

1974

# Welcome

to the 40th Anniversary edition of HERU's Newsletter

In this special issue we celebrate 40 years of health economics at the University of Aberdeen by highlighting some of our achievements over this period.

Health economics was initiated at the University of Aberdeen in 1974, with the first formally funded health economics project in Scotland.

This project, the vision of **Professor Roy Weir**, brought together Roy, **Elizabeth Russell** and **Gavin Mooney** and laid the foundations for the establishment of the Health Economics Research Unit (HERU) in 1977. HERU was the first Unit in the UK, and in Europe, to focus research on health economics.

The core funding for the unit was from the Chief Scientist Office (CSO) of the Scottish Home and Health Department (now the Scottish Government Health and Social Care Directorates). This continues to be a main source of funding for HERU almost 40 years later, together with core support from the University of Aberdeen.

The success of HERU would not have been possible without the many researchers who have worked in HERU over the past 40 years, as well as our many collaborators. I would like to thank each and every one of you for your contributions to HERU over the past 40 years.

I hope you enjoy our trip down memory lane.

Professor Mandy Ryan  
Director, HERU

2014



## Celebrating 40 Years of Health Economics at the University of Aberdeen A Tribute to Professor Gavin Mooney

On October 21st 2014 HERU hosted an event to celebrate 40 years of Health Economics at the University of Aberdeen. This event also celebrated Professor Gavin Mooney's contribution to health economics in Aberdeen. Gavin, along with his partner Del (Delys) Weston, tragically lost their lives in December 2012.

Gavin came to Aberdeen University in 1974 to work on a project bringing together Medicine and Economics. In 1977 he took up the Directorship of the newly formed HERU. Gavin directed HERU between 1977 and 1986 and 1991 to 1993. His contributions to health economics, and HERU, were extensive.

The conference stimulated lively debate and discussion on key aspects of health economics. Speakers on the day, who have all contributed to health economics at HERU, reflected on the development of health economics over 40 years, with consideration to achievements and future challenges. We also showcased some of HERU's emerging and exciting novel work. The day provided an opportunity for colleagues to come together, remember and celebrate health economics at the University of Aberdeen, and Gavin's contribution to its development.

For more on the conference, including the programme and presentations, visit <http://www.abdn.ac.uk/heru/publications/presentations/heru-conferences/40yrconf/>

## Professor Roy Weir 1927-2014

The development of health economics at the University of Aberdeen was inspired by the late **Professor Roy Weir** with his vision to bring together Medicine and Economics. Roy's vision led to the first funded health economics project in Scotland. This three year project (1974-1977) was a joint venture between **Roy**, **Elizabeth Russell** and **Gavin Mooney**.

Professor Roy Weir sadly passed away in September 2014. It was Roy's vision that inspired health economics at the University of Aberdeen. For that we will always be grateful.



# HERU NEWS

HEALTH ECONOMICS RESEARCH UNIT

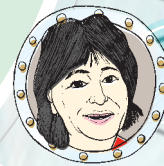
1974

**Roy Weir, Elizabeth Russell and Gavin Mooney** work on the first formally funded Health Economics project, bringing Medicine and Economics together. From this the **Health Economics Research Unit (HERU)** was born...



1977

From 1977-1986 **Professor Gavin Mooney** was the inaugural Director of HERU...



1987

In 1984 **Anne Ludbrook** became Deputy Director and was appointed Director from 1987-1990...

1991

**Gavin** returns to be Director, with **Cam Donaldson** as his Deputy...

1993

**John Cairns** directed the Unit from 1993 -1999...



1999

**Alan Maynard** acts as an External Adviser in 1999 - 2000...



2001

**Bob Elliott** appointed Director in 2001, coming from the Economics Department at the University of Aberdeen. **Bob** directed HERU until 2012...



2012

**Mandy Ryan** becomes Interim Director in 2012 and is appointed Director in 2013 with **Marjon van der Pol** appointed Deputy Director...



