



Centre for Health Economics and Policy Analysis

# Annual Report

2007-2008



# CHIEF PA

- CHEPA member Jean-Eric Tarride, of the Program for Assessment of Technology in Health (PATH), was named a recipient of a 2007 Career Scientist Award from the Ontario Ministry of Health and Long-Term Care.
- CHEPA member Mita Giacomini was appointed inaugural director of McMaster University's newly-launched Health Policy PhD program. Several other CHEPA members are fulfilling key program advisory and supervisory roles.
- CHEPA's Health Policy program hosted its first international symposium entitled Field of Dreams: Strengthening Health Policy Scholarship in Canada. The symposium was attended by a mix of health policy educators and researchers, university Deans and graduate students, and current and former health policymakers. See more details inside this annual report.
- Jeremiah Hurley, CHEPA Associate Director, is leading the efforts to recruit an internationally-recognized researcher for the Ontario Chair in Markets for Health Professionals. The province is providing \$3 million to McMaster University to establish the chair, which will lead the challenge to produce the research necessary to improve Ontario's ability to forecast and plan the province's health human resources needs.
- CHEPA faculty members continued to be very successful in external grant competitions. During 2007/08, they were awarded more than \$4.6 million as principal investigators on grants funded by leading organizations such as the Canadian Institutes of Health Research, the Social Sciences and Humanities Research Council and the Canadian Agency for Drugs and Technology in Health.
- CHEPA members John Lavis and Lisa Schwartz received CIHR funds to lead research projects in their areas of expertise. Jeremiah Hurley was the co-applicant on a CIHR operating grant.
- A reinvigorated Visitors Program brought several international scholars to CHEPA during 2007, from Australia, New Zealand, the United Kingdom and the United States.
- CHEPA member Greg Stoddart, who was the founding co-ordinator of the Centre and who has been involved in the organization throughout its 20-year history, retired on Feb. 1.
- An inventory of systematic reviews of the effects of alternative governance, financial and delivery arrangements within health systems has been created through a partnership of the Program in Policy Decision-Making (PPD) and the Canadian Cochrane Network and Centre. PPD is a research program affiliated with CHEPA.
- CHEPA has signed a new three-year agreement with the Ontario Ministry of Health and Long-Term Care that will allow it to expand its role in producing policy-relevant research to inform health policymakers and health system managers, and in building Ontario's applied health research capacity.

**For details on these and other CHEPA activities visit the website at [www.chepa.org](http://www.chepa.org).**

# Mission

To promote a collegial and supportive interdisciplinary environment that fosters excellence in acquiring, producing and communicating socially relevant knowledge in the fields of health economics and health policy analysis.

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CHEPA is a world-class interdisciplinary health research centre that fosters excellence in acquiring, producing and communicating socially-relevant knowledge in the fields of health economics and health policy analysis to inform decision-making at all levels of the health system.

Based at McMaster University, it is home to the largest concentration of health economists and health policy analysts in Canada, with 19 faculty members from three faculties, two schools and six university departments.

CHEPA distinguishes itself from other Canadian health services and policy research centres by the breadth and depth of its expertise in the growing fields of health economics and health policy.

