present a method for conducting CUA and CBA based in conjoint analysis. Using conjoint analysis for CBA, as opposed to other methods such as contingent valuation, has the advantage of allowing a researcher to easily compute the monetary value for a range of outcomes. CUA analyses conducted using conjoint analysis allow a researcher to estimate not only overall changes in patient utility resulting from an intervention, but also changes in utility resulting from changes in any of a number of attributes of the intervention, such as mode of administration or dosing frequency. We illustrate the use of the conjoint analysis methodology to conduct CBA and CUA using data from two pilot studies. We will conclude the workshop with an interactive discussion of the relative merits of these different approaches.

**WW7**

**BEYOND COST-EFFECTIVENESS: THE STRATEGIC VALUE OF PRODUCTIVITY-RELATED OUTCOMES IN CLINICAL TRIALS, BURDEN OF ILLNESS STUDIES, AND POST-MARKETING RESEARCH**

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**OBJECTIVES:** This workshop will describe the strategic value of including productivity measures as outcomes of concern in clinical trials, burden of illness studies, and post-marketing research.

**PARTICIPANTS WHO WOULD BENEFIT:** Sponsors of clinical trials, burden of illness studies, and post-marketing research; Employers who offer medical care benefits and other benefit programs; Outcomes researchers; Drug formulary developers; Regulators.

Until recent years, productivity has been overlooked as a measure of value in clinical trials, burden of illness studies, and post-marketing research. However, recent advances in data development capabilities and market pressures to differentiate the plethora of drugs either under development or on the market have motivated a concern for a broader set of relevant outcome measures. In addition, concerns over the ability to document the total impact of drug therapy have emerged as important issues, as pharmaceutical developers, health care providers, employers, formulary developers, and policy-makers strive to fully understand their own or society’s return on investment in drug therapy. Recent evidence suggests that, among leading employers in the U.S., productivity-related metrics account for more than half (53%) of the cost of employer benefit programs. In Europe, rigorously developed and supportable claims about the impact of drugs under development or already marketed can influence the drug approval process. In the U.S. and elsewhere, such evidence may influence initial and subsequent formulary decisions, and the appropriate use of alternative drug therapies. This workshop will illustrate how to 1) identify productivity-related metrics, 2) collect and process data on these metrics, and 3) use these data in sophisticated research studies designed for clinical trials, to document the full burden of illness, or to legitimately support post-marketing claims of the effectiveness of drug therapy. It will be shown that metrics related to morbidity, mortality and quality of life that are typical in many research studies are incomplete, and that better decisions can be made by incorporating a more complete set of relevant outcome measures.

**WW8**

**CONSTRUCTING EPISODES OF CARE FROM CLAIMS DATA: APPLICATIONS TO PHARMACOECONOMIC AND OUTCOMES RESEARCH**

Huse D1, Portnoy M2

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**OBJECTIVES:** Use of claims data in pharmacoeconomic analyses presents numerous challenges to the researcher. A prominent issue is how to assemble discrete service items (visits, tests, drugs, etc.) into clinically coherent episodes of care, and thereby quantify the costs of a given illness. The objective of this workshop is to explore methods for constructing episodes of care, with illustrations drawn from the Episode Treatment Group (ETG) methodology widely employed in managed care.

**PARTICIPANTS WHO WOULD BENEFIT:** Researchers who are involved in the design and implementation of claims-based pharmacoeconomic and outcomes research. Claims data obtained from managed care organizations and other health insurers provide a rich resource for investigating costs of illness and treatment outcomes. Because these data are collected to support provider reimbursement, each service rendered to a patient is itemized. The usefulness of these data for research requires a methodology for determining which service items and costs are relevant to the disease and/or treatment of interest. For example, if a patient visits a doctor for a given illness, are all laboratory tests and procedures ordered at that visit considered related to that illness? If the physician records more than one diagnosis, how are the costs of the visit apportioned to each illness? Since pharmacy claims have no diagnoses, how can drugs be linked to diseases? In acute illness, how long is the episode of care and how are recurrent episodes distinguished from prolonged single episodes? Development of appropriate algorithms requires both clinical and economic judgment, as well as an understanding of the reimbursement system that has generated the data. The workshop will present general approaches with examples drawn from a number of acute and chronic diseases. The Episode Treatment Group (ETG) methodology widely used in managed care will be presented as a relevant example of episode grouping logic.