

VA HEALTH ECONOMICS BULLETIN

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The VA Health Economics Bulletin is a quarterly publication of the Health Economics Resource Center (HERC) to bring VA researchers updates on datasets and data sources.

For more information on VA datasets, visit the HERC web page for Guidebooks and Technical Reports at <http://www.herc.research.va.gov/publications>.

For economics-related questions, please view our *Frequently Asked Questions (FAQs)* web page at <http://www.herc.research.va.gov/resources/faq.asp>.

For economics advice, please call the HERC consulting service at (650) 617-2630 or email us at herc@va.gov.



Dedicated to improving the quality of health economics research

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NPCD to Stop in FY15

The VA National Data Systems (NDS) anticipates retiring the National Patient Care Database (NPCD) on October 1, 2015. NPCD is the source from which the inpatient and outpatient Medical SAS datasets are built. NDS is working to create and validate replacement SQL files that will be housed in the VA Corpo-

rate Data Warehouse (CDW). The existing SAS datasets will continue to be available to researchers from NDS. For information on how to request access to the existing Medical SAS files, please visit the VHA Data Portal at <http://vaww.vhadataportal.med.va.gov/>. For information on the NPCD transition to

CDW see the CDW SharePoint site at <https://vaww.dwh.cdw.portal.va.gov/Regions/NDS/NPCD%20CDW%20Transition/Forms/AllItems.aspx>. **Note:** These links direct you to internal VA web sites that are not available to the public.

QUERI Economic Guidelines Updated

In June 2014 HERC updated the QUERI Economic Analysis Guidelines. These guidelines provide the VA Quality Enhancement Research Initiative (QUERI) researchers with the basic tools to perform cost analysis. QUERI pro-

vides supplemental funding to the VA Health Economics Resource Center (HERC) to enhance economics research within the QUERI program.

The 2014 QUERI Economic Analysis Guide-

lines include recommendations for economic analyses in implementation science investigations. It describes best practices for estimating the budget impact of adopting new interventions, processes or pro-

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QUERI Economic Guidelines Updated, cont.

cedures, including the estimation of implementation and sustainability costs. The updated guidelines include information on cost identification, cost-effectiveness analysis and budget impact analysis. The guidelines describe what type of question each type of economic analysis is best used for, the economic measures used, the

clinical measures (if any), the perspective of the analysis and the time horizon considered. These elements are summarized in the table below.

Although QUERI seeks to improve quality of care by implementing evidence-based practices, there is also an interest in de-implementation of low-

value care. Low-value and wasteful practices have been identified by the American Board of Internal Medicine/Consumer Reports' "Choosing Wisely" initiative, the National Priorities Partnership, and the British National Health Services' NICE program.

To see the full QUERI Economic Analysis Guidelines,

please visit the HERC web page for Frequently Asked Question (FAQ A8): QUERI Cost-Effectiveness Analysis Guidelines at http://www.herc.research.va.gov/resources/faq_a08.asp or visit the QUERI web page of Resources for Researchers at http://www.queri.research.va.gov/for_researchers.cfm.

Table. Comparison of the basic elements of economic analyses

	Cost-identification	Cost-effectiveness analysis	Budget impact analysis
Research Question	What does it cost to provide a specific intervention?	What are the incremental costs and benefits of a new/enhanced intervention compared to a comparator?	What will it cost to adopt this new intervention across our health care system?
Economic Measures	Direct costs of the intervention including personnel, equipment, technology, pharmacy	Direct and indirect costs of intervention delivery, health care, and patient time and services related to the Intervention	Variable costs of intervention adoption and implementation
Clinical Measures	None	Morbidity, mortality, QALYs	None
Perspective	Payer	Payer, patient or societal	Payer
Timeframe considered	Current	Lifetime	1-5 years

Staff Update

HERC Economist, Patsi Sinnott, has taken a new position with Cave Consulting Group (CCGroup), a software and consulting company with a suite of software products which provide analytics for health plan, medical group and employer population health management and provider quality and efficiency performance improvement. As Vice-President of Clinical Operations and Account Management, she will provide strategic leadership for the firm's analytic and customer services activities. Patsi will remain a part-time VA employee while she completes a variety of economics and health services projects.