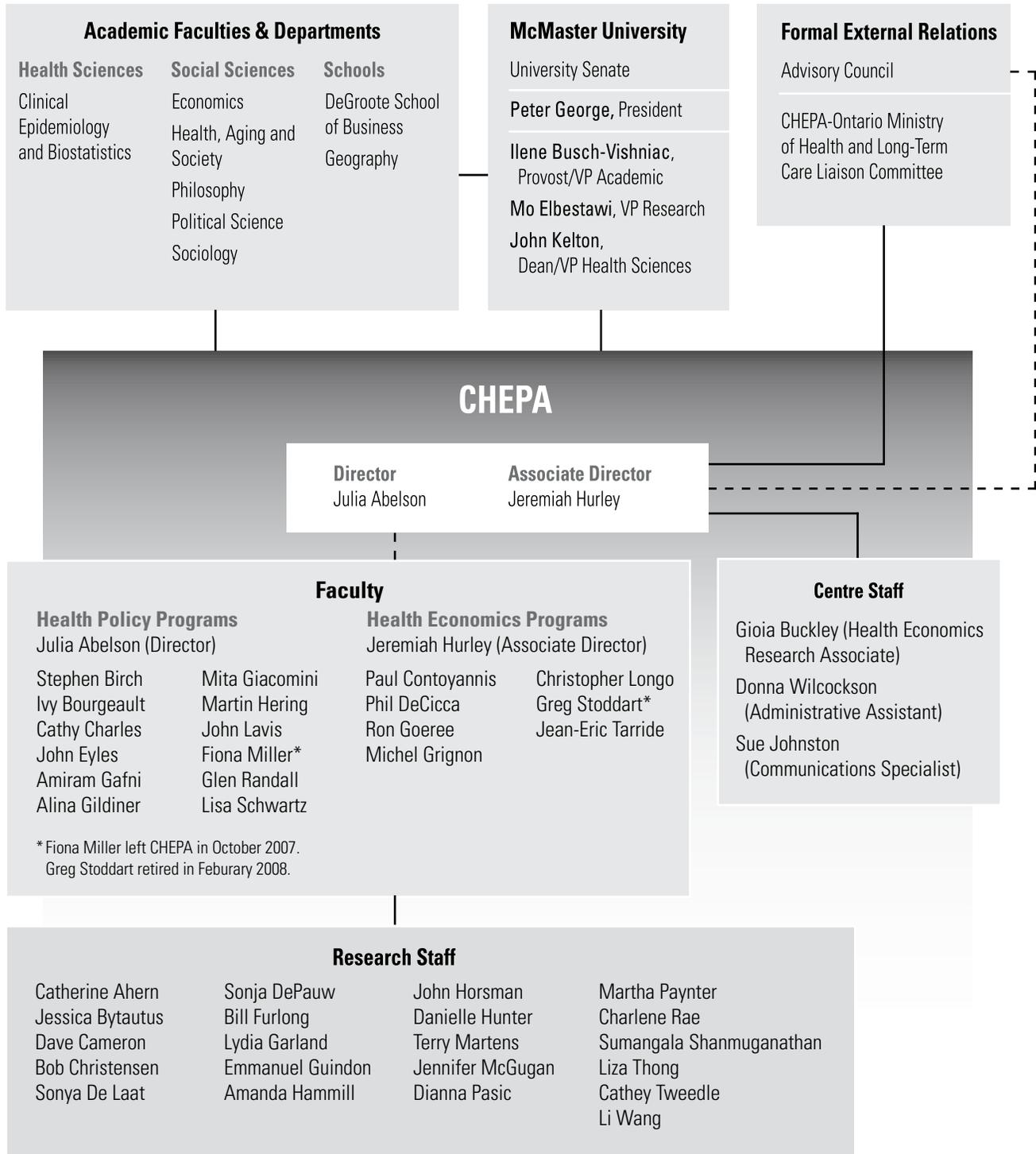
Its large talent pool of discipline-based and interdisciplinary researchers addresses a broad range of health, health care and health system problems through independent and collaborative research programs.

CHEPA researchers bring together a rich set of intellectual resources to tackle complex health and health care problems from a variety of perspectives such as economics, political science, ethics and sociology.

The development of new methods and the evaluation of health, health care and health systems are prominent features of CHEPA research. The centre has conducted pioneering work in the areas of knowledge exchange, economic evaluation and health technology assessment, and made notable contributions to health human resources, and needs-based and primary care funding models.

It also serves as an incubator for new graduate training programs in health policy, health economics and health services.

# Organizational Chart



———— Reporting Relationship      - - - - Advisory Relationship

## Faculty

**Julia Abelson** is Director of CHEPA, an associate professor in the Department of Clinical Epidemiology and Biostatistics and associate member of the Department of Political Science. She is a past holder of a Canadian Institutes of Health Research New Investigator Award and an Ontario Ministry of Health and Long-Term Care Career Scientist Award. Her research interests include democratic participation in health system governance; the evaluation of innovations in the organization, funding and delivery of health services; and the analysis of the determinants of health policy decision-making. Through her research, education and service activities, she works closely with decision-makers in provincial, regional and local governments.

**Stephen Birch** is a professor in the Department of Clinical Epidemiology and Biostatistics. His main research interests are in methods for economic evaluation of health interventions, equity in health care resource allocation and the relationship between health and environments. He is a member of the Board of Directors for the Hamilton Niagara Haldimand Brant Local Health Integration Network, and has academic appointments in the School of Medicine at the University of Manchester, U.K. and the Centre for Health Economics Research and Evaluation at the University of Technology Sydney in Australia. He is a previous recipient of a research scholarship award under Health Canada's National Health Research and Development Program.

**Ivy Lynn Bourgeault** holds the Canada Research Chair in Comparative Health Labour Policy, and is an associate professor in the Department of Sociology and the Department of Health, Aging and Society. The focus of her CRC is a comparative examination of the migration of health care providers into and out of Canada, the U.S., the U.K. and Australia. Bourgeault is a member of the National Steering Committee on Rural and Remote Women's Health and of the Canadian Interdisciplinary Network for Complementary and Alternative Medicine Research. In addition to her research comparing health occupations, she also studies rural health care issues and health care providers' views of complementary and alternative medicine.

**Cathy Charles** is a professor in the Department of Clinical Epidemiology and Biostatistics, and a Research Collaborator in the SPARC (See, Plan, Act, Refine, Communicate) Program at the Mayo Clinic in Rochester, Minn. Her research interests include public and patient participation in health care and treatment decision-making, physician-patient communication, and the use of research information to improve decision-making in the clinical encounter. She is currently undertaking a variety of collaborative studies, both in Canada and internationally, on these issues in different clinical contexts. She is a member of the editorial boards of two international journals, Health Expectations and Patient Education and Counseling.

