

Primer on cost-effectiveness analysis

ISSUE: During our September 2017 meeting, several Commissioners asked for factual information about cost-effectiveness analysis. Cost-effectiveness analysis evaluates the costs and clinical effectiveness of two or more medical interventions, including drugs, medical devices, surgical and diagnostic procedures, and medical treatment strategies. The objective of cost-effectiveness analysis is to assess the relative value of alternative services for improving health.

KEY POINTS: At the March meeting, we will discuss the objectives and design elements of cost-effectiveness analyses.

ACTION: Commissioners will discuss the material and provide feedback to staff.