

1 **An evidence based model to consolidate Medication Adherence Cost**

2 **Estimation: the MACE framework**

3 The MACE framework

4 Rachelle L Cutler

5 Graduate School of Health

6 University of Technology Sydney, Sydney, Australia

7 ORCID ID 0000-0002-3236-8366

8

9 Naomi Van Der Linden

10 Centre for Health Economics Research and Evaluation

11 University of Technology Sydney, Sydney, Australia

12 ORCID ID 0000-0003-1646-9834

13

14 Shalom I (Charlie) Benrimoj

15 Emeritus Professor

16 The University of Sydney, Sydney, Australia

17 ORCID ID 0000-0001-9768-7838

18

19 Fernando Fernandez-Llimos

20 Research Institute for Medicines (iMed.Ulisboa), Department of Social Pharmacy

21 Faculty of Pharmacy, University of Lisbon, Lisbon, Portugal

22 ORCID ID 0000-0002-8529-9595

23

24 Victoria Garcia-Cardenas

25 Graduate School of Health

26 University of Technology Sydney, Sydney, Australia

27 ORCID ID 0000-0003-3770-4557

28

29 Correspondence: Rachelle L Cutler

30 Graduate School of Health, University of Technology Sydney

31 City Campus, Broadway, Building 7, Lvl 4, Room 04.02167

32 PO Box 123, Broadway NSW 2007 Australia

33 rachelle.cutler@uts.edu.au, +61 2 95147187

34 **Contributors:** RC drafted the initial form and all revisions of this manuscript. All other authors (RC, VGC, SB, FFL,
35 NVDL) made significant contributions to the manuscript and read and modified the drafts. All authors read and
36 approved the final manuscript.

37 **Funding:** This research received no specific grant from any funding agency in the public, commercial or not-for-
38 profit sectors.

39 **Competing interests:** Naomi van der Linden worked at the Centre for Health Economics Research and Evaluation
40 while the work was performed. She currently works at AstraZeneca Netherlands.

41 **Data sharing statement:** All data is available in paper and supplementary material.

42 **Acknowledgement:** RC research is supported by an Australian Government Research Training Program
43 Scholarship.

44 **Word count:** 4,184

45 **Figure number:** 4

46 **Table number:** 4

47

48 **Abstract:**

49 **Aim:** To develop a standardised framework determining the economic impact of medication non-adherence.

50 **Methods:** Secondary analysis of existing literature reported cost data, aggregating cost outcome indicators.

51 Weighted average cost analysis performed, determining the proportional contribution to total cost.

52 **Results:** Direct costs were reported in 92% of studies and indirect costs in 4% of studies. Three most utilised cost

53 categories were hospital (68%), primary care (18%) and pharmacy costs (72%). Average unadjusted direct costs

54 ranged \$625-154,203 contributing to 88% of the total cost; adjusted medical costs ranged \$565 to \$56,313

55 representing 96% of the total cost.

56 **Conclusion:** The medication adherence cost estimation framework enables the comparison of costing studies,

57 facilitating informed health policy decision-making based on consistent evidence and terminology.

58 **Keywords:** health economics, health policy, pharmacoeconomics, non-adherence

59 Introduction

60 Medication non-adherence is a growing epidemic with the literature and policy makers identifying it as a major
61 clinical and economic concern[1-4] costing governments and healthcare providers \$US100-290 billion annually[5].
62 The major findings from the World Health Organisation (WHO) report 'Adherence to Long-term Therapies –
63 evidence for action' indicates that 1) the consequences of medication non-adherence compromise effective
64 treatment, decrease quality of life and increase healthcare costs, 2) increasing the effectiveness of adherence
65 interventions will have a greater impact on patient health than improving medical treatment and 3) health systems
66 need to evolve to meet the changing needs of patients[6]. These findings have set the stage for significant growth
67 in medication adherence research, including economic evaluations.

68 Economic evaluations are defined as 'the comparative analysis of alternative courses of action in terms of
69 both their costs and their consequences'[7], and are conducted to inform healthcare resource allocation[8]. While
70 all economic evaluations assess costs, the combination of cost outcome indicators (i.e. the types of costs that are
71 included) and the methods used to calculate these costs exhibit substantial heterogeneity[9,10]. Evaluation of the
72 costs associated with medication non-adherence within single disease studies (e.g. Osteoporosis, HIV) as well as
73 comparisons across diseases and studies highlights the existing heterogeneity in methodological processes, leading
74 to wide spanning results[11]. In Osteoporosis the annual adjusted cost of medication non-adherence across studies
75 ranges from \$949 to \$44 190[11] per person while across multiple disease studies the range spanned \$949 to \$52
76 341[11] per person. Additionally, there is no gold standard in the method used to estimate adherence, with
77 selection of the calculation of adherence usually being based on study attributes, clinical setting or resource
78 availability, ultimately resulting in a range of differing methods, cut-off points and recommendations[12].