**Paul Contoyannis** is an associate professor in the Department of Economics. He has conducted research focused on the causes and consequences of inequalities in health, considering both theoretical and empirical issues relating to addiction, obesity and wage and income inequality. His main methodological interest is estimation and inference in complex microeconomic models. His research interests include health dynamics, determinants of health and health inequalities, the effects of childhood abuse on economics in adulthood, economic determinants of body weight and intergenerational transmission of income and health inequality.

**Phil DeCicca** is an assistant professor in the Department of Economics. He is interested in the impact of incentives in public policies and programs on individual behaviour. His work focuses on topics in health economics and labour economics and the intersection of the two fields. DeCicca's current work in health economics builds on an existing interest in the impact of excise taxes on smoking behaviour. He is involved in work on the relationship between economic conditions and health, as well as the existence and extent of competitive spillovers in public health insurance programs. His research interests also include child health and outcomes.

**John Eyles** is a social and policy scientist and holds the title of Distinguished University Professor at McMaster University. He is a Fellow of the Royal Society of Canada, a professor in the School of Geography and Earth Sciences, and an associate member of the departments of Clinical Epidemiology and Biostatistics and Sociology. He is author or co-author of about 300 books, peer-reviewed journal articles and technical reports in the health and social sciences fields. He has carried out work for national and provincial organizations and governments in Canada. His research interests include decision-making in health care systems and programs, the role of science and other factors in health and environment settings and access to health care resources.

**Amiram Gafni** is a professor in the Department of Clinical Epidemiology and Biostatistics and a research associate with the Research Institute for Quantitative Studies in Economics and Population, in the Faculty of Social Sciences at McMaster. His research interests are in the area of economic evaluation of health care programs (methods development and empirical applications), modelling of consumers' health-care behaviour, models of patient-physician decision-making, policy analysis and risk and decision analysis in health. His research has covered topics ranging from the care of premature babies to end of life care. He is involved in numerous ongoing research projects, examining subjects related to cardiovascular disease, hypertension, HIV/AIDS, breast cancer, complex continuing care and patient values.

**Mita Giacomini** is a professor in the Department of Clinical Epidemiology and Biostatistics and director of McMaster's new Health Policy PhD program. Her publications have addressed topics including health policy ethics, political reasoning in health technology assessment, health resource allocation, values in evaluation and policymaking, interdisciplinarity, and the clinical uses of qualitative evidence. Current research projects focus on health policy ethics, argumentation and evidence in health technology coverage decisions, values and ethics in Canadian health policy, and life support technologies in intensive care. She teaches in the areas of philosophy of science and health policy, and is a member of the Ontario Health Technology Assessment Committee.

**Alina Gildiner** is an assistant professor in the Department of Political Science and the Department of Health, Aging and Society. Her research interests focus on public-private change and the welfare state in historical-comparative analysis. Substantive areas of research to date have concerned privatization of rehabilitation in Ontario and of core health care in several Canadian provinces, and disability policy

regimes in Europe. Other research interests include health and social policy, public and private insurance for health and disability and comparative public policy. She formerly held a Post-Doctoral Award with the Social Sciences and Humanities Research Council of Canada, and the Mustard Award from the Institute for Work & Health in Toronto.

**Ron Goeree** is an associate professor in the department of Clinical Epidemiology and Biostatistics, and Director of the Program for Assessment of Technology in Health (PATH) Research Institute. The PATH Research Institute consists of a series of educational and research programs focusing on the evaluation of new and existing health care technologies. The research fosters an evidence-based framework for assessing the value of new health technologies. Goeree's research interests also include applied economic evaluation and development of new methods and techniques for economic appraisal. Goeree is involved in numerous research projects of both the Ontario Ministry of Health and Long-Term Care and the Canadian Agency for Drugs and Technology in Health.

**Michel Grignon** is an assistant professor in the Department of Economics and the Department of Health, Aging and Society, and an adjunct scientist at the Institute for Health Economics in Paris, France. Grignon has extensive experience at an international level in research projects and activities in the areas of health economics, health-related policies, health insurance and aging. His current research projects cover a broad range of topics, including how an aging society impacts health care expenditures in Canada. His research interests also include the impact of supplementary health care insurance on various factors and determinants and patterns of health care consumption across income and age groups.

**Martin Hering** is an assistant professor in the Department of Political Science and the Department of Health, Aging and Society. He studies the development of welfare states and the politics of welfare state reform, and is particularly interested in analysing stability and change in the two largest social programs in advanced industrialized countries: health care and pensions. He seeks to understand why health care systems are more resistant to fundamental change than pension systems and how policymakers' ideas about health care shape policy alternatives. His current research focuses on policy drift in the Canadian health care system and on policy initiatives of provincial governments that either reinforce or reduce inequities in health care utilization.

