

HEALTH ECONOMICS

(4)

Cost-minimisation analysis (CMA)

Economic evaluation models are based on the analysis of the relationship between inputs, which are usually different one from another, and their consequences. Such an analysis has the aim of identifying the most efficient intervention, i.e. that which makes best use of scarce available resources. If health care interventions which are assessed by economic evaluation have the same qualitative and quantitative consequences, then economic analysis can concentrate on inputs, and disregard consequences. This is the case in cost-minimisation analysis (CMA).

The nub of the design of CMA is the identification of the intervention with the lowest possible costs. Despite this conceptual simplicity. There are aspects of the method which need to be carefully considered.

1. We must be absolutely sure that the consequences are the same. All health care interventions have multiple impacts on one or more dimensions (social sphere, physical and psychological well-being) and some of these may not be obvious.
2. Not only must such consequences be the same but they must also be consistent with the study's viewpoint. Rarely do CMA studies adopt a wide viewpoint but, as in all economic evaluations, the viewpoint must be explicit and easily understandable as it will dictate the study design and the type of inputs taken into consideration.

Types of cost included in CMA can vary from direct (those falling on the health care system for the production of the health intervention for the care of the condition considered) to indirect and intangible. As in all cases, all inputs must be identified, measured in natural units, and valued; the resulting methodological problems are common to all other study designs. A typical problem which occurs in CMA studies concerns the valuation of costs accruing in the future; this aspect, called time preference, is part of the current debate over discounting. This debate, however, is concerned mainly with time adjustment of consequences.