79 Given the cost burden associated with medication non-adherence, it is valuable to develop interventions
80 which aim to reduce costs[13-21]. The global medication adherence technology and intervention market continues
81 to expand, valued at \$1.6 billion in 2016 and forecasted to reach \$3.6 billion by 2023[22], with numerous
82 interventions designed to improve medication non-adherence across clinical conditions. Despite such growth
83 inconsistency in the reporting of medication non-adherence has resulted in only some interventions relating to
84 better adherence and health outcomes[23]. A lack of consistency in costing methodological approaches serve as a
85 major limitation moving forward in adherence research[12]. Standard approaches in terminology and reporting
86 guidelines have been established through development of the ABC taxonomy representing the gold standard for
87 defining medication adherence behaviour across three stages and the EMERGE guidelines which outline the
88 minimum reporting criteria that should be considered in every publication about medication adherence[24-29].
89 However, limited guidelines have been developed to standardise the way medication non-adherence costs are
90 measured and reported in economic evaluations[30]. Often complete adherence is assumed or it is assumed that
91 adherence in clinical trials is the same as real-world adherence when establishing clinical effectiveness[31]. This

92 often leads to overestimation of adherence and cost effectiveness[32]. Hilligsmann et al, outlines this concept in
93 Osteoporosis where poor (real-world) adherence to oral bisphosphonates resulted in a doubling of the incremental
94 cost effectiveness ratio (ICER) compared with perfect (assumed) adherence levels (€3,909 vs. €10,279
95 respectively)[32,33].

96 A review of the literature carried out by Hughes et al in 2001[34] and updated in 2007[30] exploring the
97 methodologies that may be appropriate for incorporating non-adherence and non-persistence in economic
98 evaluations demonstrates that substantial inconsistency remains in the definitions adopted, and methods and
99 inputs used in pharmacoeconomic evaluations. Moving forward this paper aims to streamline and provide
100 structure to the types of costs that should be included when determining the economic impact of medication non-
101 adherence. The key cost outcome indicators that contribute the greatest proportion to total costs have been
102 incorporated into the newly proposed medication adherence cost estimation (MACE) framework. This facilitates
103 the inclusion of key cost outcome indicators associated with medication non-adherence into economic
104 evaluations, enabling greater clarity in the economic comparison of adherence intervention studies to allow the
105 establishment of meaningful conclusions across studies.

106 The aim of the research is twofold: (1) determine what cost outcome indicators are reported in the
107 literature and the weighting they contribute to overall costs, (2) develop a new framework to rationalise the
108 estimation of the cost of medication non-adherence utilising the identified cost outcome indicators.

109 **Methods**

110 Secondary analysis of data reported in a recent systematic review “Economic impact of medication non-adherence
111 by disease groups- a systematic review” was undertaken to identify cost outcome indicators utilised to report the
112 economic impact of medication non-adherence. The review quantified the cost of medication non-adherence
113 across different disease groups. Studies reporting the cost of medication non-adherence were included, with costs
114 defined as any cost outcome indicator associated with medication non-adherence that was quantified with a
115 monetary value in the original study. Studies only reporting the measure of effect of healthcare utilisation in
116 relation to adherence were excluded, as they provided no cost value. The protocol for the systematic review is
117 available through the PROSPERO international prospective register of systematic reviews database
118 (CRD42015027338) and the full methodology was outlined in Cutler et al[11].

119 ***Phase 1: Extraction and Classification of Costs***

120 Phase 1 consisted of extraction of the classification of cost outcome indicators demonstrating the economic impact
121 of medication non-adherence[11] through assignment of a monetary value to an input associated with medication
122 non-adherence. A cost outcome indicator was defined as a category of costs that was associated with medication
123 non-adherence, e.g. hospital costs encompass all costs associated with a hospital admission attributable to
124 medication non-adherence. Cost outcomes were classified according to the terminology utilised in the reported
125 study. The following data was extracted: cost outcome indicator, monetary value assigned to each indicator,
126 definition of the cost outcome, cost classification (e.g. direct or indirect) and disease state[11]. Three quantifiable
127 stages of medication adherence were assessed utilising the ABC taxonomy classification system, categorising study
128 measures in relation to initiation, implementation and discontinuation[24]. Initiation was defined as the first dose
129 of a prescribed medication; participants were required to be medication naïve or reinitiating the medication
130 regimen. Implementation describes the extent to which the prescription was taken as prescribed among the
131 initiated cohort, examined through measures such as medication possession ratio and proportion of days covered.
132 Discontinuation signifies the end of therapy, when a dose is omitted and no subsequent doses are taken
133 thereafter, measured through medication gaps and time to discontinuation[24].

134 ***Phase 2: Comparison and Aggregation of Cost Outcome Indicators***

135 Phase 2 consisted of the development of a matrix to facilitate the comparison of cost outcome indicators. The
136 content of each related outcome, as assessed by analysis of original definitions of indicators were aggregated into
137 subcategories. Cost outcome indicators that were classified differently but had the same definition were grouped.
138 Costs were classified as adjusted or unadjusted based on original study reporting. All costs were converted to
139 \$USD2018 monetary values and reported per patient per annum.

140 ***Phase 3: Weighted Average Analysis***

141 Phase 3 consisted of the statistical analysis of the cost outcome indicators to determine what core set of costing
142 outcomes contributed the greatest proportion to total healthcare expenditure. Only studies that reported cost
143 outcome indicators in addition to total costs or total healthcare costs were included for weighted average analysis.
144 Monetary values reported for each cost outcome per study were extracted. The minimum, maximum and average
145 value for each indicator were determined. A weighted average for each cost outcome indicator was calculated by
146 multiplying the percentage of studies that included that cost component by the average cost of each indicator as a
147 proportion of the studies total cost. A ranking of the cost indicators was then created to determine the relative
148 importance of certain cost outcome indicators based on previously conducted studies.

149 **Results**

150 A descriptive synthesis of the extracted data was performed and cost outcome indicators were identified. Given
151 the heterogeneity in approaches used to classify cost outcome indicators of medication non-adherence, a
152 framework outlining the key cost outcome indicators that contribute the greatest proportion to total healthcare
153 expenditure was derived. This highlighted the core set of cost outcome indicators that have contributed
154 substantially to the total cost of medication non-adherence.

