Chapter 202

Conditional Power and Sample Size
Reestimation of Tests for the Difference Between Two Proportions

Introduction

In sequential designs, one or more intermediate analyses of the emerging data are conducted to evaluate whether the experiment should be continued. This may be done to conserve resources or to allow a data monitoring board to evaluate safety and efficacy when subjects are entered in a staggered fashion over a long period of time. Conditional power (a frequentist concept) is the probability that the final result will be significant, given the data obtained up to the time of the interim look. Predictive power (a Bayesian concept) is the result of averaging the conditional power over the posterior distribution of effect size. Both of these methods fall under the heading of stochastic curtailment techniques. Further reading about the theory of these methods can be found in Jennison and Turnbull (2000), Chow and Chang (2007), Chang (2008), Proschan et.al (2006), and Dmitrienko et.al (2005).

This program module computes conditional and predicted power for the case when a \( z \)-test is used to test whether the event probabilities of two populations are different. It also provides sample size reestimation to achieve a specified conditional power value.

Technical Details

All details and assumptions usually made when using a two-sample \( z \)-test to test the difference between two proportions continue to be in force here.

Conditional Power

The power of an experiment indicates whether a study is likely to result in useful results, given the sample size. Low power means that the study is futile: little chance of statistical significance even though the alternative hypothesis is true. A study that is futile should not be started. However, futility may be determined only after the study has started. When this happens, the study is curtailed.

The futility of a study that is underway can be determined by calculating its conditional power: the probability of statistical significance at the completion of the study given the data obtained so far.

It is important to note that conditional power at the beginning of the study before any data are collected is equal to the unconditional power. So, conditional power will be high even if early results are negative. Hence, conditional power will seldom result in study curtailment very early in the study.
From Jennison and Turnbull (2000) pages 205 to 208, the general upper one-sided conditional power at stage $k$ for rejecting a null hypothesis about a parameter $\theta$ at the end of the study, given the observed test statistic, $Z_k$, is computed as

$$P_{uk}(\theta) = \Phi\left(\frac{Z_k\sqrt{I_k} - z_{1-\alpha}\sqrt{I_K} + \theta(I_K - I_k)}{\sqrt{I_K - I_k}}\right),$$

the general lower one-sided conditional power at stage $k$ is computed as

$$P_{lk}(\theta) = \Phi\left(\frac{-Z_k\sqrt{I_k} - z_{1-\alpha}\sqrt{I_K} - \theta(I_K - I_k)}{\sqrt{I_K - I_k}}\right),$$

and the general two-sided conditional power at stage $k$ is computed as

$$P_k(\theta) = \Phi\left(\frac{Z_k\sqrt{I_k} - z_{1-\alpha/2}\sqrt{I_K} + \theta(I_K - I_k)}{\sqrt{I_K - I_k}}\right) + \Phi\left(\frac{-Z_k\sqrt{I_k} - z_{1-\alpha/2}\sqrt{I_K} - \theta(I_K - I_k)}{\sqrt{I_K - I_k}}\right),$$

where

- $\theta$ = the parameter being tested by the hypothesis
- $k$ = an interim stage at which the conditional power is computed ($k = 1, ..., K - 1$)
- $K$ = the stage at which the study is terminated, and the final test computed
- $Z_k$ = the test statistic calculated from the observed data that has been collected up to stage $k$
- $I_k$ = the information level at stage $k$
- $I_K$ = the information level at the end of the study
- $z_{1-\alpha}$ = the standard normal value for the test with a type I error rate of $\alpha$.

