

**Total Value-in-Use Approach to Analyzing
Lowparin's Differential Value & Relative Worth**

A. Estimate of the expected cost per incident of post-operative clotting			
Hospital Stay	4 days at	\$840 =	\$3,360
Drug Therapy			460
Lab costs			770
Emergency service	60% at	\$420 =	252
Surgery	20% at	\$5,300 =	1,060
Expected cost			<u>\$5,902</u> [a]
B. Estimate of the expected cost per incident of post-operative bleeding			
Hospital Stay	2 days at	\$840 =	\$1,680
Drug Therapy			320
Lab costs			200
Emergency service	40% at	\$420 =	168
Surgery	15% at	\$2,900 =	435
Expected cost			<u>\$2,803</u> [b]
C. Estimate Loparin's differential value and relative worth vs. standard heparin -- Total Value-in-Use approach			
1. Follow-on costs to a hospital associated with not using an anticoagulant			
a. Freq. of post-operative clotting * Expected cost per incident	25% x \$5,900 [a]	=	\$1,475
b. Freq. of post-operative bleeding * Expected cost per incident	30% x \$2,800 [b]	=	84
	Total		<u>\$1,559</u> [c]
2. Follow-on costs to a hospital associated with use of standard heparin			
a. Freq. of post-operative clotting * Expected cost per incident	7% x \$5,900 [a]	=	\$413
b. Freq. of post-operative bleeding * Expected cost per incident	9% x \$2,800 [b]	=	252
	Total		<u>\$665</u> [d]
Savings from using standard heparin vs no anticoagulant	[c-d]		\$894
- Cost of administering standard heparin	4 x at \$2/dose =		8
- Cost of monitoring standard heparin			50
Value-in-use of standard heparin			<u>\$836</u> [e]
Total price of standard heparin	4 doses at \$3/each =		12
Standard heparin's purchase inducement			<u>\$824</u> [f]
3. Follow-on costs to a hospital associated with use of Lowparin			
a. Freq. of post-operative clotting * Expected cost per incident	5% x \$5,900 [a]	=	\$295
b. Freq. of post-operative bleeding * Expected cost per incident	10% x \$2,800 [b]	=	280
	Total		<u>\$575</u> [g]
Savings from using Lowparin vs no anticoagulant	[c-g]		\$984
- Cost of administering Lowparin	2 x at \$2/dose =		4
Value-in-use of Lowparin			<u>\$980</u> [h]
Lowparin's differential value-in-use vs. standard heparin	[h-e]		<u>\$144</u> [i]
Total price of standard heparin	4 doses at \$3/each =		12
Lowparin's total relative worth vs. standard heparin			<u>\$156</u> [j]
Lowparin's per dose relative worth vs. standard heparin	[j/2]		<u>\$ 78</u>