



JOHNS HOPKINS  
BLOOMBERG  
SCHOOL *of* PUBLIC HEALTH

Cost-Effectiveness Analysis  
of TB Diagnostics

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Challenges and  
Future Directions



Protecting Health, Saving Lives—*Millions at a Time*

# Objectives

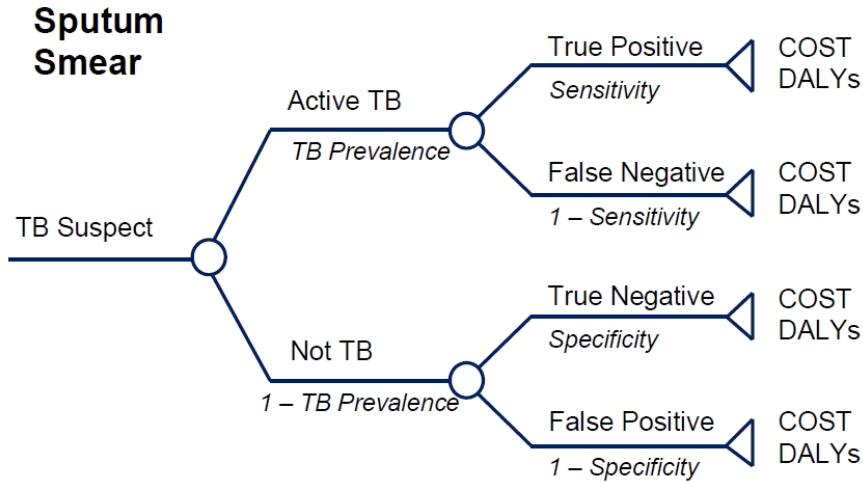
- Provide an overview of cost-effectiveness analysis (CEA) as applied to TB diagnostics
  - Focus on one sample CEA model rather than overview all models
- Discuss limitations and challenges of CEA, with emphasis on relevance to TB diagnostics
- Mention current areas of interest for CEA of TB diagnostics



"First we're going to run some tests to help pay off the machine."

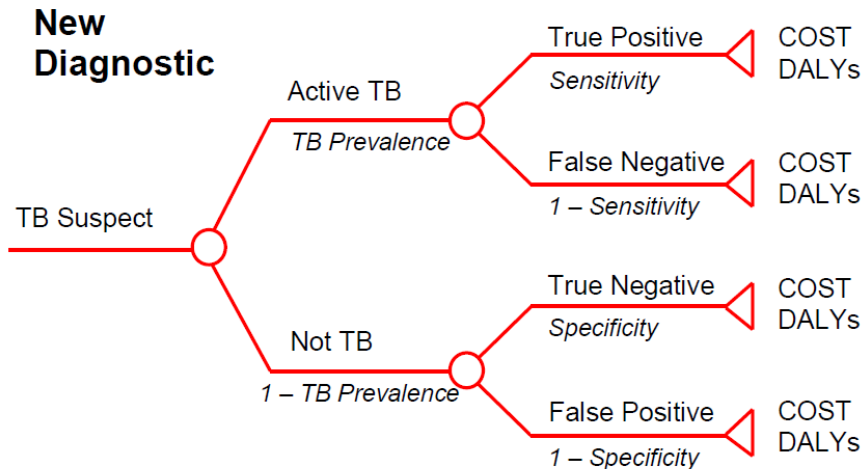


# CEA of TB Diagnostics: Prototype Model



$$\text{Mean Cost} = \Sigma(\text{Cost} * \text{Probability})$$

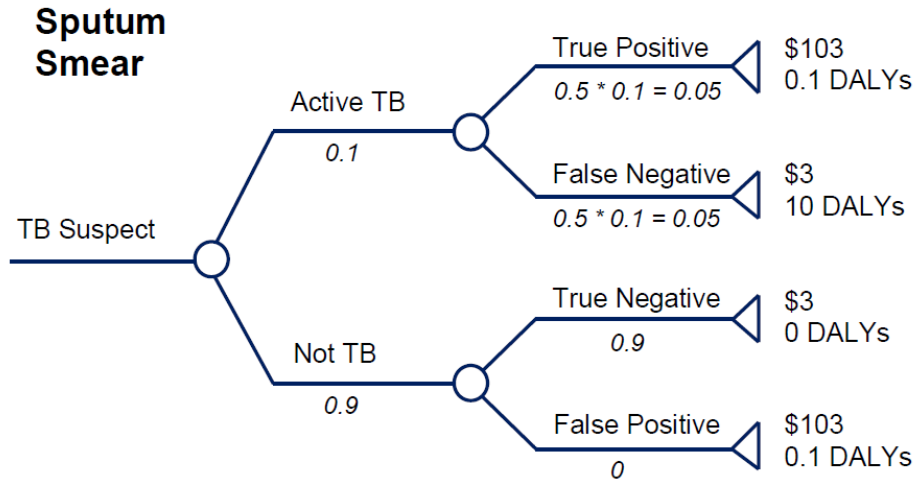
$$\text{Mean Effectiveness} = \Sigma(\text{DALYs} * \text{Probability})$$



