Background: Smoking is an important risk factor for several diseases, including different cancers, lung diseases and cardiovascular diseases. About 21% of the Norwegian population are daily smokers. In Norway, two prescription drugs are available for use in smoking cessation; varenicline (Champix ® or Chantix ®) and bupropion (Zyban ®). In addition, several options for nicotine replacement therapy (NRT) are available, such as nicotine-gum, patches and lozenges. • We were commissioned to evaluate the cost-effectiveness of drugs for smoking cessation in a Norwegian setting. The economic evaluation will inform a revised treatment guideline for smoking cessation in primary care. Method: We preformed a model based economic evaluation of nicotine replacement therapy (NRT), bupropion and varenicline for smoking cessation. The drugs were compared to placebo and to each other. Results: When NRT, bupropion and varenicline are each compared to placebo, they will respectively yield 0.02, 0.09 and 0.14 additional life years, at an additional cost of respectively NOK 4 141, NOK 5 729 and NOK 9 672. The net health benefit (NHB) of nicotine replacement therapy
(NRT), bupropion and varenicline compared to placebo then becomes respectively 0.012, 0.079 and 0.121. Compared to bupropion, varenicline gives 0.05 additional life years at an additional cost of 3 944. The incremental cost-effectiveness ratio of varenicline compared to bupropion is NOK 78 880 per life year gained, giving a net health benefit of 0.042 life years. • In the scenario analysis on alternative cost input, all treatments are more effective and cost saving (dominant) compared to placebo. Varenicline yields the highest health gains and the largest savings. • The sensitivity analyses indicate that the conclusions are robust. **Conclusion:** Nicotine replacement therapy (NRT), bupropion and varenicline can all be considered cost-effective compared to placebo. When the drugs are evaluated relative to each other, varenicline is the most cost-effective alternative.
Key messages

Cost-effectiveness of varenicline, bupropion and nicotine replacement therapy for smoking cessation.

Norwegian title
Kostnadseffektiviteten av vareniklin, bupropion og nikotinerstatningspreparater for røykelsutt.

Institution
Norwegian Knowledge Centre for the Health Services (Nasjonalt kunnskapssenter for helsetjenesten)
John-Arne Røttingen, Director

Authors
Hagen, Gunhild, Health Economist (project manager)
Wisløff, Torbjørn, Researcher
Klemp, Marianne, Research director

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Norwegian Knowledge Centre for the Health Services summarizes and disseminates evidence concerning the effect of treatments, methods, and interventions in health services, in addition to monitoring health service quality. Our goal is to support good decision making in order to provide patients in Norway with the best possible care. The Centre is organized under The Directorate for Health, but is scientifically and professionally independent. The Centre has no authority to develop health policy or responsibility to implement policies.

Norwegian Knowledge Centre for the Health Services assumes final responsibility for the content of this report.

Norwegian Knowledge Centre for the Health Services
Oslo, May 2010
Key messages

Background
Smoking is an important risk factor for several diseases, including different cancers, lung diseases and cardiovascular diseases. About 21% of the Norwegian population are daily smokers.

Interventions for smoking cessation are normally divided into counselling and drug treatment support. In Norway, two prescription drugs are available for use in smoking cessation; varenicline (Champix © or Chantix ©) and bupropion (Zyban ®). In addition, several options for nicotine replacement therapy are available, such as nicotine-gum, patches and lozenges.

Commission
We were commissioned to evaluate the cost-effectiveness of drugs for smoking cessation in a Norwegian setting. The economic evaluation will inform the revised treatment guideline for smoking cessation in primary care.

Main findings
- Compared to no treatment, nicotine replacement therapy, bupropion and varenicline can all be considered cost-effective.
- When the drugs are evaluated relative to each other, varenicline is the most cost-effective alternative.
Executive summary

BACKGROUND

Smoking is an important risk factor for several diseases, including different cancers, lung diseases and cardiovascular diseases. About 21% of the Norwegian population are daily smokers. Interventions for smoking cessation are normally divided into counselling and drug treatment support. In Norway, two prescription drugs are available for use in smoking cessation; varenicline (Champix® or Chantix®) and bupropion (Zyban®). In addition, several options for nicotine replacement therapy (NRT) are available, such as nicotine-gum, patches and lozenges. These do not require a prescription from a doctor.

We were commissioned to evaluate the cost-effectiveness of drugs for smoking cessation in a Norwegian setting. The economic evaluation will inform a revised treatment guideline for smoking cessation in primary care.

METHOD

We performed a model based economic evaluation of nicotine replacement therapy (NRT), bupropion and varenicline for smoking cessation. The drugs were compared to placebo and to each other.

We constructed a Markov model with the health states “smoker”, “smoke free more than five years (ex smoker)”, “smoke free less than five years (quitter)”, “resumed smoking less than five years ago” and “dead”. A Markov model follows a hypothetical cohort of patients over time, in our model we followed the individuals from a variable age at treatment initiation and until they all were dead or 100 years old. In the first year of the model, the individuals received treatment with NRT, bupropion or varenicline or they received no treatment. The efficacies of the treatments were collected from our systematic review of the literature. The model calculated the life years gained and the costs associated with pharmacological treatments for smoking cessation.
The baseline results presented in this part are for a 50 years old male. Sensitivity analyses indicate that smoking cessation is slightly more cost-effective for men than for women and for younger compared to older people, but the differences are so small that conclusions will not be affected.

When NRT, bupropion and varenicline are each compared to placebo, they will respectively yield 0.02, 0.09 and 0.14 additional life years, at an additional cost of respectively NOK 4 141, NOK 5 729 and NOK 9 672. The net health benefit (NHB) of nicotine replacement therapy (NRT), bupropion and varenicline compared to placebo then becomes respectively 0.012, 0.079 and 0.121.

All treatments have a positive net health benefit and can be considered cost-effective compared to placebo assuming a Norwegian threshold value of NOK 500 000 per life year gained. NRT is however extendedly dominated by bupropion, as the incremental cost-effectiveness ratio (ICER) for NRT is higher than the ICER for bupropion, the second most effective alternative. The implication of this is that if the NRT alternative were to be chosen, effectiveness would be bought at a higher marginal cost than necessary.

When several treatment options are available and they are mutually exclusive, treatments should be compared to the next more effective option. We therefore ordered the treatments according to increasing effectiveness and recalculated the incremental costs and effects. Since NRT was excluded based on extended dominance, bupropion was compared to no treatment and varenicline to bupropion. Compared to bupropion, varenicline gives 0.05 additional life years at an additional cost of 3 944. The incremental cost-effectiveness ratio of varenicline compared to bupropion is NOK 78 880 per life year gained, giving a net health benefit of 0.042 life years. When the drugs are evaluated relative to each other, varenicline is the most cost-effective option.

The one-way sensitivity analyses indicate that the base case results are most sensitive to changes in age at treatment initiation, the price of varenicline, average health care expenses per person per year and choice of discount rate. None of the changes in the parameters will bring the ICER above the assumed willingness to pay per life year of NOK 500 000.

In the probabilistic sensitivity analysis, varenicline was the optimal choice in terms of cost-effectiveness as long as the willingness to pay per life year gained was above NOK 116 000. If the willingness to pay was between NOK 100 000 and NOK 116 000, bupropion was optimal. If the willingness to pay was less than NOK 100 000 per life year gained, none of the treatments could be considered cost-effective.
In the base case we assumed that smokers and ex-smokers had the same annual health care costs and that health care costs were constant across age. This may not be a valid assumption. We therefore constructed a scenario analysis based on Danish data where smokers had higher annual health care costs than the ex-smokers and where annual health care costs varied with age. In the scenario analysis all treatment options were dominant, i.e. more effective and less expensive than no treatment. Treatment with varenicline gave the highest health gains in terms of life years and also the largest savings.

The analysis on perfect information on parameters indicated that perfect information on the input parameters would not reduce the uncertainty in the decision, given the assumed willingness to pay of NOK 500 000 per life year gained.

DISCUSSION

All models are simplifications of reality; hence, there is uncertainty associated with the results. Some of the uncertainty is related to the model input, i.e. the parameter estimates used. Our model input has been gathered from a range of sources and they may not on their own represent true values for a Norwegian population in a real-life setting. We have however conducted a range of sensitivity analyses on these parameters and the conclusions appear robust to realistic changes in these values.

