

A model-based cost-utility analysis of an automated notification system for deteriorating patients on general wards

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1 **Title**

2 A model-based cost-utility analysis of an automated notification system for deteriorating patients on
3 general wards

4 Short title: Economic evaluation of an automated notification system for deteriorating patients on
5 general wards

6

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23 **Abstract**

24 **Background**

25 Delayed response to clinical deterioration of hospital inpatients is common. Deployment of an
26 electronic automated advisory vital signs monitoring and notification system to signal clinical
27 deterioration is associated with significant improvements in clinical outcomes but there is no evidence
28 on the cost-effectiveness compared with routine monitoring, in the National Health Service (NHS) in
29 the United Kingdom (UK).

30

31 **Methods**

32 A decision analytic model was developed to estimate the cost-effectiveness of an electronic automated
33 advisory notification system versus standard care, in adults admitted to a district general hospital.
34 Analyses considered: (1) the cost-effectiveness of the technology based on secondary analysis of patient
35 level data of 3787 inpatients in a before-and-after study; and (2) the cost-utility (cost per quality-
36 adjusted life-year (QALY)) over a lifetime horizon, extrapolated using published data. Analysis was
37 conducted from the perspective of the NHS. Uncertainty in the model was assessed using a range of
38 sensitivity analyses.

39

40 **Results**

41 The study population had a mean age of 68 years, 48% male, with a median inpatient stay of 6 days.
42 Expected life expectancy at discharge was assumed to be 17.74 years.

43 (1) Cost-effectiveness analysis: The automated notification system was more effective (-0.027 reduction
44 in mean events per patient) and provided a cost saving of -£12.17 (-182.07 to 154.80) per patient
45 admission.

46 (2) Cost-utility analysis: Over a lifetime horizon the automated notification system was dominant,
47 demonstrating a positive incremental QALY gain (0.0287 QALYs, equivalent to ~10 days of perfect
48 health) and a cost saving of £55.35. At a threshold of £20,000 per QALY, the probability of automated
49 monitoring being cost-effective in the NHS was 81%. Increased use of cableless sensors may reduce
50 cost-savings, however, the intervention remains cost-effective at 100% usage (ICER: £3,107/QALY).
51 Stratified cost-effectiveness analysis by age, National Early Warning Score (NEWS) on admission, and
52 primary diagnosis indicated the automated notification system was cost-effective for most strategies
53 and that use representative of the patient population studied was the most cost-saving strategy.

54

55 **Conclusion**

56 Automated notification system for adult patients admitted to general wards appears to be a cost-effective
57 use in the NHS; adopting this technology could be good use of scarce resources with significance for
58 patient safety.

59

60 **Keywords**

61 economic evaluation, cost-effectiveness, cost-utility, patient deterioration, rapid response teams, acute
62 care teams, early warning score, automated monitoring, patient safety, vital signs.

63 **Introduction**

64

65 **Clinical Background**

66 Deterioration of patients on general hospital wards often goes unnoticed for prolonged periods of
67 time(1). This delay can result in otherwise preventable cardiopulmonary arrest and admission to the
68 intensive care unit (ICU)(2,3) even though, in most cases, measurable changes in vital signs (4) could
69 identify patients at risk. Such delayed or absent response to deterioration has been labelled as “failure
70 to rescue” (5). To decrease the incidence and consequences of such failure to rescue, many hospitals
71 have introduced rapid response systems (RRSs) (6) consisting of an afferent limb based on monitoring
72 of vital signs that triggers activation of the efferent limb, individuals or teams with training in the
73 management of critical illness. Even in hospitals with an established RRS, failure-to-rescue events
74 occur (7–9), mostly related to problems with the afferent (monitoring, identification, and rapid response
75 team (RRT) activation) component of the RRS. All these failings have in common the dependence on
76 individual bedside staff to raise the alarm.

77

78 In contrast to human-based response, industrial high-reliability systems rely on redundancy to ensure
79 that failure of a single part does not result in system failure(10,11). When this approach is applied to
80 monitoring in health care, systems with automated notification can be deployed to notify remote and
81 senior healthcare professionals or RRTs who are not at the bedside to respond to deterioration(12,13).
82 Deterioration can be defined as a National Early Warning Score (NEWS)¹ of 6 or more (14). A score
83 of 6 leads to the activation of a practitioner with critical care skills. The notification aims to prevent
84 further deterioration to a degree that results in the need for admission to Intensive Care, death, or cardio-

¹ The National Early Warning Score is a score that summarises abnormalities in vital signs such as blood pressure, heart rate, temperature through a point system ranging from zero (all parameters normal) to 20 (all parameters maximally abnormal).