For a test of a two proportions with null hypothesis H0: $P_1 = P_2$, where $P_1$ and $P_2$ are the population proportions in groups 1 and 2, respectively, under the alternative hypothesis, these components are computed in Chang (2008) pages 70 and 71 as

$$\theta = P_2 - P_1 \quad \text{(the expected difference under the alternative hypothesis)}$$

$$Z_k = (p_{2k} - p_{1k})\sqrt{I_k} \quad \text{(the z-statistic computed from the observed data)}$$

$$I_k = \frac{1}{\sigma^2}\left(\frac{1}{n_{1k}} + \frac{1}{n_{2k}}\right)^{-1} \quad \text{(the interim information level)}$$

$$I_K = \frac{1}{\sigma^2}\left(\frac{1}{n_1} + \frac{1}{n_2}\right)^{-1} \quad \text{(the final information level)}$$

where

- $p_{jk}$ is the sample proportion for group $j$, estimating $P_j$ at stage $k$
- $\hat{I}_k$ is the estimated information from the sample at stage $k$
- $n_{jk}$ is the sample size in group $j$ at stage $k$
- $n_j$ is the final sample size in group $j$
- $\sigma^2 = \bar{p}(1 - \bar{p})$ with $\bar{p} = (P_1 + P_2)/2$

Computing conditional power requires you to set $P_1$ and $P_2$. Their values can come from the values used during the planning of the study, from similar studies, or from estimates made from the data that has emerged.
Futility Index

The *futility index* is $1 - P_k(\theta) | H_1$. The study may be stopped if this index is above 0.8 or 0.9 (that is, if conditional power falls below 0.2 or 0.1).

Predictive Power

*Predictive power* (a Bayesian concept) is the result of averaging the conditional power over the posterior distribution of effect size. From Jennison and Turnbull (2000) pages 210 to 213, the general upper one-sided predictive power at stage $k$ is given by

$$P_{uk} = \Phi \left( \frac{Z_k \sqrt{I_k} - z_{1-a}\sqrt{I_k}}{\sqrt{I_k} - I_k} \right).$$

the general lower one-sided predictive power at stage $k$ is given by

$$P_{lk} = \Phi \left( \frac{-Z_k \sqrt{I_k} - z_{1-a}\sqrt{I_k}}{\sqrt{I_k} - I_k} \right),$$

the general two-sided predictive power at stage $k$ is given by

$$P_k = \Phi \left( \frac{|Z_k| \sqrt{I_k} - z_{1-a/2}\sqrt{I_k}}{\sqrt{I_k} - I_k} \right) + \Phi \left( \frac{-|Z_k| \sqrt{I_k} - z_{1-a/2}\sqrt{I_k}}{\sqrt{I_k} - I_k} \right),$$

with all terms defined as in the equations for conditional power.

Sample Size Reestimation

As Chang (2014) points out, after an interim analysis, it is often desirable to recalculate the target sample size using updated values for various nuisance parameters such as the variance. This process is known as *sample size reestimation*.

One method of calculating an adjusted sample size estimate is to search for the sample size that results in a predetermined value of conditional power. *PASS* conducts a binary search using the conditional power as the criterion. The result is called the *target sample size*. 
Example 1 – Computing Conditional Power

Suppose a study has been planned to detect a change in proportions of 10 percentage points from $P_1 = 0.6$ to $P_2 = 0.7$ at an alpha of 0.025 using a one-sided $z$-test. The target sample size is 60 per group. An interim analysis is planned after half the data have been collected. The data monitoring board would like to have the conditional power calculated for $z$ values of 0, 0.5, 1, 1.5, 2, and 2.5.

Setup

If the procedure window is not already open, use the PASS Home window to open it. The parameters for this example are listed below and are stored in the Example 1 settings file. To load these settings to the procedure window, click Open Example Settings File in the Help Center or File menu.

```
Design Tab
Solve For .................................................... Conditional Power
Alternative Hypothesis .................. H1: $P_2 - P_1 > 0$ (One-Sided)
Alpha .............................................................. 0.025
N1 (Group 1 Target Sample Size) .......... 60
N2 (Group 2 Target Sample Size) .......... Use R
R (Sample Allocation Ratio) .............. 1.0
n1k (Group 1 Sample Size at Look k) ...... 30
n2k (Group 2 Sample Size at Look k) ...... n1k
Input Type ...................................................... Proportions
P1 (Group 1 Proportion) ...................... 0.6
P2 (Group 2 Proportion) ...................... 0.7
Zk (Current Test Statistic) ................. 0 0.5 1 1.5 2 2.5
```
Output

Click the Calculate button to perform the calculations and generate the following output.