Another aspect of uncertainty is connected to the model structure. This model was structured to capture the life years gained from smoking cessation. The model therefore only contains the health states necessary to capture costs and health effects of being either dead or alive. In reality however, smoking will increase the risk of a variety of diseases, most notably different cancers, lung diseases and cardiovascular diseases. These diseases can lead to large reductions in health related quality of life. It is therefore possible that we are underestimating the cost-effectiveness of these drugs.

The published economic evaluations we have identified come to the same conclusion as we have. Some of the studies do, however, find that varenicline is dominant (higher health gains and lower costs) compared to bupropion. In our base case analyses, varenicline have higher health gains, but do not have lower costs than bupropion. In our scenario analysis where smokers are more expensive than ex-smokers, we do however find that varenicline is dominant compared to bupropion.
CONCLUSION

Nicotine replacement therapy (NRT), bupropion and varenicline can be considered cost-effective compared to placebo. When the drugs are evaluated relative to each other, varenicline is the most cost-effective alternative.

Norwegian Knowledge Centre for the Health Services summarizes and disseminates evidence concerning the effect of treatments, methods, and interventions in health services, in addition to monitoring health service quality. Our goal is to support good decision making in order to provide patients in Norway with the best possible care. The Centre is organized under The Directorate for Health, but is scientifically and professionally independent. The Centre has no authority to develop health policy or responsibility to implement policies.

Norwegian Knowledge Centre for the Health Services
PB 7004 St. Olavs plass
N-0130 Oslo, Norway
Telephone: +47 23 25 50 00
E-mail: post@kunnskapssenteret.no
Full report (pdf): www.kunnskapssenteret.no
Bakgrunn

Røyking er en sterk risikofaktor for en rekke sykdommer, blant annet ulike typer kreft, lungenesyker og hjerte- og karsyke. I Norge er det ca 21 % av befolkningen som røyker daglig. Tiltak for røykeslutt deles vanligvis inn i veiledning og medikamentell støttebehandling. I Norge finnes det to reseptpliktige legemidler til bruk ved røykeslutt, vareniklin (Champix® eller Chantix®) og bupropion (Zyban®). I tillegg finnes det flere nikotinerstatningspreparater, som tyggegummi, plaster og sugetabletter.

Oppdrag

Helsedirektoratet har bedt oss om å vurdere kostnadseffektiviteten av legemidler til røykeslutt under norske forhold. Den økonomiske evalueringen er tenkt brukt som en del av dokumentasjonsgrunnlaget for nye nasjonale faglige retningslinjer for røykeavvenning i primærhelsetjenesten.

Hovedfunn

- Sammenlignet med ingen behandling kan både nikotinerstatningspreparater, bupropion og vareniklin ansees som kostnadseffektive.

- Når legemidlene sammenlignes med hverandre, kommer vareniklin ut som det mest kostnadseffektive alternativet.
Sammendrag

BAKGRUNN

Røyking er en risikofaktor for en rekke sykdommer, blant annet kreft, lungesykdommer og hjerte- og karsykdommer. I Norge røyker ca 21 % av befolkningen daglig. Tiltak for røykeslutt deles vanligvis i veiledning og medikamentell støttebehandling. I Norge finnes det to reseptpliktige legemidler til bruk ved røykeslutt, vareniklin (Champix® eller Chantix®) og bupropion (Zyban®). I tillegg finnes det en rekke nikotinerstatningspreparater (NEP) i form av tyggegummi, sugetabletter, sublingvaltabletter, plaster og inhalator som ikke er reseptbelagt.

På oppdrag fra Helsedirektoratet har vi vurdert kostnadseffektiviteten av legemidler til røykeslutt. Rapporten er tenkt brukt som en del av dokumentasjonsgrunnlaget for nye faglige retningslinjer for røykeavvenning i primærhelsetjenesten.

METODE

Vi utførte en modellbasert økonomisk evaluering av legemidler til røykeslutt. Legemidlene som ble evaluert var vareniklin, bupropion og nikotinerstatningspreparater (NEP). Legemidlene ble sammenlignet med ingen behandling og med hverandre.

Vi utviklet en Markov-modell med helsetilstandene "røyker", "røykfri i mer enn fem år (eksrøyker)", "røykfri mindre enn fem år", "begynt å røyke igjen for mindre enn fem år siden" og "død". En Markov-modell følger en tenkt kohort over tid, i vår modell fulgte vi individene fra en tenkt startalder og til alle personene var enten døde eller hundre år gamle. I første år av modellen mottok individene behandling med vareniklin, bupropion, nikotinerstatningspreparater eller ingen behandling. Effekter av behandlingene som gikk inn i modellen ble hentet fra vår systematiske kunsksamoppsumming (1).

Modellen beregner leveårsgevinsten og kostnadene ved å gi medikamentell støtte til røykeslutt.
RESULTATER

Resultatene presentert under er for en mann på 50 år. Sensitivitetsanalysene indikerer at røykeslutt er noe mer kostnadseffektivt for menn enn for kvinner og for yngre sammenlignet med eldre, men forskjellene er så små at konklusjonene ikke påvirkes.

Sammenlignet med ingen behandling gir nikotinerstatningspreparater, bupropion og vareniklin henholdsvis 0,02, 0,09 og 0,14 ekstra leveår per person til en merkostnad på henholdsvis kr 4 141, 5 729 og 9 672. Netto helsenytte av henholdsvis nikotinerstatningspreparater, bupropion og vareniklin blir da 0,012, 0,079 og 0,121.

Sammenlignet med ingen behandling, kan alle intervensionene ansetes som kostnadseffektive ettersom de gir en positiv netto helsenytte, gitt at vi antar at samfunnets betalingsvilje per leveår er kr 500 000. Nikotinerstatningspreparatene blir imidlertid eksternt dominert av bupropion, hvilket vil si at man ved å velge nikotinerstatning vil kjøpe ekstra leveår til en høyere merkostnad enn nødvendig, nikotinerstatningspreparater bør derfor ekskluderes fra videre analyse av kostnadseffektivitet.

Når flere alternativer er tilgjengelige og de er gjensidig utelukkende, bør legemidlene sammenlignes med hverandre og ikke med ingen behandling. Vi rangerte derfor legemidlene etter økende effekt og rekalkulerte mereffektene og merkostnadene. Siden nikotinerstatningspreparatene ble ekskludert, ble bupropion sammenlignet med ingen behandling og vareniklin sammenlignet med bupropion. Sammenlignet med bupropion vil vareniklin gi 0,05 ekstra leveår til en merkostnad på kr 3 944, dette gir en inkrementell kostnad-effekt brøk på 78 880 kr per leveår og en netto helsenytte på 0,042 leveår. Vareniklin ble det mest kostnadseffektive alternativet når legemidlene ble sammenlignet med hverandre.

En-veis sensitivitetsanalysene indikerte at base case resultatene var mest følsomme for endringer i intervensionsalder, prisen av vareniklin, gjennomsnittlig årlig helsekostnad per innbygger og valg av diskonteringsrate. Å endre disse parametrerne en og en, ga ikke tilstrekkelig utslag på kostnad-effektbrøken til at denne kom over den antatte grensen på NOK 500 000 per leveår.

I den probabilistiske (stokastiske) sensitivitetsanalysen, ble vareniklin det optimale i form av kostnadseffektivitet så lenge betalingsviljen per leveår var høyere enn kr 116 000. For en betalingsvilje mellom kr 100 000 og kr 116 000 var bupropion det optimale valget. Dersom betalingsviljen per leveår var mindre enn kr 100 000, var ingen av legemidlene kostnadseffektive sammenlignet med ingen behandling.

I hovedanalysen antok vi at røykerne og eksrøykerne hadde like store årlige helsekostnader. Dette er sannsynligvis ikke en realistisk forutsetning. Vi utførte derfor en senarioanalyse basert på danske data, hvor røykerne hadde høyere årlige helsekost-
nader enn eks-røykerne og hvor de årlige helsekostnadene varierte med alder. I dette scenarioet ble alle behandlingene mer effektive og kostnadsbesparende sammenlignet med ingen behandling. Behandling med vareniklin ga størst gevinst i form av leveår og førte også til de største besparelsene.