$$\text{Incremental Cost-Effectiveness Ratio (ICER)} = \frac{(\text{Cost of New Test} - \text{Cost of Smear})}{(\text{Effectiveness of New Test} - \text{Effectiveness of Smear})}$$



# Add in Some Realistic Numbers



**TB Prevalence: 0.1**

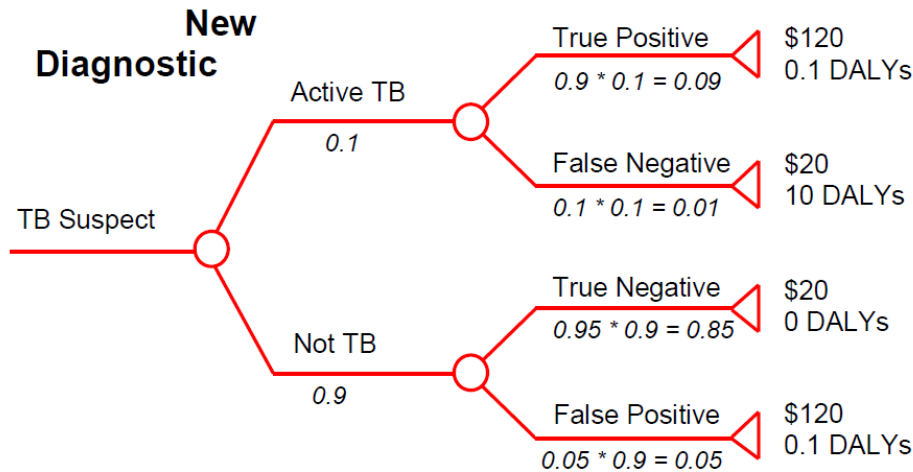
**Smear Sensitivity: 0.5**  
**Smear Specificity: 1.0**