**Jeremiah Hurley** is the Associate Director of CHEPA, a professor in the Department of Economics and an associate member of the Department of Clinical Epidemiology and Biostatistics. He has conducted research on physician behaviour and physician payment systems, resource allocation and funding models for health care, financial incentives in health care and prescription drug programs. His current work focuses on public and private roles in health care financing, resource allocation and equity in health care, and the application of experimental economic methods in health research. He has published in leading health economic and health services research journals and has acted as a consultant to regional, provincial, national and international agencies.

**John Lavis** is the Canada Research Chair in Knowledge Transfer and Exchange, an associate professor in the Department of Clinical Epidemiology and Biostatistics, and an associate member of the Department of Political Science. He is also a research associate with the European Observatory on Health Systems and Policies. His principal research interests include knowledge transfer and exchange in public policymaking environments and the politics of health care systems. He directs the Program in Policy Decision-Making, a research program affiliated with CHEPA. He is president of the Pan American Health Organization Advisory Committee on Health Research, and a member of the Advisory Committee on Health Research for the World Health Organization.

**Christopher J. Longo** is an assistant professor in the DeGroot School of Business. He has 16 years of industry experience in clinical research, economic evaluation and market access strategies for pharmaceuticals. He has published both clinical and economic research in a number of therapeutic areas including diabetes, cancer, sepsis and central nervous system disorders. His research interests include the economic and quality of life evaluation of pharmaceuticals in critical and chronic illnesses, global pharmaceutical pricing strategies, the public/private mix in the financing of health care, the evaluation of factors influencing patients' financial burden for health care services, and barriers and facilitators to healthy behaviour in chronic illnesses.

**Fiona A. Miller**, an assistant professor and holder of the Senator William McMaster Chair in Health Policy in the Department of Health, Aging and Society, holds a New Investigator Award from the Institute for Health Services and Policy Research of the Canadian Institutes of Health Research (CIHR). Miller leads a broadly-based research program centred on health technology policy, particularly for genetic and genomic technologies, and including the social organization of health services, social and ethical issues in resource allocation, genetic screening and genetic research, and innovation creation in health biotechnology. (Note: Fiona Miller left her role with CHEPA to join the University of Toronto in October 2007)

**Glen E. Randall** is an assistant professor in the DeGroot School of Business. He has more than 20 years of experience working with leaders in government, regulatory agencies and health care organizations. His current research includes an assessment of recent reforms to the delivery of home care services in Ontario and the impact of these reforms on the autonomy of health professionals. He is also the principal investigator of a study investigating the evolution of mental health policy in Ontario as services shift from institutionally-based to community-based delivery. Other research interests include the impact of health care restructuring on health professionals and resource allocation and priority setting in health care.

**Lisa Schwartz** is an associate professor in the Department of Clinical Epidemiology and Biostatistics and an associate member in the Department of Philosophy. She holds the Arnold L. Johnson Chair in Health Care Ethics at McMaster University, and is a founding member of the Ontario Cancer Research Ethics Board. Schwartz has led workshops to build faculty and staff knowledge in health ethics. Her research interests include ethics in health care education, research ethics, privacy and access to biosamples, patient advocacy and measurement and effectiveness of ethics education. She is currently the Primary Investigator on a CIHR funded study examining the ethical challenges faced by health care professionals providing humanitarian assistance abroad.

**Greg Stoddart** is a professor in the Department of Clinical Epidemiology and Biostatistics, and an associate member of the Department of Economics. His current research interests address topics from both the economics of health care and the economics of health, including the public-private mix in health care finance, the development and application of conceptual frameworks for studies of the determinants of health, and knowledge transfer to inform policymaking about health and health care. He has developed several new courses and programs during his 30-year teaching career at McMaster. He has served as a consultant to the World Health Organization, the World Bank, and several Canadian ministries of health and task forces. (Note: Greg Stoddart retired in February 2008)

**Jean-Eric Tarride** is an assistant professor in the Department of Clinical Epidemiology and Biostatistics, and an associate member in the Department of Economics. He is also an investigator with the Program for Assessment of Technology in Health and a member of both the Centre for Evaluation of Medicines and the Father Sean O'Sullivan Research Centre at St. Joseph's Healthcare. His primary research interests are in methods for the economic evaluation of health technologies, and treatment of uncertainty in health technology assessments (HTAs) and the decision-making process. Other areas of research include the longitudinal analysis of health care utilization data and the analysis of administrative databases linked to population health surveys.

## Advisory Council 2007-2008

The members of CHEPA's Advisory Council represent key target audiences for CHEPA's research and leaders in the health sector in Canada. The Advisory Council and its members provide CHEPA with strategic advice, facilitate linkages with health decision-makers and stakeholders, and inform CHEPA's knowledge exchange activities.