Analysen på verdien av videre forskning indikerte at perfekt informasjon på parametrene i modellen ikke ville minke usikkerheten i beslutningen hvis vi antar en betalingsvilje per leveår på kr 500 000.

Sensitivitetsanalysene indikerer at konklusjonene er robuste.

**DISKUSJON**

Alle modeller er forenklinger av virkeligheten og det er derfor usikkerhet knyttet til resultaten. Usikkerheten er delvis knyttet til modellstrukturen og delvis til verdien av de ulike modellparametrene. De ulike parameterverdiene brukt i denne analysen kommer fra en rekke kilder og er ikke nødvendigvis representativ for norsk praksis.

Vi har imidlertid utført en rekke sensitivitetsanalyser for å kvantifisere effekten av usikkerheten i modellparametrene og konklusjonene synes robuste.

Et annet aspekt av usikkerhet er forbundet med modellstrukturen. Denne modellen ble bygd for å fange opp leveårsgvinsten ved røykeslutt. Modellen inneholder derfor kun de helsetilstandene som er nødvendige for å fange opp kostnader og helseeffekter av å være levende eller død. I virkeligheten vil røyking øke risikoen for en rekke sykdommer, først og fremst ulike krefttyper, lungesykdommer og kardiovaskulære sykdommer. Disse sykdommene kan føre til store tap i helselatert livskvalitet. Det er derfor mulig at vi i hovedanalysen har underestimert kostnadseffektiviteten av disse legemidlene.

Andre publiserte økonomiske evalueringer vi har identifisert har den samme konklusjon som vi finner i vår analyse. Noen av studiene finner imidlertid at vareniklin er dominant (gir større helsegevinster og lavere kostnader) sammenlignet med bupropion. Dette er resultatet vi også kommer til i scenarioanalysen når vi lar røykerne pådra seg større kostnader i sine leveår enn eks-røykerne.

**KONKLUSJON**

Både nikotinerstatningspreparater, bupropion og vareniklin ansees som kostnadseffektive sammenlignet med ingen behandling. Når legemidlene sammenlignes med hverandre, kommer vareniklin ut som det mest kostnadseffektive alternativet.
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# Glossary

<table>
<thead>
<tr>
<th>Term</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>One-way sensitivity analysis</strong></td>
<td>A change in one model parameter from a lower to an upper value and the effect of the change on the ICER (i.e. estimated upper and lower ICER based on the upper and lower parameter value).</td>
</tr>
<tr>
<td><strong>ICER</strong></td>
<td>The incremental cost-effectiveness ratio, i.e. the difference in costs between two strategies divided by the difference in health effects (often life years or quality adjusted life years). ICER = ΔC/ΔE</td>
</tr>
<tr>
<td><strong>Willingness to pay (WTP)/threshold value/λ</strong></td>
<td>Societal willingness to pay per unit of effectiveness, for example per life year or quality adjusted life year. Assumed to be maximum NOK 500 000 per life year or quality adjusted life year in Norway.</td>
</tr>
<tr>
<td><strong>NHB</strong></td>
<td>Net health benefit. NHB=ΔE-(ΔC/λ) A treatment is considered cost-effective if it yields a positive net health benefit.</td>
</tr>
<tr>
<td><strong>Tornado diagram</strong></td>
<td>Visual representation of a series of one-way sensitivity analyses. Presents a number of bars, each representing the change in the ICER based on the change in one</td>
</tr>
<tr>
<td><strong>Parameter</strong></td>
<td><strong>Definition</strong></td>
</tr>
<tr>
<td>---------------</td>
<td>---------------</td>
</tr>
<tr>
<td><strong>Parameter.</strong></td>
<td>The bars are ordered according to the impact the change in the parameter has on the estimated ICER. Indicates which parameters the ICER is most sensitive to changes in. Often presented with a horizontal line which represents either the estimated ICER or the threshold value for the ICER. The tornado diagram is very sensitive to the upper and lower value chosen for each parameter.</td>
</tr>
<tr>
<td><strong>Probabilistic sensitivity analysis (PSA)</strong></td>
<td>A stochastic sensitivity analysis. Each parameter is assigned a probability distribution instead of one fixed number. A Monte Carlo simulation with n-number of draws (often 10,000) is performed based on the input distributions and the ICER recalculated n-number of times. Often presented in the form of an ICE scatter plot.</td>
</tr>
<tr>
<td><strong>Incremental cost-effectiveness scatter plot</strong></td>
<td>A graphical representation of different simulated ICERs (from a Monte Carlo simulation) on the cost-effectiveness plane.</td>
</tr>
</tbody>
</table>
Preface

The Norwegian Knowledge Centre for the Health Services was commissioned by the Directorate of Health to evaluate the cost-effectiveness of drugs for smoking cessation in the Norwegian setting. The drugs were to be compared to placebo and to each other. The economic evaluation will inform the revision of the current treatment guideline for smoking cessation in primary care.

The project team has consisted of:

- Gunhild Hagen (project manager), Kunnskapssenteret
- Torbjørn Wisløff, Kunnskapssenteret

We would like to thank our external peer reviewers Ivar Sønbø Kristiansen and Bjarne Robberstad and our internal peer reviewer Espen Movik.

The aim of this report is to make decisions in health care more well-informed and to contribute to improved quality of services. The evidence should be considered together with other relevant factors, such as clinical experience and patient preferences.

Gro Jamtvedt
Executive Director

Marianne Klemp
Research Director

Gunhild Hagen
Health Economist

Project Manager
The objective of this report was to evaluate the cost-effectiveness of varenicline, bupropion and nicotine replacement therapy for smoking cessation in the Norwegian setting.
**PREVALENCE**

The prevalence of daily smoking in Norway has been decreasing over the last few years. Data from 2008 indicate that approximately 21% of the Norwegian population report to be daily smokers. An additional, 9-10% report that they smoke occasionally (2). The percentage of reported daily smokers varies with age and gender.

*Figure 1: Prevalence of reported daily smokers in Norway in percent according to age and gender in 2009 (3)*

Smoking prevalence also varies with level of education: Highly educated individuals are less likely to be smokers than individuals with lower levels of education (4).
HEALTH AND ECONOMIC COSTS OF SMOKING

Smoking is an important risk factor for a variety of diseases, most notably different forms of cancer, lung diseases and cardiovascular diseases (5). The Norwegian Institute of Public Health has estimated that smoking is responsible for 26% of deaths among women between 40 and 70 years of age. The corresponding number for men is 40% (5). A report from the Swedish institute of Public Health estimates that smoking cost the Swedish society SEK 8 267 million in 2001 (6). This figure comprises costs of health care as well as costs related to loss of production.

PHARMACOLOGICAL TREATMENT OPTIONS

There are two prescription drugs on the Norwegian market approved for smoking cessation; bupropion and varenicline. In addition, several different formulations of nicotine replacement therapy (NRT) are available, among them transdermal nicotine patch, gum, lozenges and vapour inhaler.

Details on the different treatment options can be found in our review of the efficacy and safety of drugs for smoking cessation (1).

INTRODUCTION TO THE METHODS OF ECONOMIC EVALUATION

An economic evaluation is a comparison of the costs and health effects of different treatment options, the results of which are often represented in the form of an incremental cost-effectiveness ratio (ICER). The incremental cost-effectiveness can be regarded as the cost per unit of health, and is calculated as the ratio of the difference in costs between two options over the difference in effectiveness.

\[
ICER = \frac{\text{Cost}_{\text{intervention}} - \text{Cost}_{\text{comparator}}}{\text{Effect}_{\text{intervention}} - \text{Effect}_{\text{comparator}}} = \frac{\Delta C}{\Delta E}
\]

A treatment is considered cost-effective if the ICER is below a threshold value, or in common language, if the cost per unit of health (e.g. a life year or quality adjusted life year) is lower than the societal willingness to pay (\(\lambda\)).

\[
\frac{\Delta C}{\Delta E} < \lambda
\]
Alternatively the ICER and societal willingness to pay can be presented in the form of net health benefits (NHB). A treatment is considered cost-effective if it yields a positive net health benefit.

\[ NHB : \Delta E - \frac{\Delta C}{\lambda} > 0 \]

Economic evaluations are often based on decision models (such as decision trees, Markov models etc) that calculates the results of the analysis from input parameters in the model. There are always uncertainties related to the values of these parameters, making sensitivity analyses an important feature of any economic evaluation that uses decision models as framework. In short, sensitivity analysis illustrates how much the results vary when model parameters are being changed.

