

# **Value for Money: Calculating value for money for complex multi-faceted interventions**

**Dr Fiona Adshead**

**Chair of Advisory Committee**

- The need for the tool
- ‘Value for Money’ and challenges
- Selection of health issues
- Developing a consensus
- Health gains data
- Using the tool

# The New Age: VfM Counts!



- Austerity – reducing debt
- Focus on behaviour change
- Prove VfM / ROI



# The NSMC VfM Tool

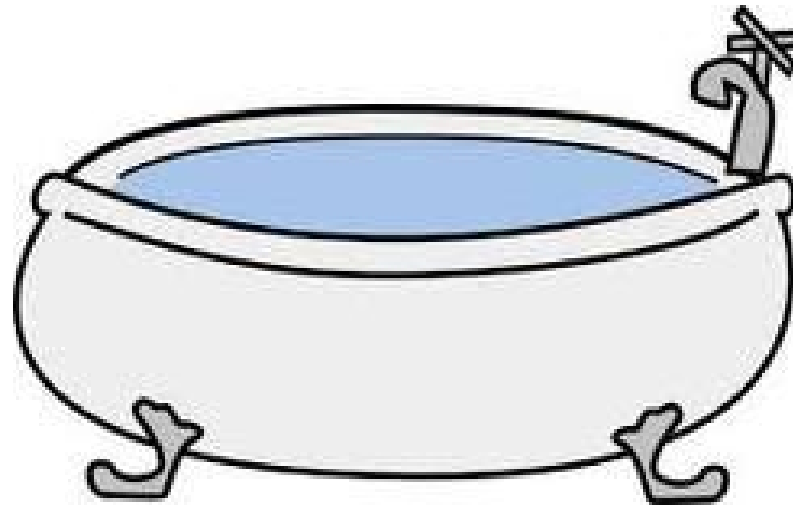


- Commissioned by the Department of Health to improve the planning and evaluation of behaviour change interventions
- Expert panel chaired by Dr Fiona Adshead, including Professors Julian LeGrand and Mike Kelly
- Working with NICE and Dr Graham Lister



# Value for Money

- VfM is about getting the best health possible for the resources available
- Short term vs. long term impact
- Impact across sectors – health and social outcomes



# The Sum of the Whole....

- ...is greater than its parts



# Topic Selection



- 5 initial topic areas
  - Smoking (4 week quit data)
  - Bowel cancer (number of test completed)
  - Obesity (BMI data & physical activity levels)
  - Alcohol (brief interventions)
  - Breast feeding (6-8 week data)

Government  
policy and  
priorities

Clear  
behavioral  
goal, routinely  
collected

# Developing a Consensus



- Review of existing guidelines/best practice
- Found out what practitioners needed – a consensus on:
  - Methods
  - Usage needs for planning and evaluation
- Conducted a questionnaire with 50 leading economists
  - Not just cost to NHS
  - Views on weighting for impact on inequality were mixed
  - Guidance on what 'costs' should be included
  - QALYs vs. DALYs



# Measuring Health Gain, Costs and Savings



- Health Gain is measured as QALYs
  - 1 QALY = £25,000
- Costs to all stakeholders:
  - Local Authorities, Government, NHS, Employer
- Savings from long term reductions in costs to the stakeholders
- Health Gain/impact of behaviour change is taken from WHO's 2009 Global Health Risk report
  - NICE used this data, in conjunction with their evidence base

# Taking Time into Account



- Health can recover in time from unhealthy behaviour
  - VfM impact different depending on age
- Behaviour is dynamic, so change can be short lived
- We value future benefits less than current benefits so we multiply future benefits by a discount factor
  - Discount factor 3.5%
- Combining health change, persistence and time discounting is a technical job...