**New Test Sensitivity: 0.9**  
**New Test Specificity: 0.95**

**Cost of Smear: \$3**

**Cost of New Test: \$20**

**Cost of TB Treatment: \$100**

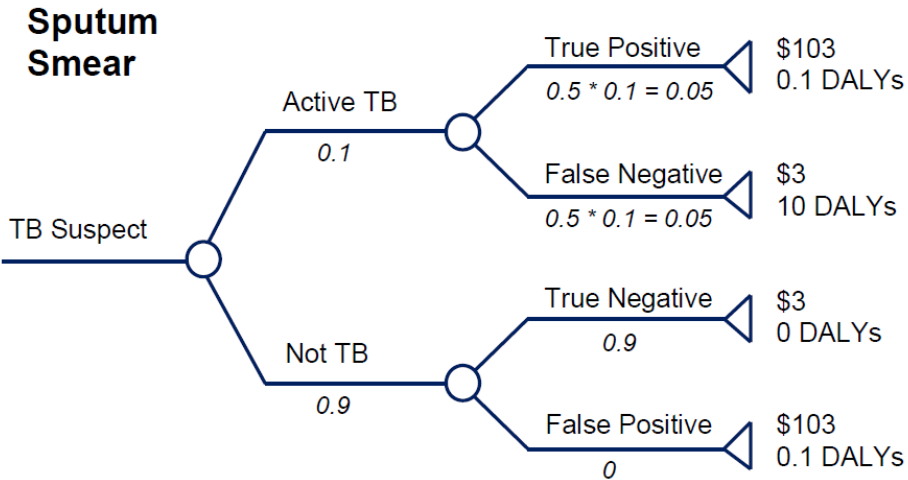


**DALYs for Untreated TB: 10**  
**(20 years \* 50% risk of death)**

**DALYs for TB Treatment: 0.1**  
**(6 months \* 20% QOL loss)**



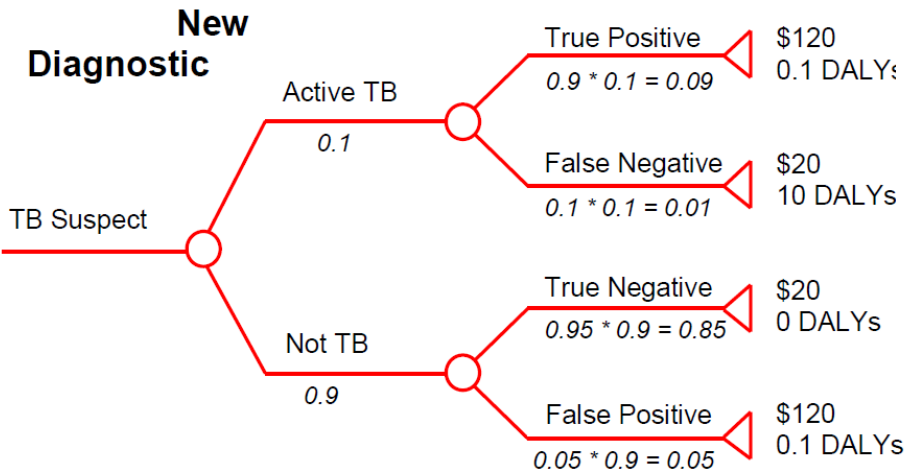
# Add in Some Realistic Numbers



$$\text{Mean Cost} = \Sigma(\text{Cost} * \text{Probability})$$

$$\text{Mean Effectiveness} = \Sigma(\text{DALYs} * \text{Probability})$$

$$\text{Incremental Cost-Effectiveness Ratio (ICER)} = \frac{(\text{Cost of New Test} - \text{Cost of Smear})}{(\text{Effectiveness of New Test} - \text{Effectiveness of Smear})}$$



**Mean Cost:**

$$(\$103 * 0.05) + (\$3 * 0.05) + (\$3 * 0.9) + (\$103 * 0) = \$8 \text{ (smear)}$$

$$(\$120 * 0.09) + (\$20 * 0.01) + (\$20 * 0.85) + (\$120 * 0.05) = \$34 \text{ (new test)}$$

**Mean Effectiveness =  $\Sigma(\text{DALYs} * \text{Probability})$**

$$(0.1 * 0.05) + (10 * 0.05) + (0 * 0.9) + (0.1 * 0) = 0.505 \text{ (smear)}$$

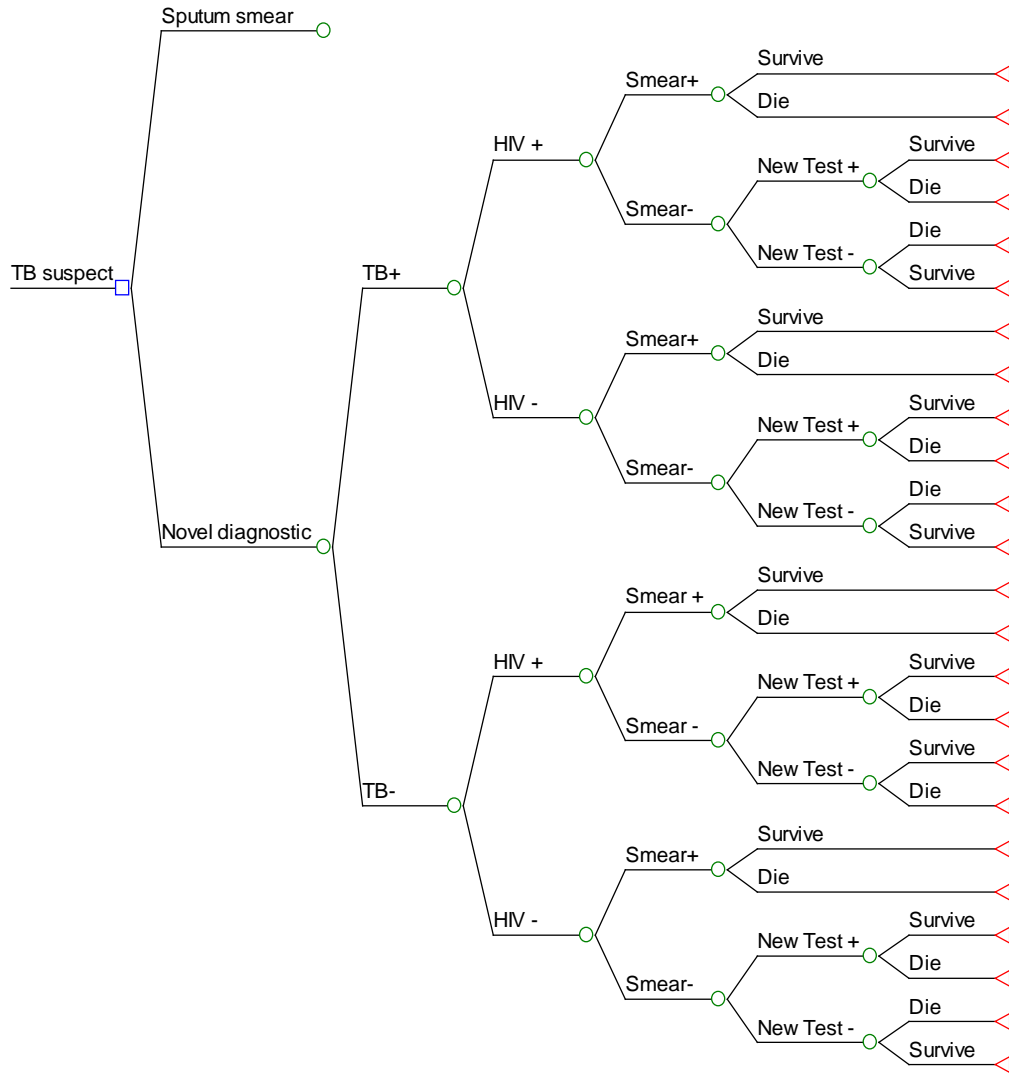
$$(0.1 * 0.09) + (10 * 0.01) + (0 * 0.85) + (0.1 * 0.05) = 0.114 \text{ (new test)}$$