Parameters can be changed one at a time, in a one-way sensitivity analysis. The ICER is then recalculated using an upper and lower value for the given parameter. The upper and lower value can be taken from the upper and lower end of a 95% confidence interval or by increasing and decreasing the value by a percentage. A series of one-way sensitivity analyses can be presented in a tornado diagram. A tornado diagram is a graphical representation of a series of one-way sensitivity analyses, presented as a series of bars. The bars are ordered according to the impact the variable change has on the estimated ICER. A tornado diagram can indicate which parameters the ICER is most sensitive to changes in. The result of a tornado diagram is very sensitive to the upper and lower value chosen.

In a probabilistic sensitivity analysis (PSA) the uncertain parameters in the model are represented by distributions and not fixed values. As opposed to one way sensitivity analysis (like the tornado diagram), all parameters are changed at the same time in a PSA. In Monte Carlo simulations, the computer draws values for each parameter and runs the model for each set of parameters. This is typically done 1 000 or 10 000 times, depending on the number of parameters. The results of these Monte Carlo simulations can be used to calculate the probability of which of the interventions that are cost-effective, if a willingness-to-pay (WTP) is given.

For each draw, the ICER can be recalculated and plotted on the cost-effectiveness plane, c.f. Figure 2. ICERs in quadrant 1-3 are considered cost-effective. The sum of percentages of ICERs in quadrant 1-3 is the probability that a treatment is cost-effective given the assumed willingness to pay.
Figure 2: The cost-effectiveness plane

Table 1: Quadrants in the cost-effectiveness plane

<table>
<thead>
<tr>
<th>Quadrant</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>C1</td>
<td>The treatment is dominant ('superior'), <em>i.e.</em> more effective and less costly than the comparator (positive NHB).</td>
</tr>
<tr>
<td>C2</td>
<td>The treatment is more costly and more effective than the comparator and the ICER lies below the WTP (positive NHB).</td>
</tr>
<tr>
<td>C3</td>
<td>The treatment is less costly and less effective than the comparator and the ICER lies below the WTP (positive NHB).</td>
</tr>
<tr>
<td>C4</td>
<td>The treatment is more costly and more effective than the comparator and the ICER is above the WTP (negative NHB).</td>
</tr>
<tr>
<td>C5</td>
<td>The treatment is less costly and less effective, and the ICER lies above the WTP (negative NHB).</td>
</tr>
<tr>
<td>C6</td>
<td>The treatment is dominated ('inferior'), <em>i.e.</em> less effective and more expensive than the comparator (negative NHB).</td>
</tr>
</tbody>
</table>
ECONOMIC EVALUATION AND PRIORITY SETTING

According to Norwegian policy documents (7-11), a treatment should be prioritised if the following criteria are met:

1. *The disease is severe*; A disease is considered severe to the degree that it causes pain and discomfort, loss of physical, psychological and social function and if it limits the individual in his or her daily activities. Severity is also evaluated according to the risk increase the disease entails in terms of death, disability and discomfort, if treatment is postponed.

2. *The treatment is effective*; the patient should be expected to benefit from treatment in terms of longevity or improved quality of life of certain duration. The treatment effectiveness should also be well documented.

3. *The treatment is cost-effective*; the added costs of the treatment should be reasonable compared to the added benefits.

The policy documents mentioned above give no guidance as to what constitutes a "reasonable" relationship between costs and effectiveness. The Directorate of Health however, has recently recommended a preliminary estimate of NOK 500 000 per statistical life year in full health (12;13). However, there exists no academic consensus regarding this threshold value, nor has it been subject to a political process, and it can therefore be regarded as nothing more than a tentative suggestion.
Method

MODEL STRUCTURE

In order to assess the cost-effectiveness of drugs for smoking cessation a Markov model was developed in TreeAge Pro ® 2009. The model structure is illustrated in Figure 3.

*Figure 3: Model structure*

A Markov model is basically a way of simulating a population cohort over time. The model is structured to capture the costs and life years gained associated with smoking cessation and contains three regular health states; “Smoker”, “Ex smoker” (smoke free more than five years) and “Dead” and two temporary health states; “Re-
sumer” (relapsed less than five years ago) and “Quitter” (smoke free less than five years).

We have included temporary states (“tunnel states”) in order to be able to differentiate the risk of death for people who have recently stopped smoking (“Quitters”) and people who have been smoke free for a longer period of time (“Ex smokers”). We also wanted to be able to differentiate between people who had recently relapsed (“Resumers”) and people who could be considered “Smokers” again.

When the model starts, all individuals are smokers. During the first year of the model, individuals receive treatment with either varenicline, bupropion, nicotine replacement therapy (NRT) or they receive no treatment. Some of these individuals will stop smoking during the first year and move to the “Quitter” health state, some will continue to be smokers and some may die either as a consequence of smoking or for other reasons. For individuals who stop there is a possibility of relapse, in which case they return to the resumer status. The cycle length of the model is one year, which means that all transitions between the different health states can happen once a year.

We follow the cohort until the individuals are 100 years old or dead. Costs and life years were discounted at a rate of four percent per year.
**Efficacy**

Efficacy estimates were taken from our systematic review of the literature (1). We used estimates of efficacy compared to placebo and relative to the other treatments. Before calculating the relative estimates, we ordered the interventions according to increasing efficacy relative to placebo and then compared each treatment with the next most effective option, i.e. NRT to placebo, bupropion to NRT and varenicline to bupropion.

**Base case and limits for one-way sensitivity analysis**

In the base case calculations we used the point estimates for efficacy shown in Table 2 and 3. For the one-way sensitivity analysis, the limits of the 95% confidence interval were used.

*Table 2: Efficacy estimates vs. placebo (1)*

<table>
<thead>
<tr>
<th>Treatment</th>
<th>Efficacy vs. placebo in relative risks (RR)</th>
<th>GRADE</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>NRT vs. placebo</td>
<td>1.58 (1.50-1.66)</td>
<td>Moderate</td>
<td>Abstinent at 6-12 months</td>
</tr>
<tr>
<td>Bupropion vs. placebo</td>
<td>1.69 (1.53-1.85)</td>
<td>Moderate</td>
<td>Abstinent at 6 + months</td>
</tr>
<tr>
<td>Varenicline vs. placebo</td>
<td>2.33 (1.95-2.80)</td>
<td>High</td>
<td>Continuous abstinence at 24 or more weeks</td>
</tr>
</tbody>
</table>

*Table 3: Efficacy estimates relative to the next more effective option (1)*

<table>
<thead>
<tr>
<th>Treatment</th>
<th>Efficacy in relative risks (RR)</th>
<th>GRADE</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>NRT vs. placebo</td>
<td>1.58 (1.50-1.66)</td>
<td>Moderate</td>
<td>Abstinent at 6-12 months</td>
</tr>
<tr>
<td>Bupropion vs. NRT</td>
<td>1.45 (0.50-4.18)</td>
<td>Very low</td>
<td>Continuous abstinence at 52 weeks</td>
</tr>
<tr>
<td>Varenicline vs. bupropion</td>
<td>1.46 (1.18-1.81)</td>
<td>High</td>
<td>Continuous abstinence at 52 weeks</td>
</tr>
</tbody>
</table>
**Distributions used in the probabilistic sensitivity analysis**

In the probabilistic sensitivity analysis, parameters are represented as distributions, i.e. they can take on a range of different values. We assigned log-normal distributions to the efficacy parameters according to the methodology described by Briggs and co-workers (14). We incorporated the GRADE assessment into the model by assigning probability distributions related to the quality of the evidence, with a wider spread for the lower quality documentation. For example, for estimates with very low quality documentation, we assumed that the 95% confidence interval in reality represented a confidence interval of 70%. The relationship between the GRADE system and the uncertainty in the model is presented in Table 4. The relationship between GRADE and the width of the confidence intervals are based on our assumptions. All distributions used in the model can be found in Appendix 2.

