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WP 7b

Theoretical Approaches to the economic evaluation
of health promotion activities for the elderly

- 2.3. Problems concerning costs/costs analysis
- 2.5. Problems concerning the relation of cost and effects

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2.3. Problems concerning costs/costs analysis



- Economic vs. financial costs of intervention,
- Incremental vs. total costs of intervention,
- Valuing production lost (and gained) due to participation in the intervention:
 - Considering only working age time lost (gained),
 - Include also not-working age time – to consider value of informal care lost (gained) due to intervention.
- Costs of extended years of life:
 - related and
 - unrelated to the intervention under consideration.



2.5. Problems concerning the relation of cost and effects



- **„Cost-effectiveness plane”** – which thresholds to use to define acceptability of intervention?
 - As proposed in the literature?
 - Only country GDP per capita?
 - Should we consider quadrant III of the CE plane (interventions less effective and less costly)?
- **Discounting:** equal or different discount rates for costs and effects?
- **Sensitivity analysis:** approaches and variables to be tested (present complete list of variables, or selected only?)
- **Avoiding double counting** – elements included in the nominator and dominator of the Cost-Benefit Ratio and Cost-Effectiveness Ratio.