**Incremental Cost-Effectiveness Ratio (ICER) =**

$$(\$34 - \$8) / (0.114 - 0.505) = \$66 \text{ per DALY averted}$$



# Adding Complexity to the Prototype Model



# Cost-Effectiveness of TB Diagnostics in a Low-Income Country (Kenya)

- Sputum smear microscopy: \$38 per DALY averted
- New test (90% sens, 95% spec, \$20/test): \$115/DALY
  - More expensive than in our analysis because undiagnosed TB doesn't suffer 10 DALYs
    - *Dowdy et al, IJTLD 2008; 12:1021*

## Reference values:

- MDR-TB treatment in Peru: \$211/DALY
  - *Suarez et al, Lancet 2002; 359:1980*
- WHO standard for “highly cost-effective”: <GDP per capita
  - >\$300 in all countries except for Zimbabwe
  - \$50,000/DALY as one benchmark in developed countries
    - *Commission on Macroeconomics and Health, WHO, 2001*
    - *CIA World Factbook*



# Summary: Prototype CEA of TB Diagnostics

- A simplified decision-analysis model provides a “ballpark” figure for the cost-effectiveness of TB diagnostics.
- Complexity can be built into models as necessary.
- TB diagnostics will generally appear highly cost-effective.
  - Depending on the assumptions used





# So, what's the problem?

## Limitations of CEA for TB diagnostics

- False-positive diagnostic results
  - Misrepresentation of the diagnostic process
  - Failure to account for transmission
  - Output that is not useful to end-users
- *Dowdy DW, Cattamanchi A, Steingart KR, Pai M. PLoS Med 2011*

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PLoS MEDICINE

Essay

## Is Scale-Up Worth It? Challenges in Economic Analysis of Diagnostic Tests for Tuberculosis

David W. Dowdy<sup>1✉\*</sup>, Adithya Cattamanchi<sup>2</sup>, Karen R. Steingart<sup>3</sup>, Madhukar Pai<sup>4</sup>



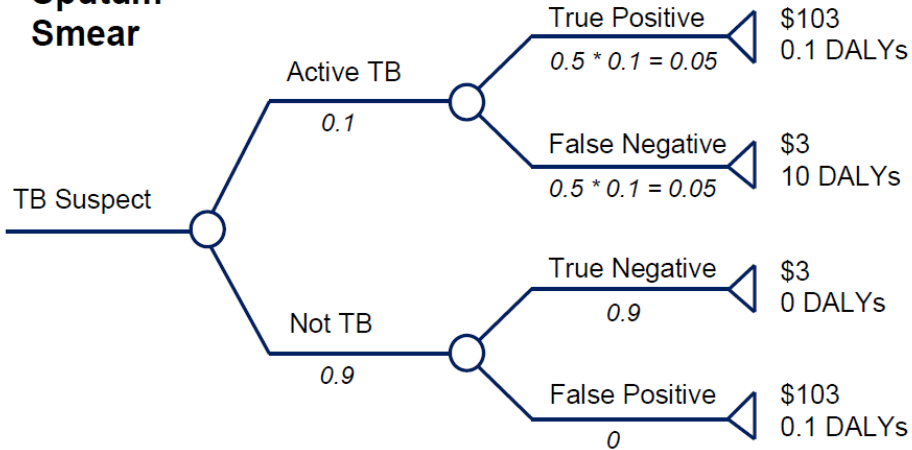
# Limitation 1: False-Positive Results

- Treatment for TB is highly cost-effective.
  - Young people who might otherwise die
- The cost of TB treatment is relatively low.
  - \$100 is a small price to pay, and complications are relatively rare.
- As a result, any intervention that increases TB diagnosis appears cost-effective.
  - Even if the test is so poor that nobody would consider using it
  - This is one argument for empiric TB treatment, but in most places of the world, patients and doctors will not commit to 6 months of treatment without an attempt at diagnosis.
- An illustrative example:



# Take This Good Test...

## Sputum Smear

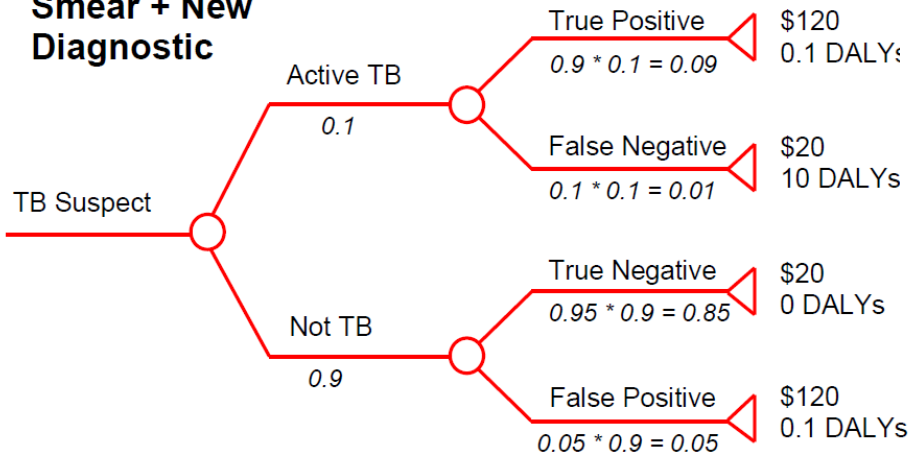


$$\text{Mean Cost} = \Sigma(\text{Cost} * \text{Probability})$$

$$\text{Mean Effectiveness} = \Sigma(\text{DALYs} * \text{Probability})$$

$$\text{Incremental Cost-Effectiveness Ratio (ICER)} = \frac{(\text{Cost of New Test} - \text{Cost of Smear})}{(\text{Effectiveness of New Test} - \text{Effectiveness of Smear})}$$

## Smear + New Diagnostic



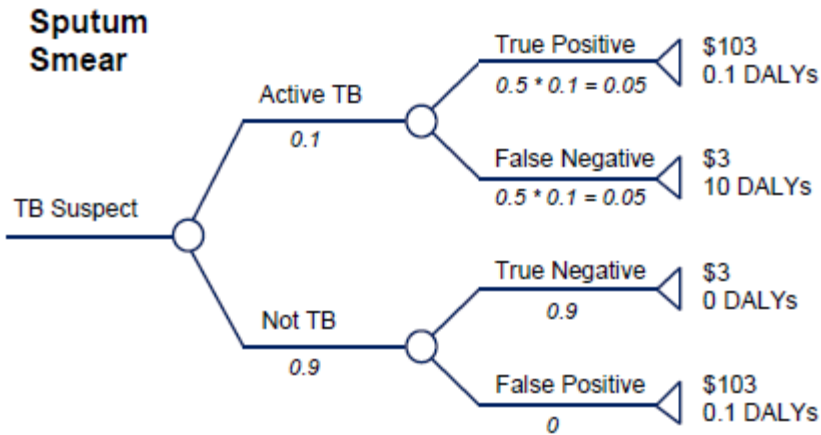
**Mean Cost:**  
 $(\$103 * 0.05) + (\$3 * 0.05) + (\$3 * 0.9) + (\$103 * 0) = \$8$  (smear)  
 $(\$120 * 0.09) + (\$20 * 0.01) + (\$20 * 0.85) + (\$120 * 0.05) = \$34$  (new test)

**Mean Effectiveness =  $\Sigma(\text{DALYs} * \text{Probability})$**   
 $(0.1 * 0.05) + (10 * 0.05) + (0 * 0.9) + (0.1 * 0) = 0.505$  (smear)  
 $(0.1 * 0.09) + (10 * 0.01) + (0 * 0.85) + (0.1 * 0.05) = 0.114$  (new test)