155 ***Extraction, classification and aggregation of cost outcome indicators***

156 Across 79 studies, 35 different cost outcome indicators were used to report the economic impact of medication
157 non-adherence. Table 1 demonstrates the terminology used to describe the cost outcome indicators and the
158 frequency with which these terms were identified in the literature. It further highlights the classification of cost
159 outcome indicators into broader categories to facilitate comparison. Analysis of original study definitions
160 facilitated the distinction between direct and indirect costs. Direct costs were reported in 92% of studies (n=73)
161 and refer to transactions and expenditures for medical or non-medical products and services. The types of costs
162 may include hospitalisations, prescription medications, physician fees, laboratory tests, radiological procedures as
163 well as expenditures such as transportation, lodging, family care and home aides[35]. This core category is further
164 subcategorised into medical costs consisting of hospital costs, primary care costs, medical test costs, and pharmacy
165 costs in addition to direct non-medical costs. The three most utilised cost categories were hospital, primary care
166 and pharmacy costs, 68% of studies reported hospital costs (n=54), 18% of studies reported primary care costs
167 (n=15) and 72% of studies reported pharmacy costs (n=57). Eleven studies (13%) reported conjointly hospital,
168 primary care and pharmacy costs, 56% (n=45) hospital and pharmacy costs, while only one study reported hospital,
169 primary care, medical test and pharmacy costs. Indirect costs were defined as those that occur because of loss of
170 life or livelihood and may result from morbidity or mortality[35]. Indirect morbidity costs may occur because of
171 being absent from work, due to decreased earning ability when working or long term disability necessitating a
172 change in work type as well as the costs associated with premature death[35]. These costs were reported in 4% of
173 studies (n=3) and included societal costs (1%, n=1) and productivity costs (5%, n=4). Two percent of studies (n=2)
174 examined both direct and indirect costs to evaluate the economic impact of medication non-adherence (see
175 supplementary table 1).

176 ***Analysis of cost outcome indicators***

177 Weighted average analysis of cost outcome indicators highlighted the categories that contributed the greatest
178 proportion to the overall cost of medication non-adherence. Of the 79 included studies, 56 reported cost outcome
179 indicator monetary values in addition to total cost (see supplementary table 2). Both unadjusted (86% of total cost)

180 and adjusted (96% of total cost) cost analysis determined that medical costs associated with hospital costs, primary
181 care costs and pharmacy costs contributed the greatest proportion of total cost. Analysis of the unadjusted cost
182 outcome indicator examples determined that over 88% of costs reported in the literature were direct costs
183 associated with medication non-adherence and arised predominately from hospital costs (53%); mainly outpatient
184 and inpatient costs (25% and 23% respectively), primary care costs (21%) and pharmacy costs (21%) (figure 2).
185 Similarly, for the adjusted cost outcome indicators (figure 3) over 90% of the reported costs were attributed to
186 direct costs however, primary care costs contributed the greatest proportion 53% followed by hospital costs (30%)
187 and pharmacy costs (17%). Average unadjusted medical costs exhibited the greatest cost range variability (\$585 to
188 \$152,660) and contributed on average 86% of the total costs. Within this core category, the hospital costs
189 subgroup accounted for 53% of total costs and ranged from \$457 to \$151,118 while pharmacy costs subgroup
190 represented 21% of total cost and ranged from \$154 to \$30,943 (figure 4). Average adjusted medical costs ranged
191 from \$565 to \$56,313 representing 96% of the total cost while hospital costs (30%) and pharmacy costs (17%)
192 ranged from \$2,044 to \$48,180 and \$22 to \$21,430 respectively (figure 5). Hospital costs accounted for the
193 greatest proportion of medical costs within the unadjusted cost analysis (53%). In the adjusted cost analysis
194 primary care costs contributed the greatest proportion to total cost (53%).

195 ***ABC Taxonomy Classification***

196 Medication adherence, the process by which patient's take their medications as prescribed is classified into three
197 components: initiation, implementation and discontinuation[24] (see supplementary table 1). Initiation marks
198 when the patient takes the first dose of a prescribed regimen; 59% of studies reported initiation (n=47). All 79
199 studies examined and reported aspects of implementation (correspondence of the patient's actual dosing regimen
200 to the prescribed regimen), while 33% of studies (n=26) reported discontinuation. Persistence, a measure of
201 adherence signifying the length of time between initiation and discontinuation was reported in 22 studies.

202 ***MACE framework***

203 The MACE framework (table 2) relies on two core elements, making a clear distinction between direct and indirect
204 costs. Two core cost outcome indicators emerged from the data (direct and indirect costs), with a further 7
205 subcategories (hospital, primary care, medical test, pharmacy, direct non-medical, societal and productivity costs)
206 and 35 cost outcome indicator examples. The categories were derived from the 35 cost outcome indicators
207 identified across 79 studies, with the indicators not being exhaustive to those outlined in the framework but
208 serving as a guide for potential expenses that fall within each category.

209 ***MACE Framework Definitions***

210 **1. Direct costs**

211 The first core element is *direct costs* and refers to any cost incurred due to resource use that are completely
212 attributable to the use of a healthcare intervention of illness. These costs can be split into direct medical costs and
213 direct non-medical costs. Direct medical costs include the cost of a defined intervention and all follow up costs for
214 other medication and healthcare interventions in ambulatory, inpatient and nursing care. All physician and
215 specialist care, including rehabilitation, emergency care as well as treatment or prevention of an injury, illness or
216 disease, including the costs of testing, procedures, therapies and medications[35]. It is further categorised into
217 hospital, primary care, medical test and pharmacy costs.

