

## Accounting for Health Benefits

### **Jerrold Oppenheim**

International Energy Policies and Programmes Evaluation Conference Berlin, September 10, 2014



### Heat or Eat?



WINTER V SUMMER:

Poor children eat 293 fewer calories (-14%)

Their parents, 374 (-15%)

# Prescribe weatherization Energy efficiency

- Asthma
- Other respiratory
- Poisoning
- Cancer
- Cardiovascular
- Low birth weight
- Birth defects
- Mental health
- Nutrition
- Elderly Jerrold Oppenheim



### Yet value EE health benefits?

Non-Resource Benefit	<u>BCR</u>
Property value	0.21
Comfort	0.15
House & appliance maintenance	0.13
Health & Safety	0.09
Quiet	0.04
Lighting quality, O&M	0.04
Utility benefits (arrears etc.)	0.02





### High value of EE health benefits

■ New Zealand BCR = 3.4

■ UK (physical health) BCR = 0.5

■ UK (mental health)/BCR = 0.2

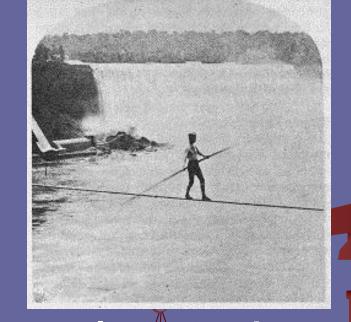
■ UK (QALYs) BCRs = 1.9, 3.0 for insulation



### But there are obstacles







- Reduced mortality & the Too Big
  Rule
- Bill reduction as double-count
- Complexity
- Data



### Approaches

Longitudinal, control group – gold standard, most costly

■ Modelling – less precise but precise enough?, less costly

Survey research – not appropriate for technical results, OK for subjective Accounting for Health Perceptions

**Benefits** 



### "The best is the enemy of the good." – Voltaire (1772)

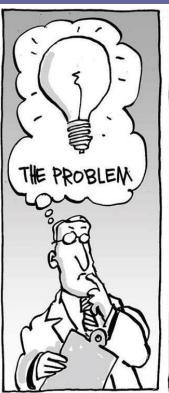
Benefits not zero

OK to understate reduced mortality

- Conservative modelling
  - Refine as time and money permit



### Keep it simple







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Separate populations

Be clear about point of view

Consider other healthrelated benefits

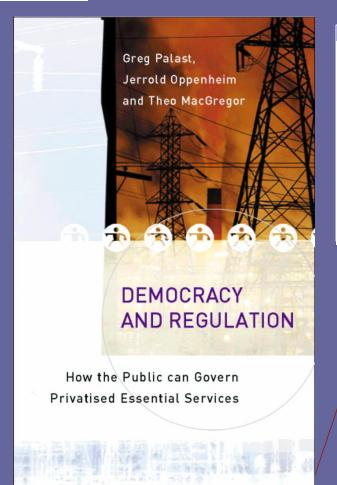


### **Heat AND Eat!**





#### For more information



Accounting for Health Benefits

www.

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### About the Speaker

**Jerrold Oppenheim** is an independent consultant and attorney who has advised and represented low-income and other utility consumer advocates, government agencies, labor, and utilities across the country for more than 40 years. A graduate of Harvard College and Boston College Law School, he led utility litigation and argued precedent-setting cases for four Attorneys General in New York State and Massachusetts; for low-income Legal Services programs in Boston, Chicago and New York City; and for the National Consumer Law Center in Boston. He founded the Renewable Energy Technology Analysis project at Pace University Law School and is now a member of the Center for Public Utilities Advisory Council, New Mexico State University. He has spoken and published on five continents, including *Democracy And Regulation* with Theo MacGregor and Greg Palast, published by Pluto Press (London) and winner of the ACLU Upton Sinclair Award.



#### **About the Co-Author**

Theo MacGregor served more than ten years with the Electric Power Division of the Massachusetts Department of Public Utilities. She is currently the sole proprietor of MacGregor Energy Consultancy, specializing in low-income, consumer protection, and energy efficiency issues for government agencies, low-income advocates, attorneys general, utility companies, consumer advocates, and others.