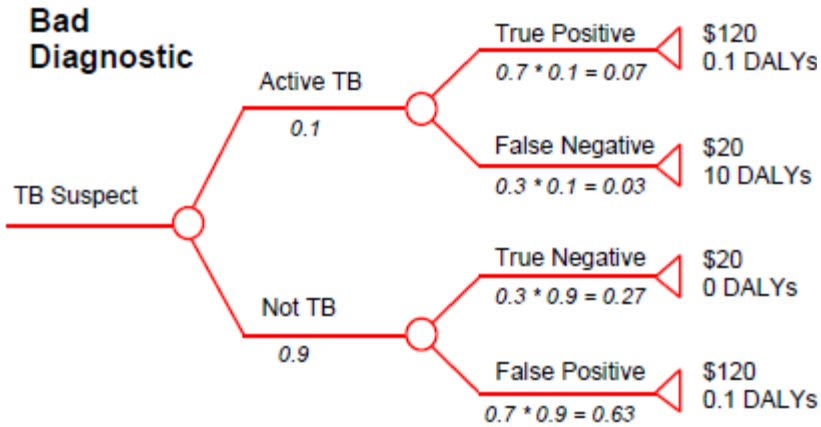
**Incremental Cost-Effectiveness Ratio (ICER) =**  
 $(\$34 - \$8) / (0.114 - 0.505) = \$66$  per DALY averted



# ...and Replace it with a Bad One



**Sensitivity = 70%**  
**Specificity = 30%**  
*(i.e., randomly treat 70% of all pts)*  
**Cost = \$20**



**Mean Cost:**  
 $(\$103 * 0.05) + (\$3 * 0.05) + (\$3 * 0.9) + (\$103 * 0) = \$8$  (smear)  
 $(\$120 * 0.07) + (\$20 * 0.03) + (\$20 * 0.27) + (\$120 * 0.63) = \$90$  (new test)

**Mean Effectiveness =  $\Sigma(\text{DALYs} * \text{Probability})$**   
 $(0.1 * 0.05) + (10 * 0.05) + (0 * 0.9) + (0.1 * 0) = 0.505$  (smear)  
 $(0.1 * 0.07) + (10 * 0.03) + (0 * 0.27) + (0.1 * 0.63) = 0.370$  (new test)

**Incremental Cost-Effectiveness Ratio (ICER) =**  
 $(\$90 - \$8) / (0.370 - 0.505) = \$607$  per DALY averted

**\$670/DALY = Highly Cost-Effective in Most Settings**



# False Positives

- Standard cost-effectiveness methods suggest that treating 30 false-positives for every 1 true-positive is cost-effective.
  - *Basinga P et al, Med Decis Making 2007;27:53.*
- Most patients or physicians would not accept such a high false-positive rate.
  - Erosion in trust of the healthcare system
  - Misuse of TB resources
  - Questions the purpose of a diagnostic test
- Most tests, if added to sputum smear in the field, will diagnose more new false-positives than true-positives.
  - 70% sensitivity for smear-negative TB & 95% specificity (e.g., Xpert)
  - TB prevalence of 10%, 50% of TB smear-positive
  - 50% of smear-negative TB treated on basis of clinical suspicion
  - New test identifies 2.6 false-positives for every new true smear-negative



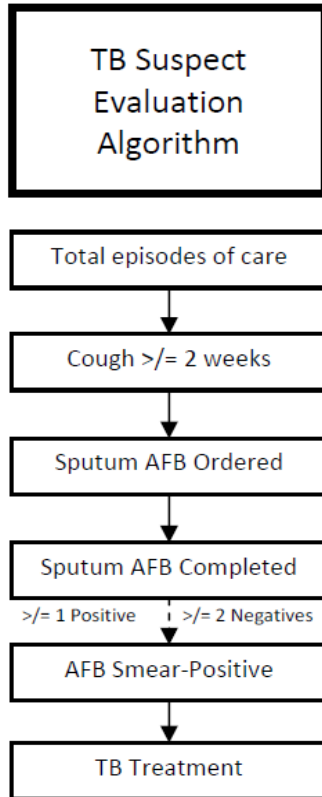
## Limitation 2:

### Misrepresenting the Diagnostic Process

- Simple decision analysis assumes that a patient receives a diagnosis and is treated/suffers outcomes accordingly.
- In reality, many steps happen in between.
  - Diagnostic delay: time of diagnosis as important as correct diagnosis
  - Loss to follow-up: diagnostic results not acted upon
  - Repeat diagnosis: false-negatives may return to clinic
  - Other conditions: inappropriate TB diagnoses may increase morbidity from other diseases
- Failure to incorporate these steps likely results in overestimation of diagnostics' cost-effectiveness.