# The NSMC VfM Tool



- Proto-type tools piloted by local services
- A simple to use online tool
- Supported by a 1-day course and User Guides
- A starting point for commissioning, planning and evaluation

# Using the Tool: Data Needed



- Baseline data for behavioural goal
- Cost of intervention
- Number of people in target segment/audience
- Post intervention data
  - E.g. number of quitters
  - Age
- % of target audience with high levels of disadvantage

# Using the NSMC VfM Tool



- This is your tool!
  - Use it to look at your performance and targets
  - Use it for “what if analysis” of how to improve
  - Use it as part of a case for behaviour change
  - Use it to improve data collection and research
  - Do ensure a member of your team is trained to use the tool
  - <http://thensmc.com/resources/vfm>





## Value for Money Tool

The NSMC has worked with leading health economists and NICE to develop a suite of online tools which will help practitioners and commissioners to calculate the value for money of their social marketing and behaviour change programmes. The tools are downloadable and are developed in Excel, so they can be personalised by local teams to reflect local issues, audiences and costs.

The tools have two important uses:

1. Commissioners can use them to help plan for proposed social marketing and behaviour change programmes by estimating the likelihood that they will provide value for money.
2. They can be used to evaluate whether social marketing and behaviour change interventions were value for money upon completion.

The tools go beyond costs to the NHS, to include wider societal costs. For example, designers of stop smoking programmes will be able to find out the money saved by individuals from stopping smoking, the cost to the local fire service, the extent of gains to employers from reduced employee absences, and so on.

### Value for Money tools

Five tools have been developed, focusing on the following public health areas:

- Tobacco control ([live](#))

The following will be online shortly:

- Breastfeeding
- Alcohol: Harmful and hazardous drinking
- Obesity
- Bowel cancer

Sign up to our newsletter:


### 'A pragmatic approach...'

“The tool is a pragmatic approach to quantify the impact of social marketing approaches at a local level and is a positive step forward for commissioners.”

Dr Fiona Adshead, formerly of WHO and Deputy Chief Medical Officer for England

### Log in / Register

NSMC - VTM Smoking Tool.xls [Compatibility Mode] - Microsoft Excel

Home Insert Page Layout Formulas Data Review View Developer Acrobat

Cut Copy Paste Format Painter Clipboard Font Alignment Number Styles Cells Editing

B89 75%

## Data and Values For Behaviour Change Intervention

**Table 1: Intervention Costs - Enter Costs relating to one year or period for which you have outcomes**

**Value for Money**

**1. Please enter the:**

a) cost of planning and developing the intervention

**£500,000**

Development and capital costs will be spread over the life of the project, these should include costs relating to the design and application of a specific behaviour change project for target clients. General needs assessment and basic research should be excluded.

b) annual revenue costs per year of supporting the intervention

**£120,000**

Annual costs include management, monitoring and operating expenses. If the project or elements of it are contracted to private sector providers VAT should be excluded. Full public sector staff costs and on costs should be included but not unavoidable overheads i.e. management and premises costs that are not changed by the project.

**2. What are the:**

a) NHS set up costs including capital, training, and reorganisation?

**£50,000**

Capital or other one off set up costs such as retraining and reorganisation will be spread over the life of the project.

b) NHS annual revenue costs per year?

**£10,000**

Annual costs include additional staff time required for the delivery of the project - for example advising or treating additional clients. Costs of supplies may include nicotine patches and leaflets for additional clients. The cost of premises and/or equipment should be included only if they are specific to the project and would otherwise not be required or if they are in such high demand that other valuable activities must be curtailed.

**3. Over how many years should development and training costs be spread?**

**3**

Capital costs and project development costs will be spread over the life of the project. These costs are assumed to be at the base year price level, this should be the same year as the year for which outcome results are reported. If this is not the case, for example if the development and training costs relate to an earlier year then they should be inflated to the same price level, all other outcomes and savings will be automatically discounted or inflated to this base year level which should be entered below.

Welcome Data Input Results Impacts National Data Social Look Up Tables

Ready 100%

<http://thensmc.com/resources/vfm>



$$\text{Utility} = e(-0.0000586 \times C + 0.0435987 \times R + 0.119895 \times D)$$

# Case Example



## Norfolk and Waveney chlamydia screening



1. Standardised 1hr induction session for new screening sites
2. Enhanced sexual health communication training for chlamydia screening providers
3. Quarterly newsletter to all sites
4. Ongoing, systematic contact from the CSO (face-to-face or telephone)
5. Fresh, locally branded promotional materials for screening sites
6. Pop-up reminders in GP surgeries