218 *Hospital costs* refer to the costs associated with the act or incidence of receiving medical care or aid at a
219 hospital. This includes but is not limited to inpatient admissions, outpatient services, acute care and emergency
220 department visits. Additionally it incorporates all medical services (e.g. medication, imaging, pathology, specialist
221 care) that are provided within the hospital setting.

222 *Primary care costs* refer to healthcare and utilisation of healthcare facilities provided in the community,
223 outside the hospital setting for diagnosis, prevention, advice or treatment of an injury, illness or disease. This
224 includes GP visits, ancillary care, psychiatric assessment, interdisciplinary team management, targeted case
225 management, social worker visits, home helps and volunteer workers.

226 *Medical test costs* entail the costs of all medical procedures performed to detect, diagnose or monitor
227 diseases, injury, susceptibility and determine a course of treatment e.g. laboratory tests, radiology costs,
228 pathology results.

229 The *pharmacy cost* element incorporates utilisation rates and corresponding costs associated with obtaining
230 prescription and non-prescription medication in the community setting in addition to the provision of pharmacist
231 services. It takes into account both disease specific and medication costs associated with comorbidities, where
232 reported. Costs associated with prescribed medications, health aides, non-prescription medication, over the
233 counter medications and any out-of-pocket expenses are measured.

234 *Direct non-medical costs* are expenditures as the result of an illness but are not involved in the direct
235 purchasing of medical services. These include expenditures such as food, transportation, lodging, family care,
236 home aides and clothing as a result of illness.

237 **2. Indirect costs**

238 *Indirect costs* are those that occur due to loss of life or livelihood, and may result from morbidity or mortality[36].
239 Mortality costs are the costs associated with premature death, while morbidity costs are associated with lost
240 earning and productivity by the patient or caregivers[35].

241 *Societal costs* refer to the costs other than those associated with direct healthcare. These costs may not
242 have been borne by the payer or provider of the healthcare services and include arrest, incarceration, opportunity
243 costs of resources used and time spent seeking and receiving care[37]. In addition this subcategory also considers
244 costs incurred by society as a result of the additional use of time and resources. It incorporates the costs imposed
245 on society as a consequence of levies, taxes and charges[38,39].

246 The second subcategory, *productivity costs*, represents the additional cost burden placed on workplaces
247 and employers due to a loss of productivity. It considers the impact medication non-adherence has on an
248 individual's capacity to work; they may work less than they otherwise could, retire early, be absent from work
249 more often, have lower productivity while at work, or die prematurely[40]. Additionally, informal carers may also
250 work less or not work at all in order to care for non-adherent patients. *Productivity costs* capture the lost earnings
251 and production due to non-adherence in terms of absenteeism (prolonged absence from work), disability pensions
252 (financial help due to medical conditions that prevent one from working), premature death, early retirement,
253 unemployment, reduced working hours and presenteeism (reduced capability in completing tasks in an efficient
254 manner).

255

256 Discussion

257 Increasing scarcity of healthcare resources, diminishing health budgets and increasing healthcare costs are
258 compelling decision makers to choose between alternative healthcare interventions. Increasingly the cost-
259 effectiveness of interventions and overall healthcare gain to the population are important to determine the
260 allocation of competing resources[41]. As the main goal of health economic analysis is to aid decisions, it is
261 imperative that these evaluations are comparable in terms of the cost outcome indicators that they include to
262 estimate the cost burden of medication non-adherence. Despite the growing evidence of models and methods
263 examining the integration of medication adherence into pharmacoeconomic evaluations, limited consistency and
264 uniformity exists in the methods and terminology used to estimate the cost outcome indicators. This dissimilarity
265 has resulted in the generation of an array of concepts and terms being utilised in a variety of combinations to
266 determine the economic impact of medication non-adherence. The definitions of the cost outcome indicators used
267 vary and partially overlap, resulting in conceptual confusion, and contributing to methodological weaknesses in the
268 field. Further methodological problems arise from the disparity in identification, measurement and valuation of
269 non-adherence costs[42].

270 A framework identifying reported cost outcome indicators from 79 reviewed studies was constructed
271 facilitating the analysis of original studies reporting the economic impact of medication non-adherence in addition
272 to total cost[11]. Cost outcome indicators that contributed the greatest proportion to total cost, formed the
273 structure categorisation of the framework. The MACE framework was developed to provide a streamlined
274 approach to estimate the cost of medication non-adherence. Lack of such a system has resulted in the
275 heterogeneous reporting of over 35 different cost outcome indicators, making the comparison of studies difficult
276 and deficient. The consolidated framework will allow a more complete evaluation of the economic impact whilst
277 simultaneously facilitating the comparison across studies and disease states. Use of the MACE framework (table 2)
278 will enable understanding of terms that appear to be different but incorporate the same cost components. Thus, it
279 aids in the interpretation and comparison of studies that may have used different terminology to classify similar or
280 the same cost outcome indicators. We attempted to minimise complexity by providing clear and concise category
281 descriptions and examples. This resulted in an aggregated system containing two core categories, seven
282 subcategories and an extensive list of examples of cost outcome indicators. The framework provides a guide to
283 cost estimation and can be applied in its entirety or utilising only those categories that are relevant to the study
284 objectives. Additionally, validation of the framework is required to test and advance its viability. Applying the
285 framework to both retrospective and intervention based studies across a range of disease states is required to
286 ratify the proposed framework. Moving forward examining the application of the MACE framework across varying
287 perspectives (e.g. government, health care, pharmaceutical industry and patient) may prove valuable in gaining a
288 better understanding of the economic burden of medication non-adherence globally.

