Disorder and 4 (Panic/OCD) accounted for 75% of the burden of mental illnesses in day care. While in day care 2 (Schizophrenia 3 (mood/depressive disorder) were relatively more expensive (total 434 days, £91,574), psychiatric ICU admission (total 57 days, £32,832) and psychiatric forensic medium secure unit admission (568 days, £273,208).

**PMH26**

**OBJECTIVES:** Pharmacological strategies for schizophrenia have received increasing attention due to the development of new and costly drug therapies. To estimate the direct healthcare and non-healthcare cost of schizophrenia and to simulate cost reductions potentially obtained with a new pharmacogenomics treatment, in patients newly diagnosed with schizophrenia and the first years following their diagnosis. **METHODS:** A microsimulation Monte-Carlo Markov model was used. Six discrete disorder states defined the Markov model: 1) first episode (FE); 2) low dependency state (LDS); 3) high dependency state (HDS); 4) Stable state (Stable); 5) Well state (Well); and 6) Death state (Death). Costs and individual probabilities of transition were estimated from the Réserve de l’assurance maladie du Québec and Med-Echo database. **RESULTS:** A total of 14,320 individuals were identified in the study cohort as newly diagnosed patients with schizophrenia. Over the first 5 years following diagnosis the mean cost per person was estimated at £36,701 (95% CI: £36,264 to 37,138). The direct health care cost accounted for 56.2% of the total cost, welfare assistance for 34.6% and long term care facilities for 9.2%. On the direct health care cost, hospitalisation cost accounted for 64.6%, medical cost for 11.4% and drug-related cost for 24%. In the case where a new pharmacogennomics treatment with 30% increase of effectiveness will be available, the direct healthcare and non-healthcare costs can be reduced up to 14.2%. **CONCLUSIONS:** This model is the first Canadian model incorporating transition probabilities adjusted for individual risk-factor profiles and costs using real-life data. Our results indicate that a new pharmacogenomics treatment could possibly reduce hospitalization and long-term care facility costs while potentially enabling patients to return to active employment that would in turn contribute to the reduction of the welfare assistance cost.

**PMH27**

**OBJECTIVES:** People addicted to opioids contribute a significant burden to society, both in terms of quality of life (QoL) and economic consequences. Untreated users are more likely to be out of work, commit crimes and require healthcare resources. Treating patients has been demonstrated to reduce these factors. However, some users receiving formal care continue to misuse that treatment, leading to other significant consequences for society. This study evaluated the potential impact of a novel formulation (buprenorphine/naloxone, suboxone), aimed at mitigating misuse and diversion. Increasing the currently limited number of treatments available may increase the number of people in treatment. The objective was to assess cost-effectiveness of two approaches to managing opioid users, buprenorphine/naloxone and methadone, and, further, to compare the use of any treatment against no treatment. **METHODS:** A cost-effectiveness model was built, incorporating costs and benefits associated with each treatment strategy. Cost data were taken from published data and databases, including NHS Reference Costs 2009-2010 and PSSRU Unit Costs of Health and Social Care 2010. Crime costs were taken from Home Office publications. Crime and hospitalisation rates, by sex, were taken from an observational study of 109 patients in Scotland. Health related QoL figures, by treatment, were taken from an SF-36 questionnaire study. **RESULTS:** Over 6 months, it was estimated that savings associated with reduced crime (buprenorphine/naloxone versus methadone) were £2129, and savings from reduced health care visits were £1495. Based on a combination of mortality and QoL improvements, patients on buprenorphine/naloxone were shown to gain 0.087 QALYs compared to those receiving methadone. **CONCLUSIONS:** The model showed that the cost implications of crime, hospitalisation and misuse and diversion were key drivers of the results. Use of buprenorphine/naloxone resulted in a saving of £350 due to reduced care and hospitalisations, whilst providing a benefit to QoL.

**PMH29**

**OBJECTIVES:** The objective of this exploratory analysis was to assess the cost-effectiveness of quetiapineXR as monotherapy compared to other key drug treatments in MDD patients, who have failed on previous therapy. **METHODS:** A Markov Model with one week cycles was used to assess the cost effectiveness of quetiapineXR treatment over 52 weeks. Key outcomes were: response rates, costs and Incremental Cost-Effectiveness Ratios (ICERs) for second line monotherapy.