1989

### John Cairns joins HERU from the Economics Department

We are pleased to announce the appointment of **John Cairns** to the position of Senior Research Fellow at HERU. John joins us from the Economics Department at the University of Aberdeen...

*John went on to establish a programme of research in time preferences for health. This research informed the debate about discounting practices of future health outcomes in economic evaluations. It attracted external funding from a range of sources and was published in leading health economics and economics journals.*

*HERU continues to be internationally recognised for its research into time preferences.*

2001

### HERU informs the development of Free Personal Care in Scotland

**Dr Sally Stearns** work on the potential demand for personal care and the likely substitution effects that might arise following the introduction of free care has informed the implementation of free personal care for older people in Scotland. **Professor Paul McNamee** has since assessed the impact of free personal care on both the supply of unpaid care and on care inequalities.

2012

### Towards improved policies on public sector pay

Researchers at the University of Aberdeen's Health Economic Research Unit have developed a theoretical model of the causes of local pay variations in the competitiveness of pay in the public sector. This research has changed the way funding is distributed to: Primary Care Trusts in England and Wales; the adjustment for excess costs in resource allocation for health services in Scotland, and regional pay for doctors in the UK.

## Should Scotland Introduce Minimum Unit Pricing?

The Scottish Government's proposal to introduce minimum unit pricing for alcohol has been subject to legal challenge. **Professor Anne Ludbrook** presented evidence to the Health and Sport Committee of the Scottish Parliament which was referred to in the Court of Session ruling in favour of the Government case.

### HERU Launch Distance Learning Course

In 1979 the Health Economics Certificate Course by Correspondence was launched. This course is still our main vehicle for introducing the principals of health economics to health service staff. Our course is now called the **Postgraduate Certificate in Health Economics - Distance Learning**.

### Award of MRC Senior Non-Clinical Fellowship

**Mandy Ryan** has become the first social scientist to be awarded a 5 year MRC Senior Non-Clinical Fellowship. The 5 year Fellowship (1997-2002) will enable her to take forward her PhD, developing the novel method of conjoint analysis in health economics.

### University of Aberdeen secure Technology Assessment Reviews (TAR) Contract

The University of Aberdeen have been awarded a five-year Technology Assessment Review (TAR) contract from the Department of Health. HERU provide the economic input to these reviews... *Since 2001 the TAR contract has been renewed in 2006, 2011 and renewal has been confirmed for 2016...* *The University of Aberdeen is the only Scottish University to hold such a contract.*



### 1986 HERU work informs routine Breast Cancer Screening

**Anne Ludbrook** was a member of the Forrest Committee, providing health economic input to inform decision making about the introduction of routine screening for breast cancer.

#### COURSES IN HEALTH ECONOMICS 1985

Course for Senior Health Service Managers (D.M.T. officers and their equivalents)

One week course, Spring 1985. (Dates to be announced)

International Summer School in Health Economics (for Senior Health Service Staff)

15-25 July 1985 University of Aberdeen

For more information on these courses contact **Gavin Mooney** HERU.

2013

In September 2013 HERU moved from two Programmes to four Themes. The new Theme structure reflects the research areas in which HERU have established a reputation for research excellence and where we can make the most effective contribution to the delivery of improved health services.

December 2003

The Economics Evaluation Programme together with the **Scottish Radiological Society** hosted a one-day conference on **'The Economics of Diagnostic Imaging'**. Participants included the Chief Scientist, **Professor Roland Jung**, together with radiologists, NHS managers, researchers and consumer representatives.

# 2012

2003

### HERU launched their 3-day Workshop

**'Using Discrete Choice Experiments (DCEs) in Health Economics: Theoretical and Practical Issues'**. *Due to demand, this is now run annually.*

## HERU's Remit

1. Research economic approaches to health and health care at standards of international excellence.
2. Make available to the health service a body of expertise in health economics.
3. Develop and apply economic techniques to improve health care and population health in Scotland.
4. Build and sustain capacity in the economics of health.