289 Assessment of study methodologies and identification of significant heterogeneity across classification of cost
290 outcome indicators, in addition to a varied mix of reporting styles made the statistical analysis of data challenging
291 [10]. Due to the substantial variation in cost outcome indicators reported, the missing data and lack of reported
292 standard deviations of costs a weighted average cost analysis was chosen to report the findings. Analysis of cost
293 outcome indicators revealed that three key cost components contributed the greatest percentage to overall total
294 cost. These three cost outcome indicators were grouped into 'medical costs' of the proposed framework. While
295 ideally all cost categories should be taken into consideration when determining the cost of medication non-
296 adherence, it stems to reason that the most influential costs that need to be considered are medical costs;
297 particularly inpatient, outpatient, pharmacy costs and medical expenses incurred in the community setting e.g. GP
298 visits. These costs contribute to over 85% of the cost of medication non-adherence. While these costs make up the
299 largest proportion of total cost, further investigation is required to determine the economic impact of indirect
300 costs on medication adherence, as many studies fail to evaluate these costs. However, Drummond et al stipulates
301 that it is not worth investing time into the evaluation of costs that are so small they are unlikely to make a
302 difference in the study results. It may be worthwhile identifying these cost categories, yet the estimation of them
303 need not be pursued[7]. Depending upon the perspective of the economic evaluation it may be important to
304 measure both direct and indirect costs.

305 Awareness of the different degrees and types of non-adherence are important when analysing cost data[43].
306 The impact of non-adherence on, as well as the relevant levels of non-adherence for healthcare costs can vary
307 across disease states with certain medications exhibiting greater 'forgiveness' than others[42,44]. The three
308 dimensions of adherence; initiation, implementation and discontinuation should be taken into consideration when
309 assessing costs associated with medication non-adherence[24]. Additionally, the differences in relevant costs from
310 different perspectives emphasise the importance of specifying the point of view from which the cost calculation is
311 performed[42]. Which costs and consequences count, and how they should be measured and valued, depends on
312 what type of decision makers in healthcare are intended to be informed by the economic evaluation[7]. The most
313 valid cost data in terms of real resource use is collated via measuring every single cost item in detail and valuing it
314 according to market price[45]. However, this may not be feasible as many economic evaluations are conducted
315 using summary data, such as costs in the literature from previously conducted studies. In this instance individual
316 patient data is not available and how the data has been summarised will determine whether resource quantities
317 can be separated from prices to conduct the analyses[7]. The MACE framework facilitates the analysis of both
318 direct and indirect costs, some or all of the categories may be relevant depending on the perspective of the
319 analyses being conducted. Reporting across the two core categories supports transparency in the data, allowing
320 the reader to derive results that are relevant for their own purpose whilst simultaneously facilitating the
321 establishment of comparisons between studies. Similarly, the condition for which the economic evaluation is being
322 estimated is of significant importance with certain conditions carrying a greater cost burden than others. In cancer
323 direct costs have been reported to be the smallest portion of total costs per patient[46] while in diabetes one

324 study conservatively estimates direct costs to account for 66% of total costs[47]. Alternatively, in schizophrenia
325 one study estimated non-medical costs to account for 65% of healthcare expenditure; 15% attributed to direct
326 non-medical costs and 50% attributed to indirect/productivity costs[48]. These variations need to be taken into
327 consideration when comparing studies utilising different cost outcome indicators and when comparing across
328 conditions.

329 The medication non-adherence cost burden is multidimensional in nature traversing healthcare professional
330 groups, governments and individuals. However, the degree of visibility medication adherence occupies within the
331 health policy context remains less than ideal, often being overshadowed by other health policy issues due to
332 incongruence in demonstrating impact[49]. In order for funding or reimbursement for medication adherence to be
333 introduced, convincing and comparable evidence on the cost and benefits of medication adherence support needs
334 to be stipulated. This framework attempts to homogenise the cost findings, enabling clear communication with
335 policymakers to stimulate concerted action to address the economic impact of medication non-adherence[49].
336 When used in conjunction with existing validated guidelines and frameworks for health outcomes research (e.g.
337 ABC taxonomy, CHEERS, TIDier, EMERGE) it will provide evidence to evaluate the clinical and cost-effectiveness of
338 interventions to address medication non-adherence, building a strong case for investment[8,24,28,49,50].

339 **Conclusion**

340 Economic evaluation can be used to assess the effectiveness of interventions and inform health policy. In order to
341 guide policy makers on how to best allocate limited healthcare resources in the most efficient and effective
342 manner, it is imperative that a comparable method be developed to accurately estimate the economic impact of
343 medication non-adherence. The MACE framework streamlines the current disarray of cost outcomes that exists in
344 the literature. It provides structure via building on the existing foundations to create a classification system taking
345 into account direct and indirect costs, that can be used in its entirety or partially dependent upon the perspective
346 of the intended audience. Moving forward, future research would be recommended to test, validate and advance
347 the MACE framework. The adoption of this framework will help to standardise the cost outcome indicators utilised,
348 hereby facilitating health policy decisions based on consistent evidence, terminology and reporting standards.