**Table 4: Connection between GRADE and efficacy parameter uncertainty**

<table>
<thead>
<tr>
<th>GRADE</th>
<th>Confidence interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>95%</td>
</tr>
<tr>
<td>Moderate</td>
<td>90%</td>
</tr>
<tr>
<td>Low</td>
<td>80%</td>
</tr>
<tr>
<td>Very low</td>
<td>70%</td>
</tr>
</tbody>
</table>
**EPIDEMIOLOGICAL DATA**

In order to calculate the transition probabilities between the different health states epidemiological data is needed.

**Unaided quit rate**

The efficacy estimates described above are applied to the probability of smoking cessation without intervention (unaided quit rate). Based on a study by Hughes et al. (15), we set this unaided quit rate to five percent per year. This means that five percent will quit during a year, but they are however later exposed to a risk of relapsing, so the five percent will not necessarily stay smoke free.

As the smokers in our model are only treated in the first year of the model, their probability of cessation in years after the intervention year is assumed to be equal to this unaided quit rate, regardless of what treatment they received.

**Risk of death**

For transitions to the “Dead” health state, we collected age and gender specific mortality tables from Statistics Norway (16). To these tables we multiplied the relative hazard ratios (HR) from a recently published study (17), shown in Table 5. The hazard rates used are adjusted for age, systolic blood pressure, total serum cholesterol, serum triglycerides, physical activity, body mass index, height, and whether or not the patient is on disability pension, sickness leave or has a family history of coronary heart disease.

<table>
<thead>
<tr>
<th></th>
<th>Relative hazard of dying for Norwegian women</th>
<th>Relative hazard of dying for Norwegian men</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-smokers</strong></td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Smokers</strong></td>
<td>2.49 (2.29-2.71)</td>
<td>2.61 (2.40-2.85)</td>
</tr>
<tr>
<td><strong>Resumers</strong></td>
<td>1.40 (1.08-1.81)</td>
<td>1.59 (1.32-1.91)</td>
</tr>
<tr>
<td><strong>Quitters</strong></td>
<td>1.64 (1.38-1.95)</td>
<td>1.39 (1.23-1.58)</td>
</tr>
<tr>
<td><strong>Ex-smokers</strong></td>
<td>1.06 (0.90-1.26)</td>
<td>1.07 (0.96-1.19)</td>
</tr>
</tbody>
</table>

In our model, quitters will first gain the full effect of smoking cessation after five years, *i.e.* women will have a relative hazard of dying of 1.64 for the first five years after smoking cessation and in later years a hazard ratio of 1.06 if they stay smoke free. Resumers have a hazard ratio of 1.40 (women) for the first five years after continuation and a hazard ratio of 2.49 if they keep on smoking (17).
Relapse rate

As the efficacy estimates are based on intention to treat (ITT), we have not modelled any additional relapse rate in the first year after treatment initiation. Relapse rate at twelve months and onwards was taken from a study by Hughes and co-workers (18) and set to ten percent per year.

COSTS

Treatment costs

Drug costs are based on maximum pharmacy retail prices, costs per treated patient is shown in Table 6. We have assumed that patients treated with varenicline or bupropion will visit their general practitioner (GP) once in order to get a prescription. Visits to a GP were costed using the 2009 GP tariff (19). As nicotine replacement therapy is available in a range of different formulations and over-the-counter/non-prescription prices are not regulated, pricing this intervention is difficult. For treatment with nicotine replacement therapy (NRT) we assumed that the treatment would last for three months, as recommended by the current treatment guideline for smoking cessation in primary care (20). We also used their estimate of the price of NRT per day of NOK 35.

Table 6: Treatment costs

<table>
<thead>
<tr>
<th>Treatment costs per patient (NOK)</th>
<th>Assumptions made</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Varenicline</td>
<td>2 456</td>
<td>One GP visit. Treated for 105 days</td>
</tr>
<tr>
<td>Bupropion</td>
<td>1 103</td>
<td>One GP visit. Treated for 56 days</td>
</tr>
<tr>
<td>NRT</td>
<td>3 150</td>
<td>Cost of NOK 35 per day. Treated for 90 days.</td>
</tr>
</tbody>
</table>

Costs associated with health states and events

All individuals followed in the model will incur health care costs as long as they live. This annual cost is assumed to be the average health care expenses per person in Norway, NOK 45 544 (25). We have assumed that the average annual health care cost is the same for smokers and for ex-smokers. This may not be the case; it is possible that smokes have a higher annual health care cost than ex-smokers. We explore this alternative further in the scenario analysis were we take the costs from a Danish study.
In their last year of life all persons will incur a higher cost, a cost of dying. In our model, this cost component is taken from a Swedish study (26). Adjusted to 2009 NOK, this cost mounts to 73,306.
Results

The baseline results presented here are for a man 50 years old. Sensitivity analyses show that smoking cessation is slightly more cost-effective for men than for women and for younger compared to older people, but the differences are so small that conclusions will not be affected.

BASE CASE RESULTS

When nicotine replacement therapy, bupropion and varenicline are each compared to placebo, they will respectively yield 0.02, 0.09 and 0.14 additional life years, at an additional cost of respectively NOK 4 141, NOK 5 729 and NOK 9 672. These results are presented in Table 7.

All treatments have positive net health benefits (NHB) assuming a willingness to pay of NOK 500 000 and can therefore be considered cost-effective compared to placebo. Varenicline is the best option in terms of cost-effectiveness, as this treatment yields the highest net health benefit.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Cost</th>
<th>Incremental Cost (NOK)</th>
<th>Life years</th>
<th>Incremental life years</th>
<th>ICER (NOK/life year)</th>
<th>NHB</th>
</tr>
</thead>
<tbody>
<tr>
<td>No treatment</td>
<td>853 977</td>
<td></td>
<td>14.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NRT</strong></td>
<td>858 118</td>
<td>4 141</td>
<td>14.62</td>
<td>0.02</td>
<td>207 050</td>
<td>0.012</td>
</tr>
<tr>
<td><strong>Bupropion</strong></td>
<td>859 706</td>
<td>5 729</td>
<td>14.69</td>
<td>0.09</td>
<td>63 656</td>
<td>0.079</td>
</tr>
<tr>
<td><strong>Varenicline</strong></td>
<td>863 650</td>
<td>9 672</td>
<td>14.74</td>
<td>0.14</td>
<td>69 086</td>
<td>0.121</td>
</tr>
</tbody>
</table>

Nicotine replacement therapy is, however, extendedly dominated by bupropion, as the incremental cost-effectiveness ratio for nicotine replacement therapy is higher than the incremental cost-effectiveness ratio for bupropion, the next more effective alternative. The implication of this is that if nicotine replacement therapy were to be chosen, effectiveness would be bought at a higher marginal cost than necessary. This is illustrated in Figure 4. Nicotine replacement therapy was therefore excluded from further analysis of cost-effectiveness.
Figure 4: Cost-effectiveness of drugs for smoking cessation, nicotine replacement therapy excluded based on extended dominance

When several treatment options are available and they are mutually exclusive, treatments should be compared to the next more effective option (27). We therefore ordered the treatments according to increasing effectiveness and recalculated the cost-effectiveness ratios. Since nicotine replacement therapy was excluded based on extended dominance, bupropion was compared to no treatment and varenicline to bupropion. Results are shown in Table 8. Compared to bupropion, varenicline gives 0.05 additional life years at an additional cost of 3 944. The incremental cost-effectiveness ratio of varenicline compared to bupropion is NOK 78 880 per life year gained.