**Julia Abelson**  
Director, CHEPA  
McMaster University

**Terry Albert**  
Executive Director  
Corporate Affairs  
Canadian Medical Association

**Lillian Bayne**  
Independent consultant in health policy,  
planning and research  
Lillian Bayne and Associates  
BC Regional Officer, CHRSE

**Charlyn Black**  
Director  
Centre for Health Services and Policy  
Research  
University of British Columbia

**Sheree Davis**  
Executive Lead  
Strategic Directions  
Ministry of Health and Long-Term Care

**Jeremiah Hurley**  
Associate Director, CHEPA  
McMaster University

**Shan Landry**  
Vice-President, Primary Health  
Saskatoon Health Region

**Ginette Lemire Rodger**  
Chief of Nursing  
Ottawa Hospital – General Campus

**Mary Catherine Lindberg**  
Executive Director  
Ontario Council of Teaching Hospitals

**Sandra MacDonald-Rencz**  
Acting Executive Director  
Office of Nursing Policy  
Health Canada

**Maureen A. Quigley**  
Health Strategies Facilitator and Adviser  
Maureen Quigley and Associates Inc.

**John Ronson**  
Partner  
Courtyard Group, a professional services  
firm specializing in the health care field

**Noralou P. Roos**  
Professor, Community Health Sciences,  
University of Manitoba  
Manitoba Centre for Health Policy  
Canada Research Chair in Population Health

## Ministry Responsive Research

Research responding to specific health system management and policy priorities as determined by the Ontario Ministry of Health and Long-Term Care is a key part of CHEPA's mandate. During the 2007/08 fiscal year, CHEPA researchers have continued to work on two projects launched in the previous year, and submitted a final report on a third project.

The ongoing projects are:

*Primary Care Physician Responses to Payment Incentives:* CHEPA Associate Director Jeremiah Hurley is the principal investigator on this project that is analysing the impact of selected changes in payments to primary care physicians on the delivery of services by Ontario family doctors. In recent years, the province has introduced several Primary Care Reform models as an alternative to the traditional fee-for-service payment model. This project will provide information to the government on how primary care reform physicians have responded to selected preventive care bonuses and special payments, and how these financial incentives have affected provision of and access to primary care services.

*Primary Care Needs of Rural and Northern Physician Group Agreement (RNPGA) Practice Populations:* This project is designed to develop a measure of need for primary care services based on individual-level data from 2005 to 2007. The RNPGA is a primary care model that provides a global payment to groups of physicians in several rural or northern communities in Ontario, to ensure patients receive a broad range of services. Using this measure of need, the research will assess current funding against potential alternative methodologies, such as fee-for-service and capitation adjusted for age, sex and other factors. Principal investigator is CHEPA emeritus member Brian Hutchison.

A final report was submitted for:

*Funding and Provider Payment for Interdisciplinary Primary Health Care Organizations:* This literature review and policy analysis explored the feasibility and desirability of developing a capitation funding model for interdisciplinary primary health care teams, specifically Ontario's recently introduced Family Health Teams. It concluded that although developing a capitation model, or models, is technically feasible, there is neither evidence nor experience to suggest capitation is the preferred method of funding these organizations.

## Working Papers and Publications

Research conducted by CHEPA members and staff can be found in a range of journals, books and other publications that deal with health economics, health policy and health treatments and care. The research can also be published as Working Papers on the CHEPA website. The aim of the Working Papers is to stimulate discussion on analytical, methodological and policy issues in health economics and health policy analysis.

The most recent Working Papers are:

07-03: Hurley J, Pasic D, Lavis J, Mustard C, Culyer T, Gnam W.

*Parallel Lines do Intersect: Interactions between the Workers' Compensation and Provincial Publicly Financed Health Care Systems in Canada.*

07-04: Buchmueller T, Grignon M, Jusot F.

*Unemployment and Mortality in France*

07-05: Jusot F, Grignon M, Dourgnon P.

*Psychosocial Resources and Social Health Inequities in France. Exploratory Findings From a General Population Survey*

07-06: Mulvale G, Hurley J.

*Insurance Coverage and the Treatment of Mental Illness Effect on Medication and Provider Use in Canada*

07-07: Cuff K, Hurley J, Mestelman S, Muller A, Nuscheler R.

*Public and Private Health Care Financing with Alternate Public Rationing Rules*

07-08: Guindon GE, Georgiades K, Boyle MH.

*Susceptibility to Smoking Among Non-smoking East-Asian Youth: A Multilevel Analysis*

07-09: Hurley J, Pasic D, Lavis J, Culyer T, Mustard C, Gnam W.

*Parallel Payers and Preferred Access: How Canada's Workers' Compensation Boards Expedite Care for Injured and Ill Workers*

07-10: Grignon M.