Numeric Reports

<table>
<thead>
<tr>
<th>Cond. Power</th>
<th>Pred. Power</th>
<th>Target Sample Size N1</th>
<th>N2</th>
<th>Current Sample Size n1k</th>
<th>n2k</th>
<th>Proportions P1</th>
<th>P2</th>
<th>Proportion Diff P2 - P1 δ1</th>
<th>Test Statistic Zk</th>
<th>Alpha</th>
<th>Futility</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.02501</td>
<td>0.02500</td>
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<td>60</td>
<td>30</td>
<td>30</td>
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<td>0.1</td>
<td>0.0</td>
<td>0.025</td>
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<td>0.07217</td>
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<td>30</td>
<td>30</td>
<td>0.6</td>
<td>0.7</td>
<td>0.1</td>
<td>0.5</td>
<td>0.025</td>
<td>0.92783</td>
</tr>
<tr>
<td>0.16858</td>
<td>0.29262</td>
<td>60</td>
<td>60</td>
<td>30</td>
<td>30</td>
<td>0.6</td>
<td>0.7</td>
<td>0.1</td>
<td>1.0</td>
<td>0.025</td>
<td>0.83142</td>
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<tr>
<td>0.32283</td>
<td>0.56409</td>
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<td>60</td>
<td>30</td>
<td>30</td>
<td>0.6</td>
<td>0.7</td>
<td>0.1</td>
<td>1.5</td>
<td>0.025</td>
<td>0.67717</td>
</tr>
<tr>
<td>0.51603</td>
<td>0.80743</td>
<td>60</td>
<td>60</td>
<td>30</td>
<td>30</td>
<td>0.6</td>
<td>0.7</td>
<td>0.1</td>
<td>2.0</td>
<td>0.025</td>
<td>0.48397</td>
</tr>
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<td>0.70547</td>
<td>0.94244</td>
<td>60</td>
<td>60</td>
<td>30</td>
<td>30</td>
<td>0.6</td>
<td>0.7</td>
<td>0.1</td>
<td>2.5</td>
<td>0.025</td>
<td>0.29453</td>
</tr>
</tbody>
</table>

- **Conditional Power**: The probability of rejecting a false null hypothesis at the end of the study given the data that have emerged so far.
- **Predictive Power**: The result of averaging the conditional power over the posterior distribution of the effect size.
- **N1|N2**: The target sample sizes of groups 1 and 2, respectively, at the end of the study.
- **n1k|n2k**: The sample sizes of groups 1 and 2, respectively, obtained through stage k.
- **P1|P2**: The response proportions for groups 1 and 2, respectively.
- **δ1**: The actual difference to detect under the alternative hypothesis at which conditional power is calculated.
- **Zk**: The value of the test statistic from the observed data at stage k.
- **Alpha**: The probability of rejecting a true null hypothesis.
- **Futility**: Equal to one minus the conditional power. A value greater than 0.9 or 0.8 indicates the study should be stopped because there is little chance of achieving statistical significance.

Summary Statements

The first 30 of 60 subjects in group 1 and 30 of 60 subjects in group 2 achieve 2.501% conditional power to detect a difference of δ1 = P2 - P1 = 0.7 - 0.6 = 0.1 using a one-sided Z-test with a significance level of alpha = 0.025. The value of the test statistic from data that have emerged so far is Zk = 0. The futility index is 0.97499.

References


This report shows the values of each of the parameters, one scenario per row. The definitions of each column are given in the Report Definitions section.
This plot shows the relationship between conditional power and $Z_k$. 

Conditional Power vs $Z_k$

Alpha=0.025 N1=60 N2=N1 n1k=30 n2k=30 P1=0.6 P2=0.7 1-Sided Z-Test
Example 2 – Validation

We could not find an example of a conditional power calculation for a two-sample proportions test in the literature. Since the calculations are relatively simple, we will validate the calculation of the third scenario ($Z_k = 1$) of Example 1 by hand.