85 pulmonary arrest. This approach can be supplemented with continuous monitoring of selected vital
86 signs such as heart rate, respiratory rate, and oxygen saturation.

87

88 A prospective before-and-after study, ‘Vital Signs to Identify, Target, and Assess Level of Care Study’
89 (short VITAL II, ClinicalTrials.gov, NCT01692847) investigated the use of conventional vital sign
90 monitoring enhanced by automated wearable monitoring devices, automated calculation of Early
91 Warning Scores based on vital signs, and automated notification of clinical teams triggered by pre-
92 defined changes in vital signs in all patients admitted to two clinical areas in a district general hospital
93 in the UK (2139 patients before (control) and 2263 after the intervention). VITAL II concluded that
94 deployment of automated monitoring, and notification system was associated with a reduction in
95 mortality (8 vs 6%, $p=0.042$), cardiac arrests (0.7% vs 0.09%, $p=0.002$) and improved mortality for
96 those admitted to Intensive Care (45% vs 24%, $p=0.04$)(15), however, there was no health economic²
97 evidence to assess the cost-effectiveness of this intervention.

98

99 **Aims & Objectives**

100 We aimed to inform the cost-effective use of an automated system in the National Health Service (NHS)
101 in the United Kingdom (UK) by conducting a model-based economic evaluation, using evidence from
102 the VITAL II study.

103

104 **Materials and methods**

105

² Economic evaluation provides a framework in which to assess the costs and effects of alternative interventions, such as automated monitoring compared to standard care. For a comprehensive overview of concepts and methods, readers should refer to general texts, such as: Morris, Stephen, et al. Economic analysis in healthcare. John Wiley & Sons, 2012.

106 **Economic Evaluation Overview**

107 The study design was a model-based cost-effectiveness and cost-utility analysis using secondary data,
108 including retrospective analysis of the Vital II Research Database (RDB).

109 The short-term cost-effectiveness analysis (cost per event avoided) was restricted to the inpatient
110 episode, whilst the cost-utility analysis (cost per quality-adjusted life-year (QALY)) considered the
111 longer-term consequences of serious adverse events to extrapolate the findings to a lifetime horizon.
112 The QALY is a single index of both survival and health-related quality of life. The evaluation was
113 conducted from the perspective of the NHS.

114

115 A decision analytic model was developed to represent (1) use of an electronic automated advisory vital
116 signs monitoring and notification system to signal clinical deterioration; and (2) standard care use of
117 non-connected spot-check monitors, as is routine in the NHS (Fig 1). The model captures all events
118 during the inpatient stay based on data obtained from the Vital II study. Patients were admitted to the
119 study wards following a short period of assessment and completion of admission documentation in the
120 Acute Medical Unit of the hospital in line with usual practice in the NHS. One of the wards specialised
121 in Respiratory and one in Gastroenterological conditions but both wards took patients with other
122 conditions. Once on the ward, patients in the standard care pathway were monitored in line with hospital
123 policy, which stipulates the recording of vital signs in acutely unwell patients at least twice per day and
124 with increasing frequency in the presence of increasing severity of illness, usually four times per day.
125 Trained registered nurses and health care assistants obtained and recorded vital signs. Patients on the
126 intervention pathway were monitored with an electronic automated advisory vital signs monitoring
127 system (IntelliVue Guardian Solution (IGS) including cableless sensors and MP5SC spot-check
128 monitors, Philips Healthcare, Boeblingen, Germany). Each spot-check monitor was used for a group of
129 6-8 co-located patients. During the inpatient episode 10 types of serious adverse events were collected
130 prospectively, and these were: acute myocardial infarction, pulmonary embolism, acute pulmonary
131 oedema, respiratory failure, stroke, severe sepsis, acute renal failure, emergency admission to the ICU,

132 cardiopulmonary arrest, death. At discharge the model estimates lifetime costs and quality adjusted life
133 years based on the principal serious event that occurred during the inpatient episode, or no event.

134

135 **Fig 1. Diagram of economic model.**

136

137 The model was parameterised using data from the VITAL II RDB (restricted to cases with complete
138 NEWS score on admission n=3787/4402 (86%)), and purposive reviews of the literature to obtain long-
139 term estimates of costs and outcomes, in line with standard methodology for populating economic
140 models (16). Published economic evaluations were identified using UK National Institute for Health
141 and Clinical Excellence (NICE) guidance and supplementary electronic searches of PubMed. Studies
142 set in the UK, adopting a life-time horizon, reporting costs and QALYs for interventions/comparators
143 that best reflected treating the condition/event in line with current practice, were selected.

144

145 The base-case model adopted a lifetime horizon to estimate the incremental cost per QALY gained,
146 which may be used to inform decisions concerning the cost effectiveness of the intervention compared
147 to standard care, in the UK. The analysis also reports costs per event avoided during the inpatient
148 episode.