Table 8: Treatments compared to the next more effective, when the dominated alternative (NRT) is excluded.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Cost (NOK)</th>
<th>Incremental Cost (NOK)</th>
<th>Life years</th>
<th>Incremental life years</th>
<th>ICER (NOK/life year)</th>
<th>NHB</th>
</tr>
</thead>
<tbody>
<tr>
<td>No treatment</td>
<td>853 977</td>
<td></td>
<td>14.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bupropion compared to no treatment</td>
<td>859 706</td>
<td>5 729</td>
<td>14.69</td>
<td>0.09</td>
<td>63 656</td>
<td>0.079</td>
</tr>
<tr>
<td>Varenicline compared to bupropion</td>
<td>863 650</td>
<td>3 944</td>
<td>14.74</td>
<td>0.05</td>
<td>78 880</td>
<td>0.042</td>
</tr>
</tbody>
</table>
TORNADO DIAGRAM

A tornado diagram illustrates the impact of a series of one way sensitivity analyses, i.e. one parameter is changed at a time. The bars are ordered according to the impact the parameter change has on the ICER. In Figure 5 there's a vertical dotted line representing the assumed willingness to pay per life year of NOK 500 000. Bars that cross the dotted line represent uncertainty that change the decision. The ordering of the parameters is sensitive to the upper and lower values chosen for the different variables.

As illustrated in Figure 5 the results are most sensitive to changes in age at treatment initiation, the price of varenicline, average health care expenses per person per year and choice of discount rate. None of the changes in the parameters will bring the ICER above the assumed willingness to pay per life year of NOK 500 000. A text report from this tornado diagram can be found in Appendix 1.

Figure 5: Tornado diagram of varenicline compared to bupropion
PROBABILISTIC SENSITIVITY ANALYSIS

All treatments compared to placebo

*Incremental cost-effectiveness scatter plot*
We performed a Monte Carlo simulation with 10,000 draws from the input distributions. Figure 6 shows a plot of the 10,000 simulated ICERs of each of the treatments compared to placebo. Nicotine replacement therapy has a probability of 7% of having an ICER above the assumed willingness to pay of NOK 500,000 per life year and a 93% probability of being below. Bupropion and varenicline both have a probability of 100% of being below the threshold. Figure 6 also illustrates why NRT was excluded, NRT and bupropion have similar incremental costs, but bupropion yields a higher incremental effectiveness. Even if all treatments are likely to be cost-effective, bupropion will give a larger health gain than NRT and varenicline will in turn give a higher health gain than bupropion.

*Figure 6: Incremental cost-effectiveness scatter plot of all treatments compared to placebo*
**Optimal choice at different threshold values**

Above we assumed that the willingness to pay per life year was NOK 500 000. We also tried varying the willingness to pay level (WTP) from 0 to NOK 2 000 000. Figure 7 shows the optimal choice at different levels of WTP. We have only displayed results up to NOK 500 000. Varenicline is the optimal choice as long as the willingness to pay per life year is more than NOK 116 000. Bupropion is optimal if the willingness to pay per life year is between 100 000 and 116 000. As the WTP increases, the probability that varenicline is cost-effective increases to 100%.

**Figure 7: Acceptability frontier, all treatments compared to placebo**

---

**EXPECTED VALUE OF PERFECT INFORMATION**

We performed an analysis of the expected value of perfect information on parameters (EVPPI) to explore whether it was worth spending money on further research. Analyses were performed with 1 000 x 1 000 Monte Carlo simulations. We grouped the parameters into efficacy, costs and epidemiological variables. Results are illustrated in Figure 8.

If the willingness to pay per life year is over NOK 140 000, further research on these parameters is unlikely to reduce decision uncertainty. If the willingness to pay per life year is between NOK 40 000 and NOK 120 000, research on the epidemiological parameters would contribute most to reducing decision uncertainty.
The results from the EVPPI analysis can also be read as an estimate of which group of parameters the decision is most sensitive to, in this case most of the decision uncertainty arises as a result of uncertainty in the epidemiological parameters.

**SCENARIO ANALYSIS ON CHOICE OF COST INPUT**

In the base case results we assumed that the average health care cost per like year was NOK 45 544 and that this cost was the same for all age groups. We also assumed that this cost was the same for current and ex-smokers. These assumptions are probably not valid. Average health care costs are likely to vary with age and it is very likely that smokers have higher health care expenditures than ex-smokers. Although we were not able to find any Norwegian data on this, we identified two possible studies from Denmark, one by Rasmussen et al. (28;29) and one by Serup-Hansen et al. (30).

In the study by Rasmussen et al. age specific costs for smokers and never-smokers were reported. The cost estimates included both in-patient and out-patient care and loss of production estimated by the human capital method. Costs of nursing home and home help were however not included in the estimates. We adjusted the estimates for inflation and currency; numbers are shown in Table 9. We assigned the cost of never smokers to ex-smokers, i.e. persons who were smoke free more than five years. The other health states were assigned the annual cost of smokers.
Table 9: Average age specific cost per life year for smokers and never smokers

<table>
<thead>
<tr>
<th>Age group</th>
<th>Annual costs never smokers</th>
<th>Annual costs smokers</th>
</tr>
</thead>
<tbody>
<tr>
<td>35-39</td>
<td>4,332</td>
<td>8,310</td>
</tr>
<tr>
<td>40-44</td>
<td>4,186</td>
<td>8,420</td>
</tr>
<tr>
<td>45-49</td>
<td>4,957</td>
<td>9,804</td>
</tr>
<tr>
<td>50-54</td>
<td>5,926</td>
<td>11,129</td>
</tr>
<tr>
<td>55-59</td>
<td>7,823</td>
<td>14,376</td>
</tr>
<tr>
<td>60-64</td>
<td>9,680</td>
<td>17,743</td>
</tr>
<tr>
<td>66-69</td>
<td>12,650</td>
<td>22,502</td>
</tr>
<tr>
<td>70-74</td>
<td>16,147</td>
<td>26,256</td>
</tr>
<tr>
<td>75-79</td>
<td>18,974</td>
<td>30,856</td>
</tr>
<tr>
<td>80-84</td>
<td>21,425</td>
<td>34,380</td>
</tr>
<tr>
<td>85-89</td>
<td>23,048</td>
<td>36,549</td>
</tr>
</tbody>
</table>

Base case results from scenario analysis

When we use the cost estimates in Table 9, all treatment are more effective and cost saving compared to no treatment. Results are shown in Table 10. Treatment with respectively NRT, bupropion and varenicline will result in 0.02, 0.09 and 0.14 life years gained and savings of NOK 187, NOK 875 and NOK 1,365 per person treated compared to placebo.

No treatment, NRT and bupropion are all dominated by varenicline. Varenicline is the most cost-effective option, with the highest health gain and the largest savings.

Table 10: Results based on Danish cost input. All treatments compared to placebo

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Cost</th>
<th>Incremental Cost (NOK)</th>
<th>Incremental Effectiveness (life years)</th>
<th>Incremental Effectiveness</th>
<th>ICER (NOK/life year)</th>
<th>NHB</th>
</tr>
</thead>
<tbody>
<tr>
<td>No treatment</td>
<td>305,727</td>
<td>14,598</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NRT</td>
<td>305,540</td>
<td>-187</td>
<td>14,617</td>
<td>0.02</td>
<td>-9,863</td>
<td>0.020</td>
</tr>
<tr>
<td>Bupropion</td>
<td>304,852</td>
<td>-875</td>
<td>14,687</td>
<td>0.09</td>
<td>-9,723</td>
<td>0.092</td>
</tr>
<tr>
<td>Varenicline</td>
<td>304,362</td>
<td>-1,365</td>
<td>14,737</td>
<td>0.14</td>
<td>-9,751</td>
<td>0.143</td>
</tr>
</tbody>
</table>
Results from the probabilistic sensitivity analysis on the scenario

We performed a Monte Carlo simulation with 10 000 iterations. Figure 9 shows the 10 000 simulated ICERs on the cost-effectiveness plane. All treatments have a probability of 99% of being dominant (more effective and less costly) compared to placebo.

**Figure 9: Scatter diagram of ICERs for all treatments compared to placebo**

 Seeing that all results are dominant, the conclusion is in this scenario not sensitive to any assumptions made about the willingness to pay per life year. The conclusions will be the same for any and all threshold values.
Discussion

SUMMARY OF RESULTS

According to our base case analysis, nicotine replacement therapy, bupropion and varenicline yield net health benefits (NHB) of respectively 0.012, 0.079 and 0.121 compared to placebo. Hence, nicotine replacement therapy, bupropion and varenicline can all be considered cost-effective compared to no treatment, given a willingness to pay of NOK 500 000 per life year gained.

