

**THEORY AND METHODS OF
ECONOMIC EVALUATION OF HEALTH CARE**

Developments in Health Economics and Public Policy

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THEORY AND METHODS OF ECONOMIC EVALUATION OF HEALTH CARE

by

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PREFACE

Most economic evaluations of health care programmes at the moment are cost-effectiveness and cost-utility analyses. The problem with these methods is that their theoretical foundations are unclear. This has led to confusion about how to define the costs and health effects and how to interpret the results of these studies. In the environmental and traffic safety fields it is instead common to carry out traditional cost-benefit analyses of health improving programmes. This striking difference in how health programmes are assessed in different fields was the original motivation for writing this book. The aim of the book is to try and provide a coherent framework within cost-benefit analysis and welfare economics for the different methods of economic evaluation in the health care field. The book is written in an easily accessible manner and several examples of applications of the different methods are provided. It is my hope that it will be useful both for teaching purposes and as a guide for practitioners in the field.

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