349 **Summary Points**

350 **Background**

- 351 • Medication non-adherence places significant economic and clinical burden on patients, governments and
352 healthcare systems.
- 353 • Heterogeneity exists in the methods and cost outcome indicators used to report and measure the
354 economic impact of medication non-adherence.
- 355 • The medication adherence cost estimation framework is a newly proposed model to consolidate the
356 monetary valuation of medication non-adherence through determination of the cost breakdown of
357 related cost outcome indicators described in the literature.

358 **Methods**

- 359 • Secondary analysis of existing literature reported cost data was conducted to aggregate cost outcome
360 indicators and their associated monetary value.
- 361 • A weighted average cost analysis was performed to determine the proportion each indicator contributed
362 to total cost. Indicators were ranked to determine their relative importance in relation to total cost and
363 the medication adherence cost estimation framework was developed through utilisation of these
364 rankings.

365 **Results**

- 366 • The MACE framework proposes costs should be classified into two core categories direct and indirect
367 costs, with further sub-categorisation into hospital, primary care, medical test, pharmacy, direct non-
368 medical, societal and productivity costs.
- 369 • The three most utilised categories to report the economic impact of medication non-adherence were
370 hospital costs (68%), primary care costs (18%) and pharmacy costs (72%).

371 **Conclusion**

- 372 • The MACE framework streamlines the current disarray of cost outcomes that exists in the literature.
- 373 • The adoption of this framework will help to standardise the cost outcome indicators utilised, hereby
374 facilitating health policy decisions based on consistent evidence, terminology and reporting standards.

375

376 **Figure and Table Legends**

377 **Figure 1** Unadjusted cost outcome indicator contribution to total cost. Line represents the minimum, maximum
378 and average percentage contribution for each core category and subcategory towards total cost. Single points
379 indicate only one cost value, reported for that category.

380 **Figure 2** Adjusted cost outcome indicator contribution to total cost. Line represents the minimum, maximum and
381 average percentage contribution for each core category and subcategory towards total cost. Single points indicate
382 only one cost value, reported for that category.

383 **Figure 3** Unadjusted cost range \$USD2018. Line represents the minimum, maximum and average cost reported for
384 core categories and subcategories. Single points indicate only one cost value, reported for that category.

385 **Figure 4** Adjusted cost range \$USD2018. Line represents the minimum, maximum and average cost reported for
386 core categories and subcategories. Single points indicate only one cost value, reported for that category.

387 **Table 1** Literature reported cost outcome indicators. Percentage composition of cost outcome indicator examples
388 used to quantify (\$) medication non-adherence throughout the literature. "Economic impact of medication non-
389 adherence by disease groups: a systematic review," by Cutler et al, 2018 *BMJ*
390 *Open*;8:e016982. doi: 10.1136/bmjopen-2017-016982

391 **Table 2** Medication adherence cost estimation (MACE) framework. Outlines core cost categories, subcategories
392 and cost outcome indicator examples. Cost data adapted from "Economic impact of medication non-adherence by
393 disease groups: a systematic review," by Cutler et al, 2018 *BMJ Open*;8:e016982. doi: 10.1136/bmjopen-2017-
394 016982

395 **Supplementary table 1** Cost outcome indicators reported and ABC taxonomy classification.

396 **Supplementary table 2** Studies identified with medication non-adherence costs reported by cost outcome
397 indicator and total cost. 56 of 79 studies reported cost outcome indicators in addition to total cost. Cost data
398 adapted from "Economic impact of medication non-adherence by disease groups: a systematic review," by Cutler
399 et al, 2018 *BMJ Open*;8:e016982. doi: 10.1136/bmjopen-2017-016982

