Economical appraisal of health technology in the European Community. M F Drummond Ed: Commission of the European Communities Health Service Research Series No. 2. (Pp 272; £30.00) Oxford Medical Publications, 1987.

This is an unfortunate title (in marketing terms) for an excellent and very useful book. The book is based on the premise that, given the scarcity of resources, health care options should be compared in terms of their relative cost and benefits. Economical appraisal here is seen in the context of the "real world" as a vital component of health technology assessment and with a view to facilitating decision making in the health services.

The book is the result of the deliberations of a European Community Workshop on the Methodology of Economic Appraisal of Health Technology which was held in Birmingham (UK) 23–25 September 1985.

Chapter 1 opens with an overview of definition, concepts, and policy issues relating to economic appraisal and health technology assessment.

Chapter 2 contains the methodological review of economic appraisal and is based on a framework of very useful guidelines for this type of evaluation. The issues covered include the appropriate choice of methods, such as cost minimisation, cost effectiveness, cost utility or cost benefit analyses, and the prerequisites for a good economic evaluation (from specifying the viewpoint from which the appraisal will be carried out, to the timing of the study and the presentation of the results in a manner useful to decision making).

Chapter 3 reviews the state of the art of economic appraisal of health technologies within the European Community. Based on the background information provided by the country statements (included in Part 2 of the volume—only eight EEC countries contributed

with reports which vary in quality and content), it explores a number of key issues, such as: which technologies have been subjected to economic appraisal and by whom; the methodological quality of these studies and their integration with relevant clinical and epidemiological evaluations: how results of economic appraisals of health technology are disseminated; and the impact of appraisals on health service decision making.

Chapter 4 explores how the role of economic appraisal in decision making concerning health technologies could be strengthened. It is organised into three sections relating to key stages in the development of health technologies; that is, from the early biomedical engineering and research, through clinical and epidemiological research at the stage when the technology is first applied in a clinical setting, to its service application when a number of key planning and budgetary decisions have to be taken. The papers in this chapter all describe current practice and explore the contribution to improved decision making that economic appraisal has made, or could make.

Finally, there follows a discussion with directions for the future. The authors repeatedly note the failure to base economic studies on good medical and epidemiological evidence (and that economic analysis has seldom been combined with epidemiological studies), and the lack of systematic evidence of the impact of appraisals on health service decision making.

The book is very readable with numerous examples, and it should be essential reading for every community medicine specialist or trainee, and a valuable resource for those who work in health services research.

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