*Using Cigarette Taxes When Smokers Are Heterogeneous: Evidence on Hyperbolic Preferences, Endogenous Preferences, Smoking, and Price Elasticity of Smoking in France*

08-01: Abelson J, Gauvin F-P

*Assessing the Impacts of Public Participation: Concepts, Evidence and Policy Implications*

08-02: Allin S, Hurley J

*Inequity in Publicly Funded Physician Care: What is the Role of Private Prescription Drug Insurance?*

Examples of other work published by CHEPA researchers in 2007/2008 include:

Abelson J, Giacomini M, Lehoux P. *Bringing 'The Public' into Health Technology Assessment and Coverage Policy Decisions: From Principles to Practice*. Health Policy 2007, 82:37-50.

Birch S, Gafni A. *Economists Dream or Nightmare? Maximizing Health Gains From Available Resources Using the NICE Guidelines*. Health Economics, Policy and Law, 2007; 2:193-202.

Contoyannis P, Wildman J. *Using relative distributions to investigate the Body Mass Index in England and Canada*. Health Economics, September 2007; 16: 929-944.

Giacomini M, Baylis F, Robert J. *Banking on it: Public policy and the ethics of stem cell research and development*. Social Science and Medicine, October 2007; 65(7):1490-1500.

Gildiner, Alina. *The Organization of Decision Making and the Dynamics of Policy Drift: A Canadian Health-Sector Example*. Social Policy & Administration 41(5), October 2007: 505-524.

Grignon M, Perronnin M, Lavis JN. *Does free complementary health insurance help the poor to access health care? Evidence from France*. Health Economics, February 2008; 17(2): 203-19.

Longo CJ, Deber R, Fitch M, Williams P, DeSouza D. *An examination of cancer patients' monthly "out-of-pocket" costs in Ontario*. European Journal of Cancer Care, November 2007; 16: 500-507.

Mulvale G, Abelson J, Goering P. *Mental health service delivery in Ontario Canada: How do policy legacies shape prospects for reform?* Health Economics, Policy and Law, 2007; 2(4); 363-89.

Oxman AD, Lavis JN, Fretheim A. *Use of evidence in WHO recommendations*. The Lancet, June 2, 2007; 369(9576): 1883-9.

Randall, G.E. *The impact of managed competition on diversity, innovation and creativity in the delivery of homecare services*. Health and Social Care in the Community, 2008; 16(4).

## Knowledge Exchange Program

Ensuring that the knowledge generated through the work of CHEPA members is effectively communicated to health system decision makers and other stakeholders is a vital aspect of the organization's role. Relevant research needs to be made available and accessible in user-friendly formats to health system managers and policymakers.

The Knowledge Exchange Program includes various strategies for communicating and sharing knowledge created by or relevant to the goals of CHEPA, such as workshops, briefings and invitational exchanges with decision makers and researchers on a variety of policy relevant topics, initiated by CHEPA researchers and in consultation with its partners.

Through these events, CHEPA plays a leadership role in communicating socially-relevant knowledge to policymakers and managers with the goal of informing policy and practice and in advancing the respective fields of health economics and health policy analysis.

Regular seminars as well as web-based and print publications are also part of the Knowledge Exchange Program, which is overseen by CHEPA member John Lavis, who holds the Canada Research Chair in Knowledge Transfer and Exchange.

## Website and Newsletter

The CHEPA website at [www.chepea.org](http://www.chepea.org) serves as a gateway for information on CHEPA's research and educational activities, as well as details on seminars, publications and presentations by CHEPA faculty. It includes a searchable literature database, current to 2007, of all publications by CHEPA members. There is also a Working Papers section where members can publish papers that are polished but not yet accepted by journals.

Faculty profiles, information and application forms for student awards, the annual Year In Review publication detailing highlights of CHEPA's achievements, and annual reports are also available on the site.

An electronic newsletter that highlights CHEPA developments and lists new publications by members is published three times a year. You can view the newsletters on the website, or sign up to have it sent directly to your inbox. Visit [www.chepea.org/newsletter](http://www.chepea.org/newsletter)

## Health Policy Symposium

In November 2007, CHEPA hosted an international health policy symposium entitled *Field of Dreams: Strengthening Health Policy Scholarship in Canada*, which brought together health policy scholars from the U.S. and the U.K. along with Canadian health policy researchers and policymakers to reflect on the state of health policy scholarship in Canada.

The 35 participants and two international speakers discussed the field's major contributions, unrealized potential and the supports required in the areas of research, education and community building and exchange to strengthen Canadian health policy scholarship.

The symposium generated an ambitious list of priorities and guiding principles for future action. Attention to curriculum development and the creation of new policy-informing research agendas were highlighted for immediate attention. Finding effective and efficient exchange vehicles for academics, researchers and policymakers to interact meaningfully was also stressed.

Outputs of this symposium are expected to influence health policy training programs and research infrastructure over the coming years.

As one of the longest-standing applied health services research centres in Canada, CHEPA plays a unique role in serving and strengthening the country's academic and policy communities through these types of events.