# Link from Diagnosis to Treatment in Uganda



Indicator	Numbers, by quarter				Proportions*, by quarter				p-Value
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
	14,852	14,652	17,369	16,036	--	--	--	--	--
	365	280	349	294	2.5%	2.0%	2.1%	1.8%	0.27
<b>1</b>	75	111	211	155	21%	40%	60%	53%	0.014
<b>2</b>	55	90	168	119	73%	81%	80%	77%	0.85
	7	19	30	25	13%	21%	18%	21%	0.25
<b>3</b>	5	13	23	21	71%	68%	77%	84%	0.016

Cumulative Probability of Being Diagnosed with and Treated for TB <sup>+</sup>	11%	22%	37%	34%	0.005
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- Davis JL et al, AJRCCM 2011 (epub ahead of print)



## Limitation 3: Failure to Account for Transmission

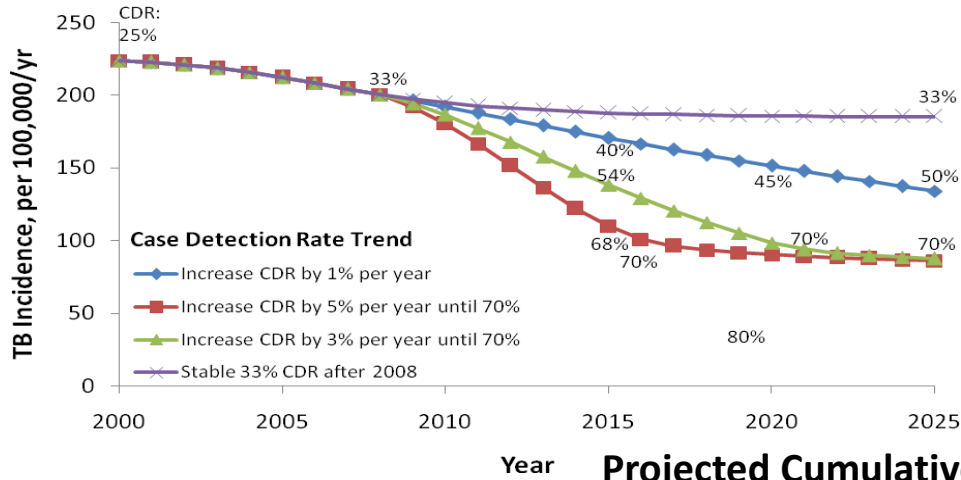
- “Public health imperative” of TB diagnostics is to reduce total burden of transmission
  - Results in control of the epidemic over time
- CEA methods have evolved separately from transmission models.
  - Economists vs. mathematicians
- Most cost-effectiveness models of TB diagnostics do not account for transmission over time.
  - If diagnostics lead to increased/faster TB treatment, their impact will likely be underestimated.





# Example: TB Control in Rural China

Projected TB Incidence, by Case Detection Rate



Projected Cumulative Outcomes 2010-2025 (per 1 million population)

	Incident TB Cases <sup>a</sup>		TB Deaths		Treatment Costs (US\$) <sup>b</sup>	
	15-year total	Cases Averted	15-Year Total	Deaths Averted	15-Year Total	Added Cost
<b>Increase CDR to 33%, then stabilize</b>	29,100	0	7900	0	\$1.82 million	\$0
<b>Increase CDR by 1% per year</b>	24,700	4400	6200	1700	\$2.01 million	\$190,000
<b>Increase CDR by 3% per year to 70%</b>	18,600	10,500	3900	4000	\$2.06 million	\$240,000
<b>Increase CDR by 5% per year to 70%</b>	16,500	12,600	3000	4900	\$2.02 million	\$200,000

*Dowdy D, Wong A, Peeling R.  
unpublished data*



## Limitation 4: Output Not Useful to End-Users

- Statement that “TB diagnostic is cost-effective” is not useful to decision-makers.
  - Most TB-related interventions meet standard thresholds for cost-effectiveness.
  - However, money for TB diagnostics often comes from TB-designated funds, not health funds in general.
  - CE models often don’t compare actual alternatives being considered.
  - Example: Serological testing of 15% of India’s TB suspects would consume the entire Revised National TB Control Programme budget.
    - [Dowdy D, Steingart K, Pai M. PLoS Med, in press.](#)
- Cost-effectiveness models of TB diagnostics need to think beyond “is this test cost effective?”



