

A (somewhat myopic) health economist discussion of the three approaches

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Aim

- To compare across the capabilities, the happiness, and the equivalent income approaches
- From an HTA perspective
 - Somewhat myopic
 - Reference, or default, case:
 - Cost per QALY analysis
 - HRQOL based on EQ-5D.

Eight key questions

1. Is it consequentialist?
2. Does it trade-off multiple dimensions?
3. Can it be used in clinical populations?
4. Can it be combined with survival data?
5. Is it interpersonally comparable?
6. Is it cardinally measurable?
7. Can it incorporate distribution weights?
8. Can it address allocative efficiency?.

At a glance

	Default (QALY w. EQ)	Capabilities	Happiness	EqvInt income
Consequ.ist	Yes			
Multi-D trade	Yes			
Clinical use	Yes			
Survival	Yes			
Interpersonal	Yes W			
Cardinal	Yes			
Distribution	Possible			
Allocative	Possible			

At a glance

	Default (QALY w. EQ)	Capabilities	Happiness	Equivalent income
Consequ.ist	Yes	Depends	Yes	Yes
Multi-D trade	Yes	Depends	Depends	Yes
Clinical use	Yes	Yes	Yes	Yes?
Survival	Yes	Yes [?]	Yes [?]	?
Interpersonal	Yes W	Yes W	No?	Yes U
Cardinal	Yes	Possible but needed?	No but OK	Yes [?]
Distribution	Possible	Yes	Possible	Possible
Allocative	Possible	Yes	Yes	Yes

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