149

150 **Clinical parameters**

151 **Serious adverse events / Health utilities**

152 Serious adverse events were obtained from the RDB. During the inpatient episode the model accounted
153 for multiple events per patient. Health states at discharge were defined by the principal serious adverse
154 event during inpatient episode. Where patients experienced multiple events the event with the worst
155 health state was assumed at discharge. Each health state at discharge was assigned a Quality-Adjusted-

156 Life-Expectancy (QALE) that was obtained from a purposive search of the literature, adjusted for the
157 age and sex of the model population (Table 1 and S1). The “no event” population were assigned a
158 weighted average of chronic conditions reflecting admission to a gastroenterology ward (Crohn’s
159 Disease) or a respiratory ward (Chronic obstructive pulmonary disease (COPD) or Pneumonia).

160

161 **Resource Use**

162 During the inpatient episode resource use included length of stay on ward of admission (based on reason
163 for admission and any subsequent serious adverse events), admission to ICU, use of monitoring
164 equipment (the automated monitoring and notification system for the intervention arm, and non-
165 connected spot-check monitors in standard care). Post-discharge resource use was not available at a
166 patient level and is captured within life-time costs (Table 1), calculated using secondary data [external
167 to the VITAL II clinical study].

168

169

170 **Table 1. Cost-utility model input parameters: principal event probabilities, lifetime costs and**
171 **quality-adjusted life years.**

Parameter	Point Estimate	Distribution ¹	References
EVENT PROBABILITIES	Probability		
No Event_intervention	0.9451	Dirichlet-multinomial (3579, 24, 184)	[Footnote 2]
Event survive_intervention	0.0064		
Inpatient mortality_intervention	0.0485		
No Event_control	0.9395	Dirichlet-multinomial (3558, 40, 189)	[Footnote 2]
Event survive_control	0.0106		
Inpatient mortality_control	0.0499		
Non-fatal <u>principal event</u> intervention			
Acute Myocardial Infarction	<0.00000001	Dirichlet-multinomial (4.9231E-13, 0.0016, 0.0011, 3.6014E-13, 3.3553E-07, 24.3621, 1.9882E-07)	[Footnote 2]
Pulmonary Embolism	0.00006559		
Acute Pulmonary Oedema	0.00004368		
Respiratory Failure	0.00000000		
Severe Sepsis	0.00000001		
Emergency admission to ICU	0.99989071		
Cardiopulmonary arrest	0.00000001		
Non-fatal <u>principal event</u> control			
Acute Myocardial Infarction	0.00000007	Dirichlet-multinomial (2.9955E-06, 0.0051, 0.0010 4.9610E-06, 7.7047, 29.9749, 2.4865)	[Footnote 2]
Pulmonary Embolism	0.00012726		
Acute Pulmonary Oedema	0.00002508		
Respiratory Failure	0.00000012		
Severe Sepsis	0.19179070		
Emergency admission to ICU	0.74615961		
Cardiopulmonary arrest	0.06189716		
INPATIENT COSTS	Inpatient Cost		
Inpatient episode cost_control	2059.16	95% Central Range (1,957.03 to 2,174.21)	[Footnote 3]
Inpatient episode cost_intervention	2046.99	95% Central Range (1,926.45 to 2,183.47)	
LIFETIME COSTS	Lifetime Cost		
Ward 1_Gastroenterology	£28,694	Gamma (25, 1147.75)	Bodger et al. (2009)(20)
Ward 2_Respiratory	£10,555	Gamma (25, 422.19)	NICE (2019), (2014)
Acute Myocardial Infarction	£34,398	Gamma (25, 1375.91)	NICE (2020a)
Acute Pulmonary Oedema	£19,198	Gamma (25, 741.57)	Peek (2010)(21)
Respiratory Failure	£19,198	Gamma (25, 767.92)	Peek (2010)(21)
Severe Sepsis	£45,903	Gamma (25, 1836.14)	Soares (2012)(22)
Emergency admission to ICU	£19,198	Gamma (25, 767.92)	Peek (2010)(21)
Cardiopulmonary arrest	£38,303	Gamma (25, 1532.14)	Javanbakht (2022)(23)
LIFETIME QALYS	QALE ⁴		
Healthy population (age, sex matched)	9.7732		McNamara (2023)(19)
Ward 1_Gastroenterology	7.4965	Normal (7.50, 1.50)	Bodger et al. (2009)(20)
Ward 2_Respiratory	7.9866	Normal (7.99, 1.60)	