To view a report on the symposium, visit  
<http://www.chepa.org/KnowledgeExchange/ExchangeEvents/tabid/81/Default.aspx>

## Seminar Series

CHEPA's Seminar Series is a forum for invited speakers, usually from universities or research centres outside of McMaster University, to present research results on a wide range of health care, health economics and health policy topics. The seminars are generally held once a month, on the third Wednesday. The series attracts attention from a large audience, drawn from both the University and the wider community interested in health and health care issues. During the 2007-2008 academic year, CHEPA hosted nine seminars. Advance notice of the presentations is published on the CHEPA website.

### 2007-2008 Seminar Series Speakers

#### **A Systematic Review of Comprehensive Primary Health Care Models**

Julie McDonald, Research Fellow, Research Centre on Primary Health Care and Equity, University of New South Wales

#### **Bounded Rationality and the Conceptual Foundations of Health Policy**

Mark Schlesinger, PhD, Professor, Health Policy and Administration, Yale University

#### **Tackling a Failing Health Service: Taking Performance Measurement Seriously**

Gwyn Bevan, PhD, Professor of Management Science, Department of Management, London School of Economics

#### **Where Would You Turn for Help? Older Adults' Knowledge and Awareness of Community Support Services**

Jenny Ploeg, PhD, Associate Professor, School of Nursing, McMaster University

#### **Waiting for Care in Canada**

Claudia Sanmartin, PhD, Health Analysis and Measurement Group, Statistics Canada

#### **Lessons from trial-based cost-effectiveness analyses of mental health interventions:**

##### **Why uncertainty about the outcome, estimate and willingness to pay matters**

Jeffrey Hoch, PhD, Research Scientist, Centre for Research on Inner City Health, St. Michael's Hospital, Toronto  
Associate Professor, Department of Health Policy, Management and Evaluation, University of Toronto

#### **Have the Effects of Direct-to-Consumer Drug Advertising Been Oversold?**

##### **Four Controlled Natural Experiments**

Michael Law, Research Fellow, Harvard University Medical School

#### **How should we pay for pharmaceutical innovation?**

Paul Grootendorst, Associate Professor, Faculty of Pharmacy, University of Toronto  
Associate Member, Centre for Evaluation of Medicines, Hamilton

#### **Return to Education on Mortality: Evidence from World War II**

Laurent Lequien, Economist, National Institute for Statistics and Economic Studies, France  
Affiliated Researcher, Centre for Research in Economics and Statistics, France

## Labelle Lectureship

The Annual Labelle Lectureship Series was established in memory of Roberta Labelle, a founding member of CHEPA who died unexpectedly in 1991, when broad recognition for her research in health economics was just starting to emerge. Every October, a health services researcher with emerging recognition and an interdisciplinary approach to research gives a general interest lecture on a topic in the broadly defined areas of health economics and/or health policy. The lectureship is a joint undertaking of CHEPA and the Department of Clinical Epidemiology and Biostatistics.

### 2007 Labelle Lecture, October 3

#### **Expenditure Overdose? Causes, Consequences and Cures for Canada's Pharmaceutical Cost Crises**

**Steven Morgan**, Assistant Professor, Department of Health Care and Epidemiology, University of British Columbia, and Health Economist, Centre for Health Services and Policy Research, UBC

The variety of factors contributing to the growing pharmaceutical cost crisis in Canada was the topic of the 2007 Labelle Lecture given by Steve Morgan. He provided some sobering statistics on the escalating costs of prescription drugs in Canada:

- Spending on prescription drugs in Canada topped \$21 billion in 2006, an increase of \$1.4 billion over the previous year
- Spending on prescription drugs increased on average 11.2 per cent a year from 1997 to 2004
- Canada is now spending 25 per cent more on prescription drugs than on physicians, and within 10 years, at the current rate of growth, that amount would rise to 50 per cent more
- Freezing spending on prescription drugs for just one year would provide enough money to pay for an additional 10,000 doctors.

Morgan explained that while there's an assumption that much of the increased spending on prescription drugs is due to the aging population, in fact, research in B.C. shows that the older population accounts for only one per cent of the increase. Spending on drugs increased significantly at all age levels in recent years. People are using more drugs, and they tend to take new, more expensive ones, rather than older, cheaper ones.

His research shows that increased spending levels are dominated by drugs for common, chronic conditions such as high blood pressure, high cholesterol, depression and gastrointestinal problems.

The pharmaceutical cost crisis is also driven by an increase in treatment rates, a lowering of the thresholds at which treatment begins, and an increase in the costs per course of treatment.

The development and promotion of "me-too drugs" – those that don't offer significant therapeutic advantage over competitors, but are new enough to earn patents – are a major component of the pharmaceutical crisis, Morgan explained. Research in B.C. has shown that a very small percentage of the drug costs increase is caused by breakthrough drugs – the first of their kind to treat a condition. Me-too drugs accounted for 80 per cent of drug expenditures in recent years, and on average they are four times more expensive than the comparable, older alternatives.

