

## **Tools of the trade: a comparative analysis of approaches to priority setting in healthcare.**

Craig Mitton, Cam Donaldson

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Prepared by: : Konrad Fassbender, PhD

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### **Abstract:**

In many countries, local managers and clinicians have been given responsibility to set health priorities and allocate resources accordingly. Although tools have been suggested for use in aiding this process, knowledge of these tools within health regions is lacking and comparative analysis in the literature is limited. Several approaches to priority setting are critiqued from both practical and theoretical perspectives, and a tangible way forward for such activity is provided. The approaches analysed include: needs assessment, core services, economic evaluation including quality-adjusted life year league tables, and programme budgeting and marginal analysis (PBMA). Needs assessment fails to recognize underlying economic principles of opportunity cost and the margin, while core services ignores the margin and has had limited impact in practice. Economic evaluations can consider marginal costs and benefits, but cannot always be used to inform decisions in a timely manner. PBMA is based on underlying economic principles and can pragmatically respond to objectives related to both efficiency and equity. Although PBMA is not without challenges, from an economic perspective, it does seem to "get the thinking right", and, importantly, as a process, can incorporate some of the other approaches to priority setting discussed in this paper.

### **Comments:**

Strengths/uniqueness: This work represents a well written, introductory survey of methods used to make resource allocation decisions. It is comprehensive and includes a brief definition and evaluation of strengths and weaknesses of several approaches: historical allocation process, needs assessment, burden of illness, core services, economic evaluation, quality-adjusted life year (QALY) league tables and programme budgeting and marginal analysis (PBMA).

Weakness: The authors include a brief review of the literature regarding prescribed attributes of a priority setting process. Unfortunately, the authors primarily evaluate approaches using economic principles. Terms such as scarcity, margin, technical and allocative efficiency are well understood by economists, they are less helpful to clinicians and the public. The article would have benefited from including a more thorough treatment of practical and ethical considerations in making resource allocation decisions.

Relevance to Palliative Care: Scarcity is a prerequisite for priority setting. Budgets are determined sequentially, that is from the ministry of health all the way to programs and units. Decisions made by politicians and managers impact the choices clinicians are able to offer to their patients. As well, clinicians allocate resources which limit the resources available to other patient populations. It is therefore in the interests of clinicians and their patients to become aware of the language of decision makers.