COPD	4.8068		NICE (2019)(24)
Pneumonia	9.1604		NICE (2014)(25)
Acute Myocardial Infarction	6.0139	Normal (6.01, 1.20)	NICE (2020)(26)
Pulmonary Embolism	6.9533	Normal (6.95, 1.39)	NICE (2020)(27)
Acute Pulmonary Oedema	4.0633	Normal (4.06, 0.81)	Peek (2010)(21)
Respiratory Failure	4.0633	Normal (4.06, 0.81)	Peek (2010)(21)
Severe Sepsis	3.3345	Normal (3.33, 0.67)	Soares (2012)(22)
Emergency admission to ICU	4.0663	Normal (4.06, 0.81)	Peek (2010)(21)
Cardiopulmonary arrest	3.0013	Normal (3.00, 0.60)	Javanbakht (2022)(23)
RESOURCE USE	Resource Use		
Number of beds (n)	54	Fixed	VITAL II clinical study RDB n=3787
Mean length of stay (days) _intervention	8.62	Fixed	
Mean length of stay (days) _control	8.90	Fixed	
Cableless Sensor Use (rate)	0.123	Fixed	
Estimated product life (years)	5	Fixed	Assumption

172 Note. ¹Distribution used in probabilistic sensitivity analysis: Dirichlet-multinomial (n events of N=3787);
173 Gamma (alpha, beta), Normal (mean, standard deviation). ²Estimated using mlogit to adjust for baseline
174 differences in intervention group, age, sex, ward, base score on admission, on RDB (n=3787). ³Estimated using
175 GLM (with gamma family and log link) to adjust for baseline differences in intervention group, age sex, ward,
176 base score on admission, on RDB (n=3787) parameter uncertainty represented by 10,000 bootstrap replications.
177 ⁴See S1 for worked example.

178 **Unit costs**

179 Unit costs associated with monitoring devices and inpatient stay were obtained from the manufacturer
 180 and the NHS sources (Table 2). The cost of the intervention was calculated using information provided
 181 by the manufacturer, and resource use observed in VITAL II. To calculate the mean cost of the
 182 intervention per patient, the purchase price was annualised as follows:

183

184 Mean cost of technology per patient =
$$\frac{[(\text{purchase price} / \text{product-life}) + \text{variable costs for 1-year}]}{\text{annual number of patients}}$$

186 Where: purchase price = fixed cost of IGS and MP5SC Monitors; variable costs = Health DOT wireless
 187 sensors, mean length of stay is days from admission to discharge; and annual number of patients =
 188 $[(365/\text{mean length of stay}) * \text{total number of beds with automated notification system enabled}]$.

189 Assuming ward operates at 100% annual capacity and interest rate 0%.

190

191 **Table 2. Unit costs of monitoring and inpatient stay.**

Monitoring Device Costs (<i>based on technology for two wards</i>)	Cost (£)	
Intervention: IntelliVue Guardian Solution (IGS) with cableless sensors and MP5SC spot-check monitors (Philips Healthcare, Boeblingen, Germany)		
Fixed costs: IGS + 12 MP5SC spot-check monitors	£77,448.61	
Variable costs: Health DOT (cost per sensor)^	£107.50	
Control: Cost of spot-check monitors used in routine care at district general hospital in UK		
Fixed cost: 12 Routine care spot-check monitors	£16,800	
Inpatient Costs	Non-elective cost ^a	Cost per excess bed day ^b
Ward 1 (gastroenterology)*	£1,457	£259
Ward 2 (pulmonology)*	£1,641	£230
Acute Myocardial Infarction	£1,592	£264
Pulmonary Embolus	£1,525	£230
Acute Pulmonary Oedema	£1,543	£230
Respiratory Failure	£848	£230
Stroke	£3,609	£257
Severe Sepsis	£2,385	£239

Acute Renal Failure	£1,398	£239
ICU (bed day)	£1,620	n/a
Cardiopulmonary Arrest	£1,628	£264

192 ^ The Vital II study (15) reported 12.3% of the intervention arm had at least one cableless sensor attached in the
193 intervention phase, these represent an additional variable cost to using IGS during this phase. In the current
194 analysis, Health DOT wireless sensors were substituted as an approximation of the costs for the cableless
195 sensors as the latter are no longer on the market. *Calculated as frequency weighted average of non-elective
196 activity (currency descriptions unavailable at district general hospital excluded prior to weighting); see S12-54
197 Tables for detailed activity codes / descriptions. a NHS Reference costs 2020/21. b NHS National Tariff
198 2020/21. See S56 Table for excess bed day trimpoints.

199

200 The unit cost of the non-connected spot-check monitors used in standard care are understood to be
201 included within NHS activity costs (used to cost the inpatient stay), however, on the basis that IGS
202 would displace the cost of the spot-check monitors, a unit cost for the monitors used in the control phase
203 of the Vital II study, was included in the analysis.