To view the slides from Morgan's lecture, visit <http://www.chepa.org/Portals/0/pdf/Morgan-LabelleLecture.pdf>

## Courses

CHEPA's faculty members are committed to education and training, and active in teaching numerous courses related to health economics and policy analysis. Their expertise crosses several departments in the Faculty of Health Sciences, the Faculty of Social Sciences and the DeGroot School of Business.

### Undergraduate

Students working towards degrees in a variety of disciplines can take courses being taught by CHEPA members. Examples include:

- John Lavis' BSc 3GG3 Health Systems and Health Policy course
- Alina Gildiner's 3M03 Health Policy in the Changing World course in Political Science and Health Studies.
- Michel Grignon's 2CC3 Health Economics course

CHEPA members also participate as thesis supervisors for undergraduate students in some of McMaster's leading innovative degree programs such as Bachelor of Health Sciences and Arts and Science.

For information on undergraduate courses and programs taught by CHEPA faculty, visit the McMaster Undergraduate website at <http://registrar.mcmaster.ca/external/>

### Graduate

A new PhD in Health Policy has been developed under the leadership of CHEPA member Mita Giacomini. The first students have been accepted for Fall 2008. CHEPA faculty will be actively involved in the new program, which is unique in Canada and will help train the health policy experts of the future. Students will study theory and empirical methods for framing, investigating and answering crucial questions about health policy. For details on the new program, visit <http://www.fhs.mcmaster.ca/hpphd>

CHEPA faculty serve as course co-ordinators, instructors, thesis supervisors and academic advisers to master's and doctoral students in economics, geography, health research methodology, political science and sociology, and in the MBA program's health services management stream. They also contribute annually to health professional programs for physicians, nurses and occupational and physiotherapists. For more information on graduate courses and programs, visit [www.mcmaster.ca/graduate/](http://www.mcmaster.ca/graduate/)

## Activities

### Polinomics

Polinomics - a merging of the terms policy and economics - is a monthly seminar series that provides CHEPA members and others working or studying in the area of health economics and health policy analysis the opportunity to present work such as research papers that have not yet been published, or proposals for grants. A broad range of topics attracts individuals representing various disciplines. The seminars take place on the first Wednesday of the month.

## Fellowships and Awards

### CHEPA Fellowship

The CHEPA Doctoral Fellowship is intended to provide income support for graduate students enrolled in a PhD program at McMaster University, whose field of research is health economics or health policy analysis. Candidates must be entering their first year of doctoral study at McMaster, be supervised by a CHEPA faculty member, and be nominated by the chair of their graduate program. The award carries an annual stipend of \$20,000.

### 2007/2008 Academic Year Doctoral Fellowships

**Deirdre DeJean** has a M.Sc. in Health Research Methodology at McMaster, and is now studying for her PhD. With the CHEPA fellowship, she is continuing to develop a research program that focuses on incorporating ethics into health technology assessment, which she has found, through her master's level research, to be rare and unsystematic. The exclusion of moral issues from HTA reports can be traced to a lack of clear methods to incorporate them. DeJean is developing a search protocol to facilitate the systematic retrieval, synthesis and adaptation of relevant ethical information for the purpose of health technology assessment. She is supervised by CHEPA member Mita Giacomini. DeJean has a B.Sc. in psychology from McMaster, and a BA from McGill University.

**Morgan Lim** is a PhD candidate in Health Research Methodology at McMaster, who was granted a partial CHEPA doctoral fellowship to pursue a study of resource allocation methods to reduce health care wait times. She is investigating whether using discrete event simulation models (DES) within the field of health technology assessment is an effective method for allocating limited resources to reduce wait times. DES models reflect actual management processes in the clinical setting within a particular budget, and take into account resource constraints such as number of beds and staff available at a particular point in time. She is supervised by CHEPA member Jean-Eric Tarride.

### CHEPA Studentship

The Studentship Award provides McMaster University students who are enrolled in a graduate program and have an interest in health economics and/or health policy analysis, with an opportunity to gain research experience and skills in an interdisciplinary environment.

### 2007/2008 Academic Year Studentship Recipient

**Jennifer Aylward** is studying towards her master's degree in Health Research Methodology at McMaster University. With the CHEPA Studentship Award, she worked on a research project related to the health care provider labour force in Canada, under the supervision of CHEPA member Ivy Bourgeault, associate professor in the departments of Sociology and Health, Aging and Society. While Canada has historically relied on immigrants to help fulfil the needs of the health care workforce, there has been a renewed focus on the debate over whether the country should be more self-sufficient in filling its need for health care providers. Aylward is examining the debate around self-sufficiency, and specifically the perceived barriers and facilitators to this approach. The project will compare what's occurring in Canada to the situation in the United States, the United Kingdom and Australia.





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