

The use of hospital cost estimates in the assessment of health technologies

Michael Drummond, Centre for Health Economics, University of York, United Kingdom

The field of health technology assessment (HTA) has been growing in importance in recent years. For those HTAs that concern resource allocation decisions, it is necessary to assess the costs and benefits of alternative treatments and programmes. Casemix-related hospital cost estimates are often used in these assessments and, in addition, the adoption of new technologies has implications for hospital funding. This presentation will outline the basic methods of economic evaluation and address the following questions: are the current casemix-related cost estimates useful in economic evaluation; how transferable are these economic assessments across jurisdictions and; how should hospital funding be revised in order to accommodate new health technologies?