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Connecting commissioning decisions and economic evaluation

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In order to meet the health needs of the population, organisations at local, regional and national level are responsible for arranging care by buying (commissioning) appropriate services. In the NHS, care is sometimes commissioned through 'outcome-based commissioning', where services are paid for based on achieving specific health related outcomes. This approach is similar to how researchers conducting economic evaluations of NHS interventions think about value. However, there is often no direct link made between the commissioning of NHS services and their evaluation. Closing the gap between these approaches could improve the way in which health care needs are met.

Our research used a case study from England to explore how to connect economic evaluation evidence and care commissioning, discussing the issues and challenges that arise.

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First, there are conceptual challenges. For example, deciding what the relevant outcomes are so that payments for achieving these can be agreed. In outcome-based commissioning, these are often measures of activity or shorter term surrogate outcomes such as the monitoring of Body Mass Index (BMI) to measure overall health. This type of outcome is often easier to measure and interpret. Economic evaluations on the other hand, typically consider longer term patient centred measures of outcome, such as Quality Adjusted Life Years (QALYs).

There are also practical issues around bridging this gap. For example, evidence on surrogate outcomes may not be as reliable as evidence about final health outcomes. Also linking the surrogate and intermediate measures with the final outcomes may be difficult and the relationship between the two may be influenced by other factors. For example, reducing BMI may not always be a positive outcome as whether it is good or bad depends on the specific population considered.

However, despite the conceptual and practical challenges that arise, we conclude that outcome-based commissioning and economic evaluation would benefit from closer connections. This could improve the efficiency of both approaches and ultimately benefit healthcare services and the health of the population.

Read the full paper in *Applied Health Economics and Health Policy*

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