four randomly selected regions of a country or state. A core list of medicines is surveyed, plus a supplementary list of locally important medicines. For each medicine, prices are sought for the innovator brand, and the lowest priced generic equivalent at the facility surveyed. Government procurement prices are also collected. Prices are compared to an international reference price.

RESULTS: The affordability of a selection of standard treatment regimens is assessed based on the number of days the lowest paid unskilled government worker needs to work to purchase the treatment. Guidance is also given as to how to analyze price components (taxes, mark-ups etc.) applied in the distribution chain from the manufacturer to the patient. CONCLUSIONS: An Excel workbook, which accompanies the manual, is used to double enter, error check and analyze the data. The manual also includes a chapter which outlines a range of policy option to lower medicine prices based on the evidence gathered. Currently over 40 national or state surveys are underway or completed (in addition to 9 pilot surveys). To aid price transparency, survey data, reports and other information is freely available on HAI’s website (www.haiweb.org/medicineprices).

AN INTERACTIVE ECONOMIC MODEL FOR VACUUM ASSISTED CLOSURE THERAPY

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OBJECTIVES: To aid in the understanding of cost effective wound healing technology advances, KCI, Inc. collaborated with Milliman to produce a cost model vacuum assisted closure therapy (V.A.C. Therapy) for four wound types. METHODS: Hospital costs associated with specific wound types (Diabetic Ulcers, Diabetic Amputations, Orthopedic Trauma and Complicated Stenotomies) were obtained from medical administrative claims databases. These figures were used as the basis for costs attributed to patients requiring wound care treatment. The interactive model allows selection of a given hospital, their contracted price of V.A.C. Therapy, and their expected number of wounds treated during a year period. Potential cost savings scenarios were obtained by modeling the clinical paths of treatment for these four wound types and associating the expected costs for alternative treatments. Potential cost savings calculations were produced for each of the four wound types. RESULTS: V.A.C. Therapy results in lower cost to the hospital compared to standard wound treatment. The differences range from 9% for Diabetic Ulcers to 23% for Complicated Stenotomies, including the cost of the V.A.C. Therapy. Potential savings are obtained primarily from shorter hospital stays due to increased efficiency in meeting discharge criteria. Other sources of potential savings based on this hospital model include fewer complications and greater wound healing success, resulting in fewer repeat treatments. CONCLUSIONS: This interactive model is a useful tool for exploring the potential value of advancing wound care treatment options and provides information on the expected costs of treating patients with four specific wound types.

THE USE OF QUINTILE ANALYSIS AS A MEASURE OF DISEASE SEVERITY: A COMPARISON WITHIN AND ACROSS DISEASES

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OBJECTIVES: Analysis of administrative claims data are often criticized for lacking adjustments for severity. We explored if disease-specific cost (DSC) quintiles may be indicative of disease severity in an examination of several diseases. METHODS: The Human Capital Management Services Reference Research Database of over 300,000 employees was used to examine the annual DSC of several diseases from 2001–2004. DSCs were calculated as the sum of the disease-specific medical costs (DSMC) for services tied to disease related ICD-9-CM codes and the disease-specific prescription cost (DSRxC) for outpatient medicines. Diseases included Back Disorders, Bipolar Disorder, Cancer, Functional Dyspepsia, Gastroesophageal Reflux Disease (GERD), Headaches, Neuropathic Disorders, and Osteoarthritis. Based on DSC, subjects in each disease state were rank ordered into 5 cost quintiles (20% each) ranging from lowest-highest cost quintile. Within and across diseases pairwise differences in the quintile distributions were assessed using Chi-squared tests. RESULTS: The range of the sum of costs related to each specific disease state found in the highest cost quintile (lowest to highest) were the following (including percentage of subjects in the highest quintile): 1) Functional Dyspepsia (3.54%, DSMC $1,171, DSRxC $1,278); 2) GERD (2.57%, DSMC $4,886 DSRxC $1,108); 3) Bipolar Disorder (2.37%, DSMC $21,427, DSRxC $2,354) 4) Headaches (1.14%, DSMC $6,846, DSRxC $1,134); 5) Back Disorders (0.53%, DSMC $39,807, DSRxC $570); 6) Osteoarthritis (0.51%, DSMC $44,677, DSRxC $59); 7) Neuropathic Disorders (0.20%, DSMC $80,463, DSRxC $741); and 8) Cancer (0.38%, DSMC $108,678, DSRxC $167). All pairwise comparisons were significant (FD and GERD, P ≤ 0.0468) and the remaining comparisons (P ≤ 0.001). CONCLUSIONS: In all diseases explored, 3.5% of subjects or less consume the highest 20% of costs. These cost-comparison results may suggest that cost quintiles are indicative of severity in all disease states. Further investigation is warranted to confirm this relationship.

THE US NATIONAL VIOLENT DEATH REPORTING SYSTEM (NVDRS) AS A MODEL OF A NATIONAL PUBLIC HEALTH REGISTRY

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OBJECTIVE: The National Violent Death Reporting System (NVDRS) is a registry of violent deaths in the United States. The NVDRS aggregates data from multiple sources, including death certificates, medical examiner and coroner reports, and crime laboratories. The NVDRS currently obtains data from 17 states, but is designed to eventually be a national registry. This study evaluates how NVDRS can serve as a model for other developing national public health (PH) registries. METHODS: A team of PH professionals compared the NVDRS to other national registries (immunization registry, cancer registries, National...