When varenicline is compared to bupropion, the incremental cost-effectiveness ratio is 78 889 NOK/life year gained, which can also be considered cost-effective.

When we vary the willingness to pay from NOK 0 to NOK 2 000 000 per life year gained, varenicline is the optimal choice for all values above NOK 116 000 per life year gained. If the willingness to pay is between NOK 100 000 and NOK 116 000, bupropion is the optimal choice. If the willingness to pay is less than NOK 100 000 per life year gained, none of the treatments can be considered cost-effective.

In the scenario analysis based on Danish cost data, all treatments are less costly and more effective than no treatment. Varenicline will in this scenario lead to the greatest savings and to the largest gains in life years. In other words, if we assume higher treatment costs for smokers, varenicline will be a dominant strategy.

Our analysis on value of information indicate that more research on the input variables is unlikely to change our conclusion that bupropion and varenicline is cost-effective, assuming a willingness to pay per life year gained of NOK 500 000.

UNCERTAINTY IN PARAMETERS

All models are simplifications of reality and there is necessarily some degree of uncertainty associated with the results.

Some of the uncertainty is related to the model inputs, i.e. the parameter estimates used. Our model inputs have been gathered from a range of sources and they may not on their own represent true values for a Norwegian population in a real-life set-
We have used estimates of unaided quit rate and relapse rate after twelve months from published studies based on data from other countries. It is possible that these rates are either higher or lower than the actual rates in Norway. We have however tried to vary the unaided quit rate from 5/100 down to 5/1000 without any change in the conclusion. Changing the relapse rate from five to seventeen per cent per year also had no impact on the conclusion.

We have used efficacy estimates from randomised controlled trials. Efficacy estimates indicate how well a treatment can work under ideal circumstances, but not how well it will actually work in real-life settings. Motivation is one of the factors key to a successful smoking cessation attempt. Individuals in randomised controlled trials can be more motivated to stop smoking than the average person in real life or they can become more motivated by the fact that they are taking part in a study. It is also possible that compliance with the drugs is less in a real life setting than in the randomised controlled trials. It is therefore possible that the effectiveness of the drugs is smaller in a real-life setting, than the efficacy estimates taken from randomised controlled trials in our efficacy report. If this is the case, we are overestimating the cost-effectiveness of the treatments.

We have conducted a range of sensitivity analyses on these parameters and the conclusions are robust to realistic changes in these values.

We were not able to find age specific cost data from Norway that included costs from both primary and secondary care. In our base case we use an estimate of annual health care expenditure from Statistics Norway that is constant across age. With this estimate, we are most likely overestimating the costs for the younger age groups and possibly underestimating for the older age groups. Due to the limitations in available Norwegian cost data, we conducted a scenario analysis based on Danish cost data. The conclusions were not changed based on the alternative cost input, but the fact that the smokers were assumed to have higher costs than the ex-smokers in this scenario made all treatments more cost-effective and even cost saving.

### UNCERTAINTY RELATED TO MODEL STRUCTURE

Another aspect of uncertainty is related to the model structure (31;32). Examples of model structure uncertainty relates to the events included in the model and the choice of comparators (31).

#### Uncertainty related to included events

Events included in models is a trade off between available time for the modelling project and the realism of the model (33). Our model was structured to capture the life years gained from smoking cessation. The model therefore only contains the health states necessary to capture costs and health effects of being either dead or
alive. In reality however, smoking will increase the risk of a variety of diseases, most notably different cancers, lung diseases and cardiovascular diseases. If we had included the natural history of these diseases in the model, we would have been able to capture the loss due to smoking-related disease in terms of quality adjusted life years and not only life years. We would in other words have been able to capture the “pain and suffering” aspect of the different smoking related diseases.

It is therefore possible that our simplistic model underestimates the health effects and potential savings related to smoking cessation.

A number of economic evaluations of the cost-effectiveness of drugs for smoking cessation have been published in recent years (34-54). Many published economic evaluations of varenicline have been based on the Benefits of Smoking Cessation on Outcomes (BENESCO) model, a very elaborate Markov model developed by Pfizer, which includes health states for lung cancer, chronic obstructive pulmonary disease, coronary heart disease, stroke and asthma exacerbations. This model clearly includes a more realistic description of the potential health effects of smoking than our simplified model.

However, the Finish application of the BENESCO by Linden et al. 2010, reports varenicline to have an ICER of €8 791 (approximately 79 875 NOK) per life year gained compared to bupropion in a 20 year perspective (53). In a lifetime perspective the ICER is €-3 336 (approximately -26 691 NOK) per life year gained. The Dutch application yields an ICER of €-1 774 (approximately NOK -14 194) per life year gained for varenicline compared to bupropion (35). The Belgium application yields an ICER of €-1 294 per life year gained (approximately NOK -10 353) (49) and the Swedish ICERS varying from €14 743 to €-3 852 per quality adjusted life year (approximately NOK 117 944 to -30 816) depending on gender, length of follow up and inclusion/exclusion of indirect effects (38).

The incremental cost-effectiveness ratios naturally vary between the different studies, due to both differences in methodology, e.g. choice of discount rate and inclusion or exclusion of indirect costs, and variation in country specific cost and epidemiological data. The conclusions are however uniform, varenicline is found to be a cost-effective and often dominant strategy. Despite the fact that our model is very simple, our conclusions are the same as the conclusions found in the other countries.

Possible side effects of nicotine replacement therapy, bupropion and varenicline are not included in the analysis. If one of the drugs has serious side effects, inclusion of these side effects in the analysis may change the conclusions.
Uncertainty related to choice of comparators

The other type of structure uncertainty is related to the included comparators. This evaluation has only assessed the cost-effectiveness of the available pharmacological treatment options. Ideally all types of mutually exclusive interventions should be compared in a cost-effectiveness analysis (55). This means that physician advice to quit and other types of counselling strategies possibly could have been included in our analysis.

Evaluation of many of these interventions can however be difficult due to lack of good quality efficacy studies. A recent review from Canada reviewed the effectiveness and cost-effectiveness of mass media interventions, telephone counselling, post-secondary interventions, community-wide stop-smoking contests, community interventions, physician advice to quit, nursing intervention to stop smoking, hospital based intervention to stop smoking, and different types of pharmacotherapy (56). They conclude that pharmacotherapy, physician advice to quit, nursing interventions, hospital-based interventions, and proactive telephone counselling are all likely to be both effective and cost-effective in the short-term. Among these interventions they found varenicline, bupropion and nicotine replacement therapies, followed by physician advice to quit and nursing interventions to be the most effective strategies.

IMPLICATIONS FOR PRACTISE

Cost-effectiveness alongside the effectiveness of the treatment and the severity of the disease is important considerations when decisions are made regarding which treatment to offer from the National Health Service, for example when considering whether or not a drug should be reimbursed.

In the choice of treatment for the individual patient, additional considerations, like patient preferences should be taken into account. Patients may have preferences for nicotine replacement therapy because this intervention does not require a prescription from a doctor. Other patients may prefer counselling.
Conclusions

We have evaluated the cost-effectiveness of varenicline, bupropion and nicotine replacement therapy for smoking cessation in a Norwegian setting. We conclude that all treatments can be considered cost-effective compared to placebo and that varenicline is likely to be the most cost-effective alternative when the drugs are evaluated relative to each other. The conclusions seem robust to changes in the parameters.

NEED FOR FURTHER RESEARCH

Nicotine replacement therapy was excluded from our relative analysis based on external dominance. Given this, our analysis of the expected value of perfect information on parameters indicates that more research is unlikely to reduce decision uncertainty when the willingness to pay per life year gained is higher than NOK 140 000. We do in other words not believe that further research on the included drugs would change the conclusion.


