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# What is a QALY?

- A **quality-adjusted life-year (QALY)** takes into account both the quantity and quality of life generated by healthcare interventions. It is the arithmetic product of **life expectancy** and a measure of the **quality of the remaining life-years**.
- A QALY places a weight on time in different health states. A year of perfect health is worth 1 and a year of less than perfect health is worth less than 1. Death is considered to be equivalent to 0; however, some health states may be considered worse than death and have negative scores.
- QALYs provide a common currency to assess the extent of the benefits gained from a variety of interventions in terms of health-related quality of life and survival for the patient. When combined with the costs of providing the interventions, **cost-utility ratios** result; these indicate the additional costs required to generate a year of perfect health (one QALY). Comparisons can be made between interventions, and priorities can be established based on those interventions that are relatively inexpensive (low cost per QALY) and those that are relatively expensive (high cost per QALY).
- QALYs are far from perfect as a measure of outcome, with a number of technical and methodological shortcomings. Nevertheless, the use of QALYs in **resource allocation** decisions does mean that choices between patient groups competing for medical care are made explicit and commissioners are given an insight into the likely benefits from investing in new technologies and therapies.

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