Upcoming HERC Cyber Seminars and Call for 2015 Presenters

Our September HERC Health Economics Cyber Seminar will feature Amresh Hanchate, PhD and Austin Frakt, PhD from the VA Boston, presenting on “The Effect of Medicaid Expansions on Demand for Care from the Veterans Health Administration.” Drs. Hanchate and Frakt will share new findings from their study on health care reform that analyzed previous expansions of state Medicaid programs and determined changes in VA enrollment and use. They will also discuss potential effects of similar Medicaid expansions under the Affordable Care Act. Please register to at-

tend the cyber seminar on September 17th at 2:00 pm Eastern Time at <http://www.hsrd.research.va.gov/cyberseminars/catalog-upcoming.cfm> to hear more about this exciting work.

Our October cyber seminar will feature Matt Maciejewski from the Durham VA and Duke University, discussing his new work “Long-term VA Expenditures Associated with Bariatric Surgery.” Bariatric surgery is a procedure for weight loss among obese persons, which is associated with high health care costs. This cyber seminar will be

held October 15th at 2:00 pm Eastern Time, so be sure to join us to learn more about this important topic.

Are you conducting economics-related research and interested in sharing your work? Then the VA Health Economics Resource Center (HERC) has perfect opportunity for you! HERC is scheduling presenters for the 2015 HERC Health Economics Cyber Seminar series to discuss works in progress or recently completed. Our cyber seminars feature one-hour long presentations conducted via the Internet to a na-

tionwide audience. Sessions are held on the 3rd Wednesday of each month at 2pm ET. Previous topics included colon cancer costs and quality of care, hospital readmissions as a measure of hospital quality, and systems modeling to evaluate the impact of HIV testing laws.

Please contact HERC Economist Jean Yoon (Jean.Yoon@va.gov) with your proposed topic to learn more about presenting. We look forward to hearing from you.

FY13 HERC Average Cost Data Available at VINCI

HERC inpatient and outpatient average cost data for fiscal year (FY) 2013 are now available at the VA Informatics and Computing Infrastructure (VINCI). To request access to HERC average cost data at VINCI, follow the current Data Access Request

Tracker (DART) request process for Medical SAS data at the VA Corporate Data Warehouse and indicate your request for HERC average cost files in the request memo.

The HERC average cost method assumes that eve-

ry health encounter has an average cost of all encounters with the same characteristics. The FY13 release updates the series that began in FY1998 and is a set of nationally representative cost estimates that can be used for cost-effectiveness analyses. For

details on the contents and methods of creating the HERC average cost files, see the HERC guidebooks, available on the HERC website at <http://www.herc.research.va.gov/publications/guidebooks.asp>.

HERC

The Health Economics Resource Center produces pioneering, rigorous health economics and related research that improves health care within and beyond VA.

Our research activities include innovation and excellence in:

- Performing cost and cost-effectiveness analyses
- Studying the efficiency of health care
- Evaluating health programs and interventions
- Planning, managing, and analyzing randomized clinical trials
- Health care decision modeling
- Assessing health-related quality of life
- Health economics and health services research

We are committed to:

- Integrity
- High quality of work
- Productivity
- Transparency
- Mutual trust and respect
- Teamwork
- Investment in people through learning and mentoring
- A flexible, supportive, and enjoyable work environment



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HERC Cyber Seminars

Each hourly session begins at 11:00am Pacific (2:00pm Eastern), unless otherwise noted.

Register: <http://www.hsrc.research.va.gov/Cyberseminars>
Schedule & archives: <http://www.herc.research.va.gov/training/>

Cyber Seminars

The Health Economics Cyber Seminars feature presentations on a variety of health economics and health services topics.

September 17, 2014 **The Effect of Medicaid Expansion on Demand for Care from the Veterans Health Administration**

Austin Frakt, Ph.D., Health Economist
Amresh Hanchate, Ph.D., Health Economist
Center for Healthcare Organization and Implementation Research (CHOIR), VA Boston

October 15, 2014 **Long-Term VA Expenditures Associated with Bariatric Surgery**

Matt Maciejewski, Ph.D.
Health Research Scientist/Research Career Scientist
Center for Health Services Research in Primary Care,
Durham VAMC

*Interested in presenting in the HERC Health Economics Cyber Seminar Series?
See [page 3](#) for more details*

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