400

401 References

- 402 1. van Boven JF, Chavannes NH, van der Molen T, Rutten-van Molken MP, Postma MJ, Vegter S. Clinical and
403 economic impact of non-adherence in COPD: a systematic review. *Respiratory medicine*, 108(1), 103-113
404 (2014).
- 405 2. Ho PM, Rumsfeld JS, Masoudi FA *et al.* Effect of medication nonadherence on hospitalization and
406 mortality among patients with diabetes mellitus. *Archives of internal medicine*, 166(17), 1836-1841
407 (2006).
- 408 3. Ho PM, Bryson CL, Rumsfeld JS. Medication adherence: its importance in cardiovascular outcomes.
409 *Circulation*, 119(23), 3028-3035 (2009).
- 410 4. Iuga AO, McGuire MJ. Adherence and health care costs. *Risk management and healthcare policy*, 7, 35-44
411 (2014).
- 412 5. New England Healthcare Institute. Thinking outside the pillbox: a system-wide approach to improving
413 patient medication adherence for chronic disease (2009),
414 http://www.nehi.net/publications/44/thinking_outside_the_pillbox_a_systemwide_approach_to_improving_patient_medication_adherence_for_chronic_disease.
415
- 416 6. World Health Organisation. Adherence to Long Term Therapies; Evidence for Action (2003)
417 http://www.who.int/chp/knowledge/publications/adherence_full_report.pdf?ua=1.
- 418 * Provides a review on adherence to long-term therapies beyond individual diseases, through examination of
419 the way health systems are structured, financed and operated. Provides analysis, solutions and
420 recommendations on further research requirements in addition to acknowledging current literature
421 developments.
- 422 7. Drummond MF, Sculpher MJ, Claxton K, Stoddart GL, Torrance GW. *Methods for the economic evaluation
423 of health care programmes*, Oxford university press, New York, (2015).
- 424 ** Outlines key methodological principles relating to the economic evaluation of health care programmes.
- 425 8. Husereau D, Drummond M, Petrou S *et al.* Consolidated Health Economic Evaluation Reporting Standards
426 (CHEERS)--explanation and elaboration: a report of the ISPOR Health Economic Evaluation Publication
427 Guidelines Good Reporting Practices Task Force. *Value in health : the journal of the International Society
428 for Pharmacoeconomics and Outcomes Research*, 16(2), 231-250 (2013).
- 429 9. Wang L, Si L, Cocker F, Palmer AJ, Sanderson K. A Systematic Review of Cost-of-Illness Studies of
430 Multimorbidity. *Applied health economics and health policy*, 16(1), 15-29 (2018).
- 431 10. AJ OC, Hanly P, Skally M *et al.* Cost comparisons and methodological heterogeneity in cost-of-illness
432 studies: the example of colorectal cancer. *Medical care*, 51(4), 339-350 (2013).
- 433 11. Cutler RL, Fernandez-Llimos F, Frommer M, Benrimoj C, Garcia-Cardenas V. Economic impact of
434 medication non-adherence by disease groups: a systematic review. *BMJ open*, 8(1), e016982 (2018).
- 435 ** Systematic review analysing and reporting the economic impact of medication non-adherence.
- 436 12. Lam WY, Fresco P. Medication Adherence Measures: An Overview. *BioMed research international*, 2015,
437 1-12 (2015).
- 438 13. Sokol MC, McGuigan KA, Verbrugge RR, Epstein RS. Impact of medication adherence on hospitalization
439 risk and healthcare cost. *Medical care*, 43, 521-530 (2005).
- 440 14. Siris ES, Harris ST, Rosen CJ *et al.* Adherence to bisphosphonate therapy and fracture rates in osteoporotic
441 women: relationship to vertebral and nonvertebral fractures from 2 US claims databases. *Mayo Clinic
442 proceedings*, 81(8), 1013-1022 (2006).
- 443 15. Roebuck MC, Liberman JN, Gemmill-Toyama M, Brennan TA. Medication Adherence Leads To Lower
444 Health Care Use And Costs Despite Increased Drug Spending. *Health affairs*, 30(1), 91-99 (2011).
- 445 16. Jha AK, Aubert RE, Yao J, Teagarden JR, Epstein RS. Greater adherence to diabetes drugs is linked to less
446 hospital use and could save nearly \$5 billion annually. *Health affairs (Project Hope)*, 31, 1836-1846 (2012).
- 447 17. Grabowski DC, Lakdawalla DN, Goldman DP *et al.* The large social value resulting from use of statins
448 warrants steps to improve adherence and broaden treatment. *Health affairs*, 31(10), 2276-2285 (2012).
- 449 18. Dall TM, Blanchard TD, Gallo PD, Semilla AP. The economic impact of Medicare Part D on congestive heart
450 failure. *The American journal of managed care*, 19(6 Suppl), s97-100 (2013).
- 451 19. Cutler DM, Long G, Berndt ER *et al.* The value of antihypertensive drugs: a perspective on medical
452 innovation. *Health affairs*, 26(1), 97-110 (2007).