204

205 NHS Reference Costs and the National Tariff (2020/21) were used to estimate the cost of hospital stay
206 (NHS National Cost Collection database (2021)) (S12-45 Tables). A weighted average of total non-
207 elective activity was calculated, for each episode. The NHS tariff was then used to obtain trim points
208 and costs per excess bed day for non-elective activity (S56 Table). ICU and serious adverse event
209 activity costs were added to ward costs to provide a cost from admission to discharge/death (Table 2).

210

211 Costs incurred during the inpatient stay were not discounted due to the time horizon of less than one-
212 year. Life-time costs and QALYs were discounted at a rate of 3.5% All costs were reported as UK
213 pounds, price year 2020/21 for NHS costs and most recent pricing for the intervention.

214

215

216 **Long-term costs**

217 Life-time costs associated with each health state at discharge were obtained from a purposive review of
218 published literature. As with QALE, the “no event” population were assigned a weighted average of
219 chronic conditions. Where the event health state was associated with a higher cost than “no event” the
220 cost of being in the event state was carried forward (all cases except pulmonary embolism). Lifetime
221 costs were inflated to 2020/21 using the NHS Cost Inflation Index (17,18) and scaled to reflect life-
222 expectancy of the model population (17.74-years based on age 68-years, 48% male), using published
223 Life Expectancy Norms for the English Population accounting for age and sex (19). Costs incurred
224 during the inpatient episode were added to life-time costs to determine total cost over the life-time
225 horizon.

226

227

228 **Analysis**

229 Number of events were summed for each patient in the observational study and probability of event
230 calculated using negative binomial regression to allow for baseline differences in age, gender, ward,
231 and NEWS score on admission. Length of stay on the ward was calculated as the date of discharge,
232 minus day of admission, minus anytime in ICU. Total hospital costs for each patient were calculated as
233 the sum of device (automated or spot check), and inpatient stay costs (ward, ICU and serious adverse
234 event activity costs). Hospital costs were analysed using generalized linear regression models (GLM)
235 with gamma family and log link. Count data of events were analysed using negative binominal
236 regression. The 95% central range for difference in events were calculated using non-parametric
237 bootstrap analysis with 10,000 replications.

238

239 **Cost Effectiveness Analysis**

240 The cost-effectiveness analysis considered the cost per event avoided and cost per life-years saved
241 (during the inpatient episode). The Incremental Cost Effectiveness Ratio (ICER) was calculated as the
242 incremental cost divided by the total number of events avoided or life-years gained.

243

244 **Cost Per QALY**

245 Total Cost and QALE data were combined to calculate the ICER. The ICER of the lifetime cost-utility
246 analysis was calculated as follows:

247

$$248 \text{ ICER} = \frac{\text{COST}_{\text{with IGS}} - \text{COST}_{\text{standard care no IGS}}}{\text{QALE}_{\text{with IGS}} - \text{QALE}_{\text{standard care no IGS}}}$$

250

251 **Base-case Analysis**

252 The base-case analysis assumed a monitoring device product life of 5-years and 12% cableless sensor
253 use in the intervention arm and extrapolated to a life-time horizon.

254

255 **Sensitivity Analyses**

256 One-way sensitivity analysis was conducted on (1) product life from 5-year to 10-year or 15-years, (2)
257 cableless sensors use from rates of 0% to 100%. A threshold analysis was conducted to establish the
258 cost [and throughput] of testing at which the ICER is dominant (cost neutral/saving and more effective).
259 Calculation of equivalent annual cost calculation based on product life of 5-years and a 3.5% discount
260 rate / annuity factor 4.515 was also performed to assess impact on product price per patient.

261

262 **Probabilistic Sensitivity Analyses**

263 Probabilistic sensitivity analysis was performed on the cost-utility analysis, using Monte Carlo
264 simulation with 10,000 replications sampled from the distributions presented in Table 1. Standard
265 deviation was assumed to be 0.2 of the mean point estimate and parameters of distributions calculated
266 accordingly, the assumption of this was tested using scenario analysis of 0.1 and 0.4. A cost-
267 effectiveness acceptability curve (CEAC) was constructed to illustrate the probability of testing being
268 cost-effective at given thresholds of cost-effectiveness (28).

269

270

271 **Subgroup analyses**

272 Subgroup analyses was conducted on clinically meaningful subgroups of (1) Age (17-74-years, 75-
273 years +); (2) NEWS score on admission (3+, 6+); and (3) ICD 10 code of primary diagnosis (ICD 10
274 Diseases of respiratory system, ICD 11 Diseases of digestive system, “other” primary diagnosis i.e.,
275 not ICD 10 or 11). Patient level data were stratified into groups and model parameters were re-
276 calculated. Secondary parameters used in the cost-utility analysis were adjusted for subgroup
277 population age, sex, ward, and COPD/CFA status (S67 Table). To allow for comparative cost-
278 effectiveness within and between groups the net monetary benefit (at the £20,000 per QALY
279 threshold) and net health benefit of each strategy was calculated and plotted on the cost-effectiveness
280 plane.