[www.abdn.ac.uk/heru](http://www.abdn.ac.uk/heru)

## 25th Anniversary Conference

On April 1st 2002 HERU was 25 years old.

To celebrate a quarter century of promoting excellence in health economics the Unit hosted a conference entitled

### 'What can health economics do for the NHS in Scotland'

Following a message from the Principal, the **Deputy Minister for Health and Community Care, Hugh Henry**, introduced a day show-casing the valuable contribution of health economics to health care decision making. In attendance to open the first session was the Scottish Government Chief Scientist, **Professor Roland Jung**.



### Resurrecting Programme Budgeting and Marginal Analysis (PBMA) in HERU's Correspondence Course

The results of a review of our Correspondence Course in Health Economics indicate that students want more information on the Programme Budgeting and Marginal Analysis (PBMA) approach to managing scarce resources at a local level. Our course now reflects this, with our joint work with Greater Glasgow, Grampian, Highland and Tayside Health Boards highlighted.

*20 years later PBMA is used in over 150 health organisations worldwide.*

### 1985 First International Summer School in Health Economics (ISSHE)

HERU's First ISSHE, with technical support from WHO (EURO) was held successfully in Aberdeen from 15 - 25 July 1985. Participants came from Denmark, England, Finland, Italy, the Netherlands, Northern Ireland, Poland, Portugal, Scotland, Sweden, Switzerland and Turkey. The moderators were **Gavin Mooney** from HERU and **Mike Drummond** from the Health Services Management Centre at Birmingham.

### EU funding

Having produced the first ever attempt to use willingness to pay (WTP) to establish relative priorities across health programmes, **Cam Donaldson**, with **Jan Abel Olsen**, has been awarded European Commission funding to develop the method of willingness to pay for assessment of community preferences for health care. The **'EuroWill project'** will interview 2000 people across 6 European countries.

1996-1999

2004

### HERU work informs Smokefree Legislation

**Anne Ludbrook** leads research on the evidence around smokefree public places and modelling of the cost and benefits for Scotland which informed the decision to introduce legislation - leading the way in the UK.



### Student Internship Launched in HERU

2009

This year we introduced a new way of developing research capacity in health economics. HERU is offering three summer internships to economics students who are interested in learning how health economics research is done and how it can be applied to health policy.

*In 2014 we offered this for the sixth year running...*

### 2013 MUNROS

**Professor Bob Elliott** and **Professor Christine Bond** secured €3m from the European Commission to research **'Health care reforms: the iMPact on practice, oUtcome and costs of New roles for health pROfeSsionals (MUNROS)'**. This project has partners in the UK, Netherlands, Norway, Germany, Poland, Turkey, Italy and the Czech Republic.

The University of Aberdeen coordinate the project.

2008

### RAE Success for HERU

Last year ended with the publication of the results of the 2008 Research Assessment Exercise. RAE 2008 was, like its predecessors, a peer-reviewed exercise designed to distinguish the quality of the research activity conducted in Universities throughout the UK. HERU staff were submitted to Unit of Assessment 7 (UoA 7) along with colleagues from our sister unit the Health Services Research Unit (HSRU) and other colleagues from the Institute of Applied Health Sciences at the University of Aberdeen.

The submission to UoA 7 was the strongest from the University of Aberdeen to any panel and with a Grade Point Average of 3.05 was judged first equal in the UK. This was an outstanding achievement of which all in HERU are justifiably proud.

1986

**Alistair McGuire** and **Gavin Mooney** appointed as editors for MacMillan Publishers on a series entitled **Economics and Health Care**.

2012

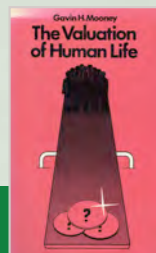
### New MSc Economics of Health

HERU together with the Department of Economics launched a new MSc in the Economics of Health at the University of Aberdeen, commencing in the 2012/13 academic year.

This MSc programme is aimed at students who wish to pursue a career as a professional Health Economist or who wish to undertake a PhD. Health economics is typically applied in multidisciplinary settings. This is reflected within the course providing students with health economics skills alongside generic economic and health service research skills.