- 453 20. Burge R, Dawson-Hughes B, Solomon DH, Wong JB, King A, Tosteson A. Incidence and economic burden of
454 osteoporosis-related fractures in the United States, 2005-2025. *Journal of bone and mineral research : the*
455 *official journal of the American Society for Bone and Mineral Research*, 22(3), 465-475 (2007).
- 456 21. Behner P, Klink A, Visser S, Bocken J, Etgeton S. Unleashing the Potential of Therapy Adherence. High-
457 Leverage Changes in Patient Behavior for Improved Health and Productivity. Bertelsmann Stiftung, Booz &
458 Company, (2012).
- 459 22. P&S Market Research. Medication Adherence Market by Product (Software Centric, Hardware Centric),
460 by Medication (Cardiovascular, CNS, Diabetes, Oncology, Respiratory, Gastrointestinal, Rheumatology), by
461 Geography (U.S., Canada, Germany, France, U.K., Japan, China) – Global Market Size, Share, Development,
462 Growth and Demand Forecast, 2013-2023, (2017). [https://www.psmarketresearch.com/market-](https://www.psmarketresearch.com/market-analysis/medical-adherence)
463 [analysis/medical-adherence](https://www.psmarketresearch.com/market-analysis/medical-adherence).
- 464 23. Agency for Healthcare Research and Quality. Medication Adherence Interventions: Comparative
465 Effectiveness (Evidence Report), (2014). <http://www.ahrq.gov/redirects/gapmedadtp.html>.
- 466 24. Vrijens B, De Geest S, Hughes DA *et al*. A new taxonomy for describing and defining adherence to
467 medications. *British journal of clinical pharmacology*, 73(5), 691-705 (2012).
- 468 * **Outlines and defines a standardised taxonomy to define medication adherence.**
- 469 25. Fraser S. Concordance, compliance, preference or adherence. *Patient preference and adherence*, 4, 95-96
470 (2010).
- 471 26. Haynes RB, Ackloo E, Sahota N, McDonald HP, Yao X. Interventions for enhancing medication adherence.
472 *The Cochrane database of systematic reviews*, (2), CD000011 (2008).
- 473 27. Centre for NHS Service Delivery and Organisation R & D (NCCSDO). Concordance, adherence and
474 compliance in medicine taking. Report for the National Co-ordinating, (2005).
475 http://www.netsec.ac.uk/hsdr/files/project/SDO_FR_08-1412-076_V01.pdf.
- 476 28. Helmy R, Zullig LL, Dunbar-Jacob J *et al*. ESPACOMP Medication Adherence Reporting Guidelines
477 (EMERGE): a reactive-Delphi study protocol. *BMJ open*, 7(2), e013496 (2017).
- 478 29. De Geest S, Zullig LL, Dunbar-Jacob J *et al*. ESPACOMP Medication Adherence Reporting Guideline
479 (EMERGE). *Annals of internal medicine*, 169(1), 30-35 (2018).
- 480 30. Hughes D, Cowell W, Koncz T, Cramer J. Methods for integrating medication compliance and persistence
481 in pharmaco-economic evaluations. *Value in health : the journal of the International Society for*
482 *Pharmacoeconomics and Outcomes Research*, 10(6), 498-509 (2007).
- 483 31. Lakdawalla DN, Doshi JA, Garrison Jr LP, Phelps CE, Basu A, Danzon PM. Defining Elements of Value in
484 Health Care—A Health Economics Approach: An ISPOR Special Task Force Report [3]. *Value in Health*,
485 21(2), 131-139 (2018).
- 486 32. Hiligsmann M, Boonen A, Rabenda V, Reginster JY. The importance of integrating medication adherence
487 into pharmaco-economic analyses: the example of osteoporosis. *Expert review of pharmacoeconomics &*
488 *outcomes research*, 12(2), 159-166 (2012).
- 489 33. Hiligsmann M, Rabenda V, Bruyère O, Reginster J-Y. The clinical and economic burden of non-adherence
490 with oral bisphosphonates in osteoporotic patients. *Health policy*, 96(2), 170-177 (2010).
- 491 34. Hughes DA, Bagust A, Haycox A, Walley T. The impact of non-compliance on the cost-effectiveness of
492 pharmaceuticals: a review of the literature. *Health economics*, 10, 601-615 (2001).
- 493 35. Eisenberg JM. Clinical economics. A guide to the economic analysis of clinical practices. *Jama*, 262(20),
494 2879-2886 (1989).
- 495 36. Sherman EJ, Pfister DG, Ruchlin HS *et al*. The Collection of Indirect and Nonmedical Direct Costs (COIN)
496 form: a new tool for collecting the invisible costs of androgen independent prostate carcinoma. *Cancer*,
497 91(4), 841-853 (2001).
- 498 37. Cantor SB, Levy LB, Cardenas-Turanzas M *et al*. Collecting direct non-health care and time cost data:
499 application to screening and diagnosis of cervical cancer. *Medical decision making : an international*
500 *journal of the Society for Medical Decision Making*, 26(3), 265-272 (2006).
- 501 38. King D, Knapp M, Patel A *et al*. The impact of non-adherence to medication in patients with schizophrenia
502 on health, social care and societal costs. Analysis of the QUATRO study. *Epidemiol Psychiatr Sci*, 23(1), 61-
503 70 (2014).

- 504 39. National Information Center on Health services Research and Health Care Technology (NICHSR). Health
505 Economic Resources: A Self-Study Course, (2018).
506 <https://www.nlm.nih.gov/nichsr/edu/healthecon/glossary.html>.
- 507 40. Deloitte Access Economics. Asthma Australia and National Asthma Council Australia. The Hidden Cost of
508 Asthma, (2015). [https://www2.deloitte.com/content/dam/Deloitte/au/Documents/Economics/deloitte-
509 au-economics-hidden-cost-asthma-241115.pdf](https://www2.deloitte.com/content/dam/Deloitte/au/Documents/Economics/deloitte-
509 au-economics-hidden-cost-asthma-241115.pdf).
- 510 41. Tamás K. Clinical and pharmacoeconomic impact of patient medication adherence. Dissertation,
511 Semmelweis University, (2010).
- 512 42. Cleemput I, Kesteloot K, DeGeest S. A review of the literature on the economics of noncompliance. Room
513 for methodological improvement. *Health policy*, 59(1), 65-94 (2002).
- 514 43. Geest SD, Abraham I, Dunbar-Jacob J, Vanhaecke J. Behavioral Strategies for Long-Term Survival of
515 Transplant Recipients. In: *Drug Regimen Compliance*. (John Wiley & Sons, Ltd, 2002) 163-179.
- 516 44. Urquhart J. Patient non-compliance with drug regimens: measurement, clinical correlates, economic
517 impact. *European heart journal*, 17 Suppl A, 8-15 (1996).
- 518 45. Gold MR. *Cost-effectiveness in health and medicine*, Oxford university press, (1996).
- 519 46. Pallis A, Tsiantou V, Simou E, Maniadakis N. Pharmacoeconomic considerations in the treatment of breast
520 cancer. *ClinicoEconomics and outcomes research : CEOR*, 2, 47-61 (2010).
- 521 47. Centers for Disease Control and Prevention. National Diabetes Fact Sheet, (2007).
522 http://www.cdc.gov/diabetes/pubs/pdf/ndfs_2007.pdf.
- 523 48. Wu EQ, Birnbaum HG, Shi L *et al*. The economic burden of schizophrenia in the United States in 2002. *The*
524 *Journal of clinical psychiatry*, 66(9), 1122-1129 (2005).
- 525 49. Clyne W, McLachlan S. A mixed-methods study of the implementation of medication adherence policy
526 solutions: how do European countries compare? *Patient preference and adherence*, 9, 1505-1515 (2015).
- 527 50. Hoffmann TC, Glasziou PP, Boutron I *et al*. Better reporting of interventions: template for intervention
528 description and replication (TIDieR) checklist and guide. *BMJ : British Medical Journal*, 348 (2014).

529