

Economic evaluation (comparing scenarios)

[Literature](#), [Russian Literature](#)



Best-Case, Worst-Case Scenario Analysis (Affiliation) Worst Case and Best Case Scenario Analysis The concept of scenario analysis entails the estimation of an expected value of a portfolio within a given duration. There are certain assumptions that are usually made in regard to certain changes observed indicated in the securities or certain factors of the portfolio. The corpus of worst case scenario occurs when a negative change or a decrease occurs on the value of a portfolio while best case scenario occurs when an increase or a positive change is expected to affect the value of a portfolio.

Application of Best Case and Worst Case Scenario Analysis

The reason for using worst and best case scenario analysis is to facilitate the process of analyzing certain decisions by taking a consideration of the possible outcomes that may be positive or negative. In the current society, it is considered to be an analytical tool that focuses on managing issues ascribed to uncertainty.

Explanation of the Results in the Table to a Policy Maker

Base Case: In the case that financial resources amounting to 1029.8 dollars, are used to solve challenges ascribed to acquisition of PEP, an incremental value of 258.6 dollars would be spent to cater for improving the quality of life leading to 21.418 quality life added year. However, the value of QALY would reduce to 21.399 if only 771.2 dollars are spent to solve HIV challenges without PEP.

Worst Case: In the case that an amount of 1098.5 dollars is directed towards solving HIV issues by use of PEP, the QALY would reduce to 15.958 with an incremental cost of 1033.7 dollars. However, if the challenges associated with HIV are solved by investing 62.2 dollars, there would not be

incremental costs with an increased QALY of 15. 993.

Best Case: 2614. 6 dollars is directed towards purchasing PEP to solve HIV challenges the QALY would increase to 36. 488, with no increased incremental. However, if other methods rather than PEP is used, the costs would rise to 9046. 8 dollars with an incremental value of 6432. 2 dollars with a relatively lower QALY value 35. 944.

Reference

Jager, J. C. (2012). *Worst-Case, Best-Case Scenario Analysis*. Amsterdam: Elsevier.