This course is now an integral part of our capacity building strategy and is the only MSc in Health Economics within Scotland. With this course we hope to relieve some of the shortage of Health Economists across academia, NHS and government.

For further information please contact **Marjon van der Pol** at [m.vanderpol@abdn.ac.uk](mailto:m.vanderpol@abdn.ac.uk)



1977



1980



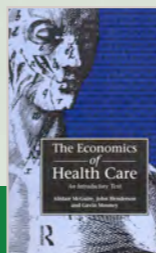
1986



1986



1988



1988



1992



1993



1994



2003



2008



2014

### Celebrating 40 Years

Professor Robert Elliott celebrated 40 years dedicated service to the University of Aberdeen

Bob is a Professor of Economics and between 2001 and 2012 was Director of the Health Economics Research Unit (HERU). His commitment and dedication to directing HERU contributed to HERU being recognised as one of Europe's leading health economics units. Bob is acknowledged internationally for his contributions to health and labour economics. He is a Fellow of the Royal Society of Edinburgh and an Independent Commissioner at the Low Pay Commission.



Anne's HERU Team in 1989

L-R Back: Patricia Meldrum, Brian Yule, Allan Bruce, David Hughes, John Cairns, Cath Urquhart (Secretary)  
Front: Anne Ludbrook, Mandy Ryan, Kathy Johnson, Doren Ellis (Secretary), Anne Bews (Unit Secretary)

### 1984 Gavin Mooney awarded a Personal Chair in Health Economics

Gavin Mooney, the inaugural Director of the Health Economics Research Unit (HERU), has been awarded a personal chair in Health Economics. He is the first Professor of Health Economics in Scotland.



### Mandy Ryan ranked top in the UK

2012

In a recently published article in the *Journal of Health Economics*, Professor Mandy Ryan, who has been with the Health Economics Research Unit (HERU) at the University of Aberdeen since 1987, is ranked amongst the top health economists in the world. Professor Ryan is placed 21st on the list of the top 100 health economists in the world, based on a measure of health economics publications and the number of times they have been cited, making her the top ranked health economist in the UK.



### Profile of HERU'S longest serving member of staff: Professor Anne Ludbrook

Anne Ludbrook joined HERU in 1983 as a Research Fellow having previously worked as an Economic Advisor at Grampian Health Board. In 1984 she was appointed Deputy Director of HERU and from 1987-1990 she was HERU Director. In 2006 Anne was awarded a personal chair by the University of Aberdeen. Anne has worked tirelessly to ensure academic research addresses important policy questions. This can be seen from her early work on the Forrest Committee (1986) which paved the way for routine breast cancer screening in the UK, her directing of HERU's consultancy service throughout the 1990s (which worked closely with Scottish NHS Boards and Hospital Trusts) and her more recent work informing policy debates in Scotland around banning smoking in public places (leading the way in the UK) and minimum unit pricing for alcohol. Anne has contributed enormously to the success of HERU, and the health of the population of Scotland and beyond, since her appointment to Research Fellow over 30 years ago.

2002

### University of Aberdeen Honours Professor Alan Maynard

Alan Maynard, Professor of Health Economics at the University of York was an External Advisor to HERU for many years. This was recognised with the award of the degree of Doctor of Science (DSc) in 2002 from the University of Aberdeen.



Gavin's HERU Team in 1992

L-R Back Row: David Torgerson, Cam Donaldson, John Cairns, Julia Ratcliffe, Gavin Mooney, Shelley Farrar, Phil Shackley, Andrew Walker  
Front: Carmel Oakley, Brian Yule, Doreen Ellis, Elspeth Horne, Andrew Healey, Mandy Ryan

### Some of Mandy's HERU Team in 2014



HERU is supported by the Chief Scientist Office (CSO) of the Scottish Government Health and Social Care Directorates. The views expressed are not necessarily those of the CSO.



UNIVERSITY OF ABERDEEN

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