Resource Allocation Decisions Assessing Respiratory Care - Programme Budgeting Marginal Analysis in Action

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Population Need

BCUHB has the largest proportion of people aged 65 years and over, this proportion is above the Wales average.

There is considerable variation across North Wales, for example chronic obstructive pulmonary disease (COPD) has an average prevalence of 2.4%. However, the prevalence is higher at 3.6% in North Denbighshire and lower at 1.9% in Gwynedd and Flintshire.

In 2011-12 there were over 5,400 emergency admissions for COPD, asthma and pneumonia asthma, and over 23,000 emergency admissions where one of these conditions was recorded as a co-morbidity.
PBMA – in a nutshell

• Programme budgeting:
  – Need to know where resources are currently used

• Marginal analysis:
  – To have more of some services, it is necessary to shift resources from others as there is no new money coming into the system
**Total Current Spend**

A  B  C  D  E

**Less**

**PRIORITY**
e.g. Quality of service,
Meeting need,
Value for money,
Acceptability, etc...

**More**
Release resources
Lost benefits

Invest resources
Added benefits
Cost saving
New Total Spend

B
C
D
E

Invest resources
Added benefits

Cost saving
PBMA Stages *(Brambleby and Fordham, 2003)*

1. Choose a set of meaningful programmes
2. Identify current activity and expenditure in those programmes
3. Think of improvements
4. Weigh up incremental costs and incremental benefits and prioritise a list
5. Consult widely
6. Decide on changes
7. Effect the changes
8. Evaluate progress
Methods

Establishment of:

**Operational group** (chairperson, BCUHB finance staff, BCUHB and Public Health Wales staff with an interest in respiratory care and health economists)

**PBMA panel** to make resource reallocation recommendations (clinicians, nursing staff, healthcare managers, finance, service users and business support)
Programme budget – 2012-13 spend on respiratory care in BCUHB provided by finance staff.

Candidate generation – 3 methods used;
• Initial work conducted by the BCUHB respiratory project team
• A Pro-forma developed by the operational group
• A Survey Monkey online questionnaire

Marginal analysis – a high-level ranking task showing the Panel’s top priorities for investment and disinvestment to show a preferred direction of travel to the directors of BCUHB.
Results

The Programme Budget
In 2011-12 BCUHB spent a total of £86.9 million on respiratory care. £61.2 million of spend was accrued by secondary care and £25.7 million was accrued by primary care.

This equates to £122 per year, per head for a population circa 700,000, compared with the Welsh average of £116 per head (age adjusted).

Candidates for resource reallocation
13 candidates were generated for discussion and assessment by the PBMA panel.
Results continued

Criteria to appraise candidates

- Evidence of Cost-effectiveness
- Evidence of Clinical Effectiveness
- Evidence of Impact for Reducing Inequalities in Health
- Patient Views
- Local Experts (Healthcare Professionals) Opinions and Views
It was recommended by the panel to allocate resources to

- Pulmonary rehabilitation programme and outreach team
- Smoking cessation (at community pharmacy level 3)
- Admission avoidance schemes for respiratory patients
- Advanced care planning
- Reducing medicines waste (e.g. inhalers)
- Reducing mis-diagnosis followed by treatments not necessarily indicated
- Reducing acute admissions by improving community services and across the pathway
- Achieving a higher number of generalists to increase skills-mix which may be more efficient in caring for this population group
It was recommended by the panel to reduce resources from:

- Prescribing high-cost antibiotics
- Prescribing mucolytics, which have a limited evidence base for effectiveness
- Unrequired outpatient follow-up appointments, by following best practice guidelines

Maintain current activity:

- Community partnership to forge links between housing and respiratory health
- COPD local enhanced services
Investment Priorities (highest to lowest)
Disinvestment Priorities (highest to lowest)
Conclusions

This exercise demonstrates how the PBMA framework can be applied successfully by a local board at a micro-level to appraise a specific care pathway, in a challenging rural setting with co-operation from a range of staff.

PBMA offers an evidence-based, transparent framework to make healthcare resource reallocation decisions.

Recommendations are now being implemented through the new BCUHB Respiratory Health Planning and Delivery Group. Pulmonary rehabilitation services have been significantly expanded in expectation of medicines budget savings.

Thank you

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