281

282 All data were analysed in Microsoft® Excel® for Microsoft 365 MSO (16.0.13801.20442) or STATA
283 17 and the study is reported according to the Consolidated Health Economic Evaluation Reporting
284 Standards(29).

285

286 **Research Governance**

287 The VITAL II before-and-after study was approved by the hospital human research ethics committee
288 (Reference 12/WA/0050, Protocol number SD-05163-BBN-IGS A.2). This study recruited patients
289 from the 5th of October 2012 to the 17th of April 2015.

290 The VITAL II Study Data Base (VSDB) was de-identified according to the Health Insurance Portability
291 Act – HIPAA (full de-identification). This new fully de-identified RDB was approved by IRAS (REC
292 reference: 21/WA/0172; IRAS project ID: 298601) and the economic evaluation was approved by
293 Bangor University Healthcare & Medical Sciences Academic Ethics Committee (16/07/2021) and
294 Health Care Research Wales (HCRW)(21/09/2021). Patient consent was not required. Data was
295 accessed for research purposes on the 11th of October 2021. Authors of this manuscript had no access
296 to information that could identify individual participants during or after data collection.

297

298 **Results**

299

300 **Base Case Analyses**

301 The study population (n=3787) had a median age of 71 years (Inter Quartile Range (IQR): 59-81), 52%
302 were female, just over half were admitted to the pulmonology ward (56%), and the mean NEWS value
303 on hospital admission was 3.15 (sd=2.82) (S78 Table). Based on (unadjusted) observed data the
304 frequency of adverse events per patient was lower with IGS (1.15 intervention versus 1.37 control).
305 (S89 Table).

306

307 **Short-term Cost-effectiveness Analysis**

308 The device cost for using the automated intervention was estimated to be £846 per bed per year, which
309 equates to £19.98 per patient episode (based on 2,287 patients per year); compared to £1.52 per patient

310 for spot-check monitors in standard care (Table 3). The total NHS cost for the hospital episode,
 311 however, was lower with the intervention (£2047 IGS, compared to £2059 control), driven by higher
 312 cost of treating events. IGS was also associated with improved health outcome (– 2.7% reduction in
 313 serious adverse events). (Table 4).

314

315 **Table 3. Cost of intervention automated monitoring and notification and control spot-check**
 316 **monitoring.**

	Intervention IntelliVue Guardian Solution (IGS) with cableless sensors and MP5SC spot-check monitors (Philips Healthcare, Boeblingen, Germany)	Control Cost of spot-check monitors used in routine care at district general hospital in UK
Total Cost (for 1-year)	£45,691.66	£3,360.00
Total cost per bed per year [§]	£846.14	£62.22
Cost per patient episode [§]	£19.98	£1.52

317 Note. [§]Base case: 5-yrs, 54 beds, 0.12 cableless; [#]Base case: 5-yrs, 54 beds, 0.00 cableless using straight line
 318 depreciation. Economic equivalent annual cost calculation based on product life of 5-years and a 3.5% discount
 319 rate / annuity factor 4.515: £20.71 intervention; £1.68 control.

320

321 **Table 4. Cost effectiveness of an automated notification system for deteriorating ward patients in**
 322 **a district general hospital.**

	Intervention (95% CR)	Control (95% CR)	Incremental (95% CR)
Costs			
Hospital Costs (£, short-term)	2,046.99 (1,926.45 to 2,183.47)	2,059.16 (1,957.03 to 2,174.21)	-12.17 (-182.07 to 154.80)
Lifetime Costs (£)	17,644.52 (12,913.48 to 22,958.80)	17,687.70 (12,985.16 to 22,961.88)	-43.18 (-225.16 to 163.09)
Total Cost	19691.52 (14930.96 to 24977.91)	19746.86 (15021.67 to 25048.15)	-55.35 (-309.26 to 209.39)
Effectiveness (short-term)			
Predicted count of Events (mean n events per patient)	0.0666 (0.0543 to 0.0786)	0.0933 (0.0743 to 0.1114)	-0.0267 (-0.0475 to -0.0064)
Quality-adjusted-life- expectancy (lifetime)	7.3702 (5.2892 to 9.4685)	7.3415 (5.2678 to 9.4200)	0.0287 (-0.0485 to 0.1097)

323 Note. CR: Central Range

324

325 **Life-time Cost-utility Analysis**

326 Extrapolating the results from discharge to a lifetime horizon, by modelling differences in lifetime costs
327 and QALYs, showed IGS was associated with a mean QALE of 7.37 (95% CI: 5.29 to 9.47) compared
328 to a QALE of 7.34 (95% CI: 5.27 to 9.42) for standard care. Mean total costs over a lifetime were
329 £19,692 (95% CI: £14,931 to £24,978) for the intervention and £19,747 (95% CI: £15,022 to £25,048)
330 for standard care. Mean incremental QALYs was estimated to be 0.029, which is equivalent to ~10 days
331 of perfect health; whilst mean incremental cost was estimated to be -£55.35. (Table 4).

