

Establishing the Value of Public Health Activities

IDENTIFYING, DEVELOPING, AND UTILIZING HEALTH ECONOMICS EVIDENCE TO INFORM DECISIONS IN PUBLIC HEALTH DEPARTMENTS

Introducing the panelists



Wendy Hetherington is the Chief Epidemiologist for the Riverside County Public Health



Victoria Cholette is the Senior Health Economist in the Department of Public Health, Santa Clara county.



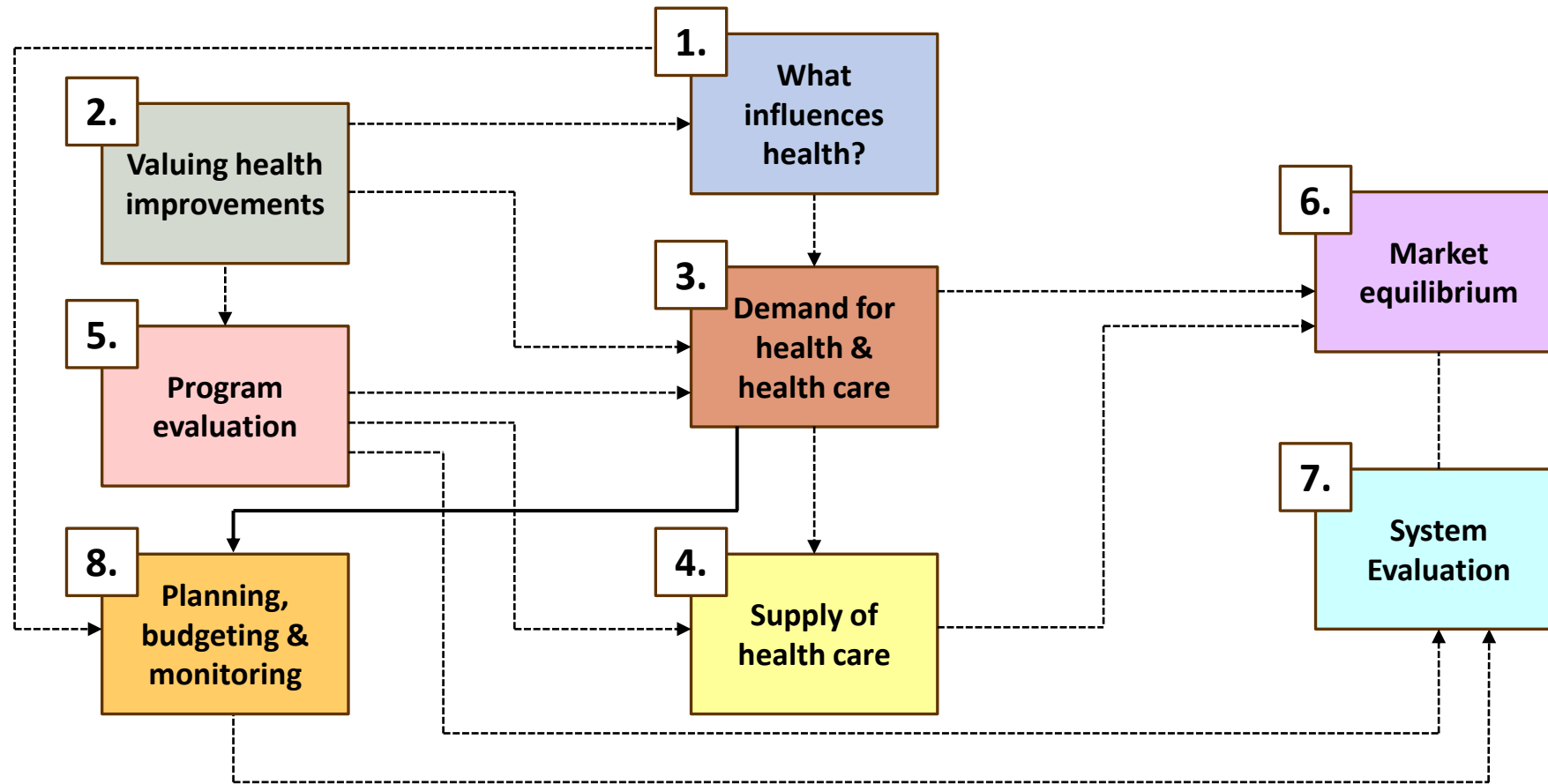
Ricardo Basurto-Davila is the Chief Evaluation Officer for the County of San Diego



Thomas Patton is the Public Health Economist with Riverside University Health System - Public Health

What is health
economics?

Health economics: structure of discipline (adapted from Williams, 1987)¹



How can health economics
be used to inform decision
making in public health?

Examples in health economics in decision making processes

- **Vaccines for Children program** which is informed by cost-effectiveness assessments conducted by the CDC
- **Institute for Clinical and Economic Review** which produces evidence-based reviews on the value of health care interventions
- **RAND Health Insurance Experiments** which were experimental studies assessing the impacts of different types of health insurance plans
- **The Community Guide** which produces evidence-based recommendations and findings from the Community Preventive Services Task Force

Is there role for health economics in debates about the allocation of public health funds at the state level?

What lessons can we learn from past spending trends to optimize future budget allocations?

Evidence on the impact of public health spending on mortality in California indicates a cost per life saved equal to \$109,514.²

- In health care, State Medicaid expansions produced cost per life saved estimates ranging between \$327,000 and \$5.4 million.³⁻⁴

Returns on investment in public health in California

RESEARCH FINDINGS FOR CALIFORNIA



An additional \$1 per person of public health expenditures reduces public assistance medical care benefits (a measure that includes Medicaid and other medical vendor payments) by \$3.12 per capita.⁵



An additional \$10 per person of public health expenditures reduces all-cause mortality by 9.1 deaths per 100,000.²



An additional \$1000 per person of public health expenditures increases the proportion of people reporting good, very good, or excellent health, rather than poor or fair health, by 6.5%.⁶

References

1. Williams A. Health economics: the cheerful face of a dismal science. In *Health and Economics*, Williams A (ed.). Macmillan: London, 1987.
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3. Sommers, B. D. (2017). State Medicaid expansions and mortality, revisited: a cost-benefit analysis. *American Journal of Health Economics*, 3(3), 392-421.
4. Wyse, A., & Meyer, B. (2023, October). Saved By Medicaid: New Evidence on Health Insurance and Mortality from the Universe of Low-Income Adults. In 2023 APPAM Fall Research Conference. APPAM.
5. Brown, T. T., & Murthy, V. (2020). Do public health activities pay for themselves? The effect of county-level public health expenditures on county-level public assistance medical care benefits in California. *Health Economics*, 29(10), 1220-1230.
6. Brown, T. T., Martinez-Gutierrez, M. S., & Navab, B. (2014). The impact of changes in county public health expenditures on general health in the population. *Health Economics, Policy and Law*, 9(3), 251-269.

Questions?
