Adapting economic evaluation for health financing interventions in low-income settings

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Introduction

Question:

Economic evaluation was developed to analyse new interventions (new treatments, drugs, preventive strategies etc.). **Can it be adapted to analyse changes in health financing policy which are largely about shifting the burden of payment for care?**

Background:

This is the question being addressed by the **FEMHealth project**, which is conducting multi-disciplinary evaluations of national policies to increase access to obstetric care in West Africa and the Maghreb by reducing or removing fees in public (and sometimes mission) facilities for all

Although governments are funding the policy, the costs are not entirely new, as in most cases, households would previously have paid for deliveries and emergency care through some form of provider. Moreover, as this is a health systems intervention, it has a wide variety of effects (for women and their families, staff, facilities, managers etc.).

Aim of presentation:

To assess cost-effectiveness or cost-benefit from a societal perspective, the project ideally needs to consider a **wide variety of domains** and present cost-effectiveness evidence in an unorthodox way. This presentation assesses some of the conceptual and methodological challenges.

Challenges (1): basic cost and effects data

Domain	Challenges/discussion points	Options for resolution
Costs	Government costs for programme: these are additional but may in some cases be externally unfunded - to include?	Even if externally funded, can assume some fungibility, so judged to constitute societal costs – so include
	Household cost savings should be deducted – may be one of the main effects. Need to compare what would have paid before for similar health event to what now pay.	Requires exit interview or household survey to assess current payments – drop in price to be deducted from programme costs.
Effects	Deaths averted can be modelled based on increased uptake but this is based on the assumption that quality of care is adequate and is not adversely affected by the policy	Need to weight results by quality of care measures. If quality is improved, may spill over to other services.
	Deaths averted would need to include maternal and newborn lives saved	Not all modelling includes newborn lives. Use best available international evidence to support this component.
	For policy like free caesarean sections, we cannot assume that all who received treatment were in medical need	If we have figures for medically indicated CS, these can be used. If not, use best available evidence from comparable settings

Challenges 2: equity and wider household benefits

Domain	Challenges/discussion points	Options for resolution
Equity issues	Equity is improved if financial barriers are reduced for poorer women, but there is a risk of the converse, if urban women are better able to take advantage of the new policies – we need to take account of financing incidence and benefits incidence.	Can apply equity weighting to effects, but empirical evidence to support it would be limited. Or present concentration index alongside effects data.
	Equity in this case affects effectiveness: poorer women are more likely NOT to get a CS in the absence of the policy and hence to suffer adverse health effects (for them and their newborn)	Could model effects for poorer households in terms of lives saved and effects for richer households in terms of money saved?
	Benefits of the policy include avoiding longer term negative social and economic implications of paying for health care (payments which the household cannot afford and which are catastrophic to households of almost every socio-economic level) E.g. reduced impoverishment of households linked to need to take out loans etc.; improved long-term mental and physical health of mother leading to productivity gains and gains for children	These are complex to measure and even more so to value – place alongside as additional benefit? (Cost-consequence analysis)

Challenges 3: broader and dynamic effects

Domain	Challenges/discussion points	Options for resolution
Health service effects	How does the change to funding mode affect the organisation of services and their efficiency? Does it allow staff to be more productive and motivated, or the opposite? Are other inputs more readily available or less so?	Would require information on production costs pre/post. Could in theory be added to/taken from programme costs, if known
Health system effects	Are there knock-on effects for other services in the district (positive or negative)? May divert resources from facilities, for example, or boost them.	This information would have to be placed alongside cost-effectiveness findings, in qualitative manner
Dynamic effects	What are the longer term dynamics by which fee abolition leads to a virtuous circle of increased utilisation, increased funding and increased quality of care (or the opposite)?	Longer term studies are needed to track patterns of uptake and other indicators over time – very important area as these policies are to a large extent about changing behaviour and attitudes

Conclusions

- Cost effectiveness provides a framework for assessing health financing policies, but it requires considerable adaptation
- The challenges are conceptual and also relate to measurement (high information requirements and projects face customary data challenges for health systems interventions – nationwide application, retrospective assessment, no controls etc.)
- The project aims is to develop a multi-dimensional approach which reflects the real-life challenges of health systems evaluation and the different contexts in the region

For further details see:
www.abdn.ac.uk/femhealth