332

333 **Results of the subgroup and sensitivity analyses**

334 **Results of the sensitivity analyses**

335 The cost-effectiveness of IGS was robust to changes in product life and dominant to a cableless sensor
336 rate of 0.23. The threshold at which IGS becomes more costly is £32.06 i.e., a 60% increase in cost per
337 patient inpatient stay (S910 Table). Economic equivalent annual cost calculation based on product life
338 of 5-years and a 3.5% discount rate / annuity factor 4.515 made a minor adjustment to incremental cost
339 (£0.56).

340

341 **Probabilistic Sensitivity Analysis**

342 The cost-effectiveness plane for the cost effectiveness analysis (£/events) is illustrated in Fig 2. This
343 shows the distribution of simulations for the cost per event avoided analysis in the short term (to
344 discharge) – the majority of simulations show a reduction in events (to the left of the y axis), with wider
345 variation in incremental cost (above and below the x axis).

346

347 **Fig 2. Cost-effectiveness plane: cost-effectiveness analysis £/event avoided during inpatient stay.**

348

349 The cost-effectiveness plane for the base-case cost-utility analysis is illustrated in the Fig 3. The
350 distribution of the simulations indicates that IGS results in high utility (health gain) but at a lower cost
351 in 50% of simulations (south-east quadrant). The cost-effectiveness acceptability curve (CEAC) (Fig 4)
352 indicates the probability of IGS being cost-effective is 81% at the £20,000 threshold; and, 80% at the
353 £30,000 per QALY thresholds (upper and lower end of the UK healthcare decision making threshold
354 for cost-effectiveness); this was robust to changes in parameter uncertainty (at the £20,000 threshold:
355 from 79% with standard deviation 0.4 of the mean to 82% with standard deviation of 0.1 of the mean).

356

357 **Fig 3. Cost-effectiveness plane: cost-utility analysis with life-time horizon.**

358

359 **Fig 4. Cost-effectiveness acceptability plane: cost-utility analysis with life-time horizon.**

360

361 **Results of the subgroup analyses**

362 Stratified cost-effectiveness analysis indicated the automated notification system was cost-effective
363 for all strategies, except for NEWS on admission 6+, where the ICER was in the south-west quadrant
364 of the cost-effectiveness plane (cost saving but less effective) and did not reach the threshold for cost-
365 effectiveness on the UK NHS (S10 +Table). Whilst automated monitoring of patients under 75-years
366 provided the greatest net benefit and was relatively more cost-effective compared to the older
367 subgroup; the adoption of automated monitoring remains the dominant strategy - associated with
368 increased health gain and cost savings, over a lifetime horizon – in subgroups defined as older age,
369 NEWS on admission less than 6, and primary ICD codes of 10 or 11 (S1+2-S4+5 Figs). The base-case
370 (all patients) resulted in the greatest cost-saving.

371

372 **Discussion**

373

374 Use of an automated notification system for deteriorating ward patients was cost-effective and
375 associated with small costing saving in the analysis of data from a previous interventional study from
376 the UK. Increased use of cableless sensors is associated with higher costs, however, the intervention
377 remains cost-effective even when the rate is 100% (ICER: £3,107/QALY). Stratified cost-
378 effectiveness analyses indicated that IGS, compared to spot-check monitors used in standard care,
379 remains cost effective (dominant or below the ICER threshold for decision making) in all subgroups
380 except NEWS on admission 6+.

381 Mohr et al.(30) conducted a retrospective analysis of implementing an early deterioration detection
382 solution for general care in patients at a US hospital. The study used Medicare inpatient claims for a
383 regional hospital, that reported on 445 patient admissions, majority over age 65-years and over half
384 female. Average hospital costs per discharge were reduced by 18%, average LOS was significantly
385 reduced – driven by a reduction in general care LOS. Complications, in-hospital mortality, and 30-day
386 all cause readmissions were similar. We report a significant reduction in serious adverse events, and
387 when extrapolated to a lifetime, a small improvement in QALYs. Our UK study also reports cost
388 reductions, but of much smaller magnitude than this US study, which may in part be explained by
389 differences in costing processes - furthermore, we do not have data on re-admission.