## APPENDIX 1: TEXT REPORT FROM TORNADO DIAGRAM

### Table 11: Text report from tornado diagram

<table>
<thead>
<tr>
<th>Variable</th>
<th>Low Input</th>
<th>High Input</th>
<th>Low ICER</th>
<th>High ICER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age at start of analysis</td>
<td>20</td>
<td>80 68 660</td>
<td>191 876</td>
<td></td>
</tr>
<tr>
<td>Price_Varenicline</td>
<td>0</td>
<td>2324 25 647</td>
<td>87 809</td>
<td></td>
</tr>
<tr>
<td>Average health care costs per person per year</td>
<td>0</td>
<td>60000 33 265</td>
<td>93 265</td>
<td></td>
</tr>
<tr>
<td>Discount_rate</td>
<td>0</td>
<td>0,08 71 949</td>
<td>115 199</td>
<td></td>
</tr>
<tr>
<td>Price_Bupropion</td>
<td>0</td>
<td>1099 84 380</td>
<td>113 773</td>
<td></td>
</tr>
<tr>
<td>Unaided_quit_rate</td>
<td>0,03</td>
<td>0,1 81 119</td>
<td>100 179</td>
<td></td>
</tr>
<tr>
<td>Men=0, Women=1</td>
<td>0</td>
<td>1 87 809</td>
<td>105 950</td>
<td></td>
</tr>
<tr>
<td>Relapse rate after 12 months of abstinence</td>
<td>0,05</td>
<td>0,17 79 704</td>
<td>97 385</td>
<td></td>
</tr>
<tr>
<td>Increased risk of dying for smokers</td>
<td>2,29</td>
<td>2,83 83 570</td>
<td>97 161</td>
<td></td>
</tr>
<tr>
<td>RR_Varenicline</td>
<td>1,18</td>
<td>1,81 55 176</td>
<td>64 714</td>
<td></td>
</tr>
<tr>
<td>n_GP_Varenicline</td>
<td>0</td>
<td>2 84 279</td>
<td>91 339</td>
<td></td>
</tr>
<tr>
<td>n_GP_Bupropion</td>
<td>0</td>
<td>2 84 279</td>
<td>91 339</td>
<td></td>
</tr>
<tr>
<td>Cost in last life year/cost of dying</td>
<td>0</td>
<td>1740 83 776</td>
<td>90 742</td>
<td></td>
</tr>
<tr>
<td>Increased risk of death for resumers</td>
<td>1,08</td>
<td>1,91 84 383</td>
<td>90 178</td>
<td></td>
</tr>
<tr>
<td>RR_die_Ex</td>
<td>0,9</td>
<td>1,26 85 497</td>
<td>90 605</td>
<td></td>
</tr>
<tr>
<td>Increased risk of dying for quitters</td>
<td>1,23</td>
<td>1,95 86 141</td>
<td>90 560</td>
<td></td>
</tr>
<tr>
<td>RR_Bupropion</td>
<td>1,46</td>
<td>1,88 99 070</td>
<td>101 679</td>
<td></td>
</tr>
<tr>
<td>Time</td>
<td>0</td>
<td>20 85 285</td>
<td>87 596</td>
<td></td>
</tr>
<tr>
<td>price_GP</td>
<td>100</td>
<td>300 87 809</td>
<td>87 809</td>
<td></td>
</tr>
</tbody>
</table>
### APPENDIX 2: DISTRIBUTIONS USED IN PSA

**Table 12: Distributions used in PSA**

<table>
<thead>
<tr>
<th>Name</th>
<th>Parameters/Info</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Efficacy of NRT vs. placebo</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = ( \ln(1.58) ). ( \sigma ) (std dev of logs) = ( (\ln(1.66)-\ln(1.50))/(2\times \text{GRADE}_{\text{moderate}_\text{quality}}) ); Expected value: 1.580749998</td>
</tr>
<tr>
<td><strong>Efficacy of bupropion vs. placebo</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = ( \ln(1.69) ). ( \sigma ) (std dev of logs) = ( (\ln(1.85)-\ln(1.53))/(2\times \text{GRADE}_{\text{moderate}_\text{quality}}) ); Expected value: 1.692818457</td>
</tr>
<tr>
<td><strong>Efficacy of varenicline vs. placebo</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = ( \ln(2.33) ). ( \sigma ) (std dev of logs) = ( (\ln(2.80)-\ln(1.95))/(2\times \text{GRADE}_{\text{high}_\text{quality}}) ); Expected value: 2.339944711</td>
</tr>
<tr>
<td><strong>Efficacy of bupropion vs. NRT</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = ( \ln(1.45) ). ( \sigma ) (std dev of logs) = ( (\ln(4.18)-\ln(0.50))/(2\times \text{GRADE}_{\text{very}_\text{low}_\text{quality}}) ); Expected value: 2.450523844</td>
</tr>
<tr>
<td><strong>Efficacy of varenicline vs. bupropion</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = ( \ln(1.46) ). ( \sigma ) (std dev of logs) = ( (\ln(1.81)-\ln(1.18))/(2\times \text{GRADE}_{\text{high}_\text{quality}}) ); Expected value: 1.468720699</td>
</tr>
<tr>
<td><strong>dist_rr_Ex_Men</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.067659. ( \sigma ) (std dev of logs) = 0.054791; Expected value: 1.071607681</td>
</tr>
<tr>
<td><strong>dist_rr_Resum_Men</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.463734. ( \sigma ) (std dev of logs) = 0.094255; Expected value: 1.597078468</td>
</tr>
<tr>
<td><strong>dist_rr_Smoke_Men</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.95935. ( \sigma ) (std dev of logs) = 0.042044; Expected value: 2.612307287</td>
</tr>
<tr>
<td><strong>dist_rr_Quit_Men</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.329304. ( \sigma ) (std dev of logs) = 0.063881; Expected value: 1.392839391</td>
</tr>
<tr>
<td><strong>dist_rr_Ex_Women</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.058269. ( \sigma ) (std dev of logs) = 0.085836; Expected value: 1.063912243</td>
</tr>
<tr>
<td><strong>dist_rr_Resum_Women</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.336472. ( \sigma ) (std dev of logs) = 0.131728; Expected value: 1.412199097</td>
</tr>
<tr>
<td><strong>dist_rr_Smoke_Women</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.912283. ( \sigma ) (std dev of logs) = 0.042959; Expected value: 2.492993999</td>
</tr>
<tr>
<td><strong>dist_rr_Quit_Women</strong></td>
<td>Log-Normal. ( u ) (mean of logs) = 0.494696241836107. ( \sigma ) (std dev of logs) = 0.088202; Expected value: 1.64691689</td>
</tr>
<tr>
<td><strong>dist_Cost_LY</strong></td>
<td>Gamma. ( \alpha = (54544^2)/(((54544\times20)/100)^2) ).</td>
</tr>
<tr>
<td>Distribution</td>
<td>Description</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>( \text{dist_Cost_last_LY} )</td>
<td>Gamma. ( \alpha = \frac{(73305.6^2)}{((73305.6 \times 30)/100)^2)} ). ( \lambda = \frac{73305.6}{((73305.6 \times 30)/100)^2)} ); Expected value: 73305.6</td>
</tr>
<tr>
<td>( \text{distr_natureal_quit_rate} )</td>
<td>Beta. Real-numbered parameters. ( \alpha = \frac{(0.05^2) \times (1-0.05)}{(0.01^2)} ). ( \beta = \frac{(0.05 \times (1-0.05)) - ((0.05^2) \times (1-0.05))}{(0.01^2)} ); Expected value: 0.05</td>
</tr>
<tr>
<td>( \text{dist_n_days_NEP} )</td>
<td>Gamma. ( \alpha = \frac{(90^2)}{(20^2)} ). ( \lambda = \frac{90}{(20^2)} ); Expected value: 90</td>
</tr>
<tr>
<td>( \text{Dist_Time} )</td>
<td>Poisson. ( \lambda = 4 ); Expected value: 4</td>
</tr>
<tr>
<td>( \text{Dist_PriceNEP} )</td>
<td>Gamma. ( \alpha = \frac{(35^2)}{(5^2)} ). ( \lambda = \frac{35}{(5^2)} ); Expected value: 35</td>
</tr>
<tr>
<td>( \text{dist_relape_rate} )</td>
<td>Gamma. ( \alpha = \frac{(0.10^2)}{(0.02^2)} ). ( \lambda = \frac{0.10}{(0.02^2)} ); Expected value: 0.1</td>
</tr>
</tbody>
</table>