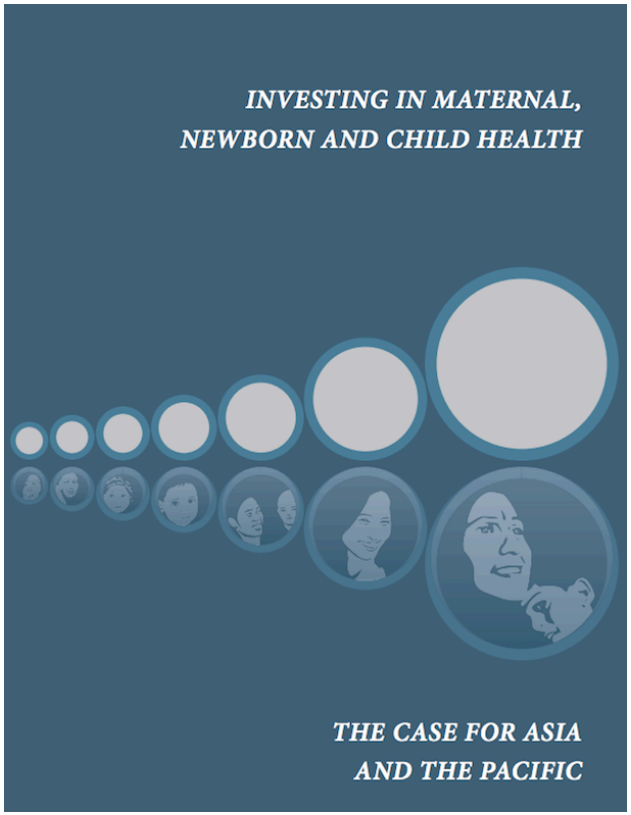
Who typically uses these models?



The Lancet Commissions

GLOBAL HEALTH 2035

THE LANCET

Global health 2035: a world converging within a generation

Dean T Jamison*, Lawrence H Summers*, George Alleyne, Kenneth J Arrow, Seth Berkley, Agnes Binagwaho, Flavia Bustreo, David Evans, Richard G A Feachem, Julio Frenk, Gargee Ghosh, Sue J Goldie, Yan Guo, Sanjeev Gupta, Richard Horton, Margaret E Kruk, Adel Mahmoud, Linah K Mohohlo, Mthuli Ncube, Ariel Pablos-Mendez, K Srinath Reddy, Helen Saxenian, Agnes Soucat, Karen H Ulltveit-Moe, Gavin Yamey

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Executive summary

Prompted by the 20th anniversary of the 1993 World
mission revisited the
d developed a new
ramatic health gains
key messages, each
action by national
middle-income coun-
unity.

nvesting in health
lth are impressive.
about 11% of recent
and middle-income
r national income

A "grand convergence" in health is achievable within our lifetimes

A unique characteristic of our generation is that collectively we have the financial and the ever-improving technical capacity to reduce infectious, child, and maternal mortality rates to low levels universally by 2035, to achieve a "grand convergence" in health. With enhanced investments to scale up health technologies and systems, these rates in most low-income and middle-income countries would fall to those presently seen in the best-performing middle-income countries. Achievement of convergence would prevent about 10 million deaths in 2035 across low-income and lower-middle-income countries relative to a scenario of stagnant investments and no improvements in technology. With use of VLYs to estimate the economic

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Advantages

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Challenges

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