390 Vroman (31) also reported on the economics of continuous vital sign monitoring in patients after
391 elective abdominal surgery –their retrospective analysis of clinical outcomes and in-hospital costs
392 reported less frequent ICU admissions, shorter length of stay and lower costs, in the intervention
393 phase. The analysis was based on 855 patients in a Dutch hospital, of similar age and gender to the
394 current UK evaluation. In this study interest was more focused on continuous monitoring with the
395 wearable biosensor, but the findings appear comparable for the inpatient episode.

396

397 **Strengths**

398 To our knowledge, this is the first study from the UK to model the cost-effectiveness of an electronic
399 automated advisory vital signs monitoring and notification system. The present study used data from

400 the VITAL II study, and therefore the probabilities in the model were based on individual patient-
401 level data, collected, that reflected real-world situations. Furthermore, the study extrapolated beyond
402 hospital discharge to model a lifetime horizon, to capture the full costs and outcomes potentially
403 associated with a change in monitoring technology.

404

405 **Limitations**

406 The analysis did not account for maintenance costs of the electronic automated advisory vital signs
407 monitoring and notification system, or routine spot-check monitoring. It was assumed the intervention
408 would displace existing requirements; however, it may be reasonable to estimate a 10% increase to
409 cover training and maintenance, in which case the intervention would remain dominant. The time
410 horizon of the cost-effectiveness model was limited to duration of inpatient stay, however, we
411 extrapolated to a lifetime horizon to minimise time horizon bias. Whilst utility data were not
412 collected at a patient level, we used published estimates from UK studies, that were adjusted for age
413 and sex to match the patient population observed in the VITAL II clinical study. The analysis did not
414 account for the opportunity cost of automated versus human monitoring, whilst this replicates policy
415 (staffing levels are required to remain constant), time spent on monitoring represents resource that
416 could be redistributed to other elements of care. It is also noted that the economic evaluation used a
417 reduced sample of the before-and-after study (n=3787/4402) and whilst adjusted probabilities used in
418 the model are a robust reflection of available data, difference in point estimates of mortality between
419 intervention and control of complete cases are more conservative than those reported in the
420 effectiveness study (15), which may underestimate the cost-effectiveness of the intervention. Finally,
421 the assumption of 100% ward capacity, may be judged to be an optimistic bound, however, it is usual
422 practice in NHS hospitals to fill ward to capacity to create space at ‘the front door’ for assessment of
423 new patients.

424

425 **Implications**

426 This analysis highlights the cost-effectiveness of using an electronic automated advisory vital sign
427 monitoring and notification system for patients on general wards. Based on our previous publication
428 investment in the intervention is likely to have a significant effect on patient outcomes, while having
429 potential cost-savings – suggests good use of scarce resources.

430

431 **Future Research Directions**

432 Further research, collecting health utilities and long-term health and social care resource use is
433 required for a more robust estimate of costs and outcomes.

434 The impact of automated monitoring solutions on staffing also warrants further exploration.

435

436 **Conclusion**

437 Pragmatic use of automated monitoring in routine clinical practice for acute emergency admissions on
438 general wards is an economically dominant strategy, where the joint distribution of costs and QALYs
439 is associated with a positive net benefit. Adopting this technology is likely to result in both reduced
440 costs and improved outcomes.

441

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443

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449

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535 outcomes and costs. *J Comp Eff Res.* 2023;12(2).
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- 537

538 **Supporting Information**

539

540 **S1.** Worked example of QALE Calculation.

541 **S12** Table. NHS Reference Costs Ward 1 (gastroenterology) inclusion and exclusion.

542 **S23** Table. NHS Reference Costs Ward 2 (pulmonology) inclusion and exclusion.

543 **S34** Table. NHS Reference Costs Critical Care.

544 **S45** Table. NHS Reference Costs Serious Events.

545 **S56** Table. Trimpoints used to calculate excess bed days.

546 **S67** Table. Baseline characteristics of subgroup model populations.

547 **S78** Table. Patient Characteristics.

548 **S89** Table. Unadjusted frequency of serious adverse events and associated model probabilities.

549 **S910** Table. Results of Sensitivity and Scenario Analyses.

550 **S101** Table. Net health benefit and net monetary benefit of alternative strategies [subgroups].

551 **S12** Fig. Cost-effectiveness plane for base-case and all subgroup analyses.

552 **S213** Fig. Cost-effectiveness plane for base-case and all subgroups by age.

553 **S314** Fig. Cost-effectiveness plane for base-case and all subgroups by NEWS on admission.

554 **S415** Fig. Cost-effectiveness plane for base-case and all subgroups by Primary ICD code.

555