# Summary:

## Limitations of CEA for TB diagnostics

- **False-positive diagnostic results**
  - Standard models favor any test that increases TB case detection
  - Consequences of excessive false-positive rates rarely considered
- **Misrepresentation of the diagnostic process**
  - Most TB suspects presenting to care do not get started on treatment
  - Models generally do not consider these losses
- **Failure to account for transmission**
  - Standard models focus only on the cohort at hand
  - Fail to capture the “public health imperative” of TB diagnostics
- **Output that is not useful to end-users**
  - Not just “is a test cost-effective,” but rather “is implementation of this test the best use of actual resources available”



# Potential Solutions: A Brief Listing

- **Estimate the true cost of false-positives.**
  - Ask patients and physicians what false-positive rate they would be willing to tolerate.
  - Consider empiric therapy in selected circumstances.
- **Model the diagnostic process more accurately.**
  - Collect data on diagnostic losses and operational accuracy in the field.
- **Combine transmission and economic models.**
  - Example of TB control in China
  - Potentially incorporate costs of non-TB treatments that are hindered/facilitated by inaccurate/accurate TB diagnosis.
- **Set appropriate cost-effectiveness thresholds.**
  - Ask end-users what alternatives they are considering.
  - Benchmark diagnostics against those alternatives.



# User-Friendly Cost-Effectiveness Analysis: A Field in its Infancy

## Cost-effectiveness of Screening for Tuberculosis

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### What's this?

This TreeAge model compares a new screening test for tuberculosis to existing alternatives:

- Sensitivity is gained at the expense of specificity.
- Both sensitivity and specificity can be gained at higher cost.

With this model test designers can determine how these tradeoffs affect the cost-effectiveness profile.

Courtesy of David Bishai [PubMed]

Price of new test(\$):

\$1

Sensitivity of new test:

0.70

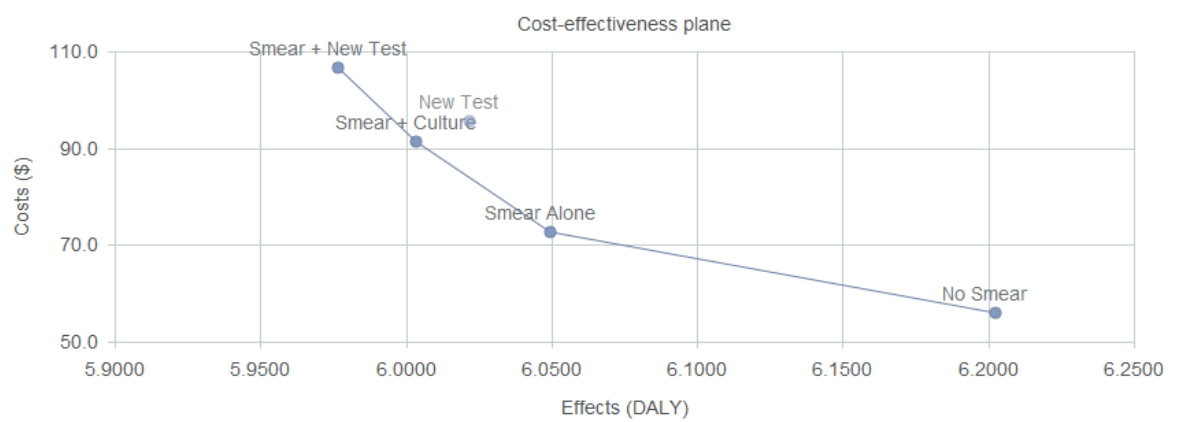
Specificity of new test:

0.90

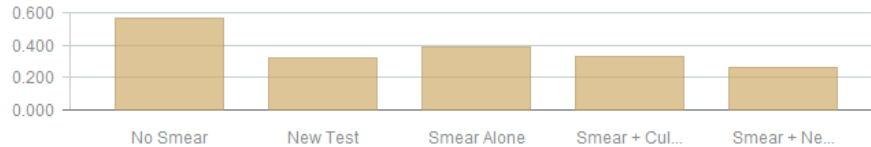
TB Prevalence:

20%

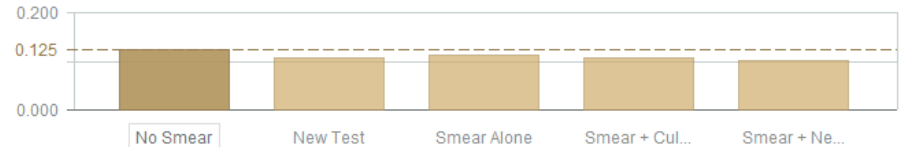
Save Snapshot



Secondary TB cases



Deaths



# Conclusions

- Cost-effectiveness analysis is an essential tool for guiding the development and implementation of TB diagnostics.
- Current approaches suffer from important limitations.
  - Impact of false-positives
  - Misrepresentation of the diagnostic process
  - Failure to account for transmission
  - Generation of output not useful to end-users
- Future cost-effectiveness models of TB diagnostics may:
  - Aim to better represent the process of TB diagnosis
  - Combine economic and epidemic modeling techniques
  - Produce user-friendly output that can be instantly utilized by decision-makers



Thank you for your attention!