In this case

$$I_k = \frac{1}{\sigma^2} \left( \frac{1}{n_{1k}} + \frac{1}{n_{2k}} \right)^{-1} = \frac{1}{0.65(0.35)} \left( \frac{1}{30} + \frac{1}{30} \right)^{-1} = 65.93406593$$

$$I_K = \frac{1}{\sigma^2} \left( \frac{1}{n_1} + \frac{1}{n_2} \right)^{-1} = \frac{1}{0.65(0.35)} \left( \frac{1}{60} + \frac{1}{60} \right)^{-1} = 131.86813187$$

$$P_{uk}(\theta) = \Phi \left( \frac{Z_k \sqrt{I_K} - \phi_1 - \sqrt{I_k} + \theta(I_K - I_k)}{\sqrt{I_K - I_k}} \right)$$

$$= \Phi \left( \frac{1.0 \sqrt{65.93406593} - (1.9599640) \sqrt{131.86813187} + (0.7 - 0.6)(131.86813187 - 65.93406593)}{\sqrt{131.86813187 - 65.93406593}} \right)$$

$$= \Phi \left( \frac{-7.7936524}{8.11997943} \right)$$

$$= \Phi(-0.95980972) = 0.16857549$$

Setup

If the procedure window is not already open, use the PASS Home window to open it. The parameters for this example are listed below and are stored in the Example 2 settings file. To load these settings to the procedure window, click Open Example Settings File in the Help Center or File menu.

<table>
<thead>
<tr>
<th>Design Tab</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solve For .................................................... Conditional Power</td>
</tr>
<tr>
<td>Alternative Hypothesis ...................................... H1: P2 - P1 &gt; 0 (One-Sided)</td>
</tr>
<tr>
<td>Alpha .......................................................... 0.025</td>
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</tr>
<tr>
<td>n2k (Group 2 Sample Size at Look k) .............. n1k</td>
</tr>
<tr>
<td>Input Type ...................................................... Proportions</td>
</tr>
<tr>
<td>P1 (Group 1 Proportion) ................................. 0.6</td>
</tr>
<tr>
<td>P2 (Group 2 Proportion) ................................. 0.7</td>
</tr>
<tr>
<td>Zk (Current Test Statistic) .............................. 1</td>
</tr>
</tbody>
</table>
Output

Click the Calculate button to perform the calculations and generate the following output.

<table>
<thead>
<tr>
<th>Cond. Power</th>
<th>Pred. Power</th>
<th>Target Sample Size</th>
<th>Current Sample Size</th>
<th>Proportion Diff</th>
<th>Test Statistic</th>
<th>Alpha</th>
<th>Futility</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.16858</td>
<td>0.29262</td>
<td>60</td>
<td>60</td>
<td>30</td>
<td>30</td>
<td>0.6</td>
<td>0.7</td>
</tr>
</tbody>
</table>

The conditional power of 0.16858 matches the value calculated by hand.
Example 3 – Sample Size Reestimation

Suppose a study has been planned to detect a change in proportions of 10 percentage points from \( P_1 = 0.6 \) to \( P_2 = 0.7 \) at an alpha of 0.025 using a one-sided \( z \)-test. The target sample size was 60 per group. An interim analysis was conducted after half the data had been collected. This analysis yielded a \( z \)-test value of 2.12. The value of \( P_1 \) (the proportion for the reference group) was found to be 0.643.

The data monitoring board would like to recalculate the sample size for a value of \( P_2 \) of 0.743 (which keeps the difference at 0.1) and a conditional power of 0.8.

**Setup**

If the procedure window is not already open, use the PASS Home window to open it. The parameters for this example are listed below and are stored in the **Example 3** settings file. To load these settings to the procedure window, click **Open Example Settings File** in the Help Center or File menu.

**Output**

Click the Calculate button to perform the calculations and generate the following output.

<table>
<thead>
<tr>
<th>Con. Power</th>
<th>Pred. Power</th>
<th>Target Sample Size</th>
<th>Current Sample Size</th>
<th>Proportion Diff</th>
<th>Test Statistic</th>
<th>Alpha</th>
<th>Futility</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.80022</td>
<td>0.93335</td>
<td>219( \mid )219</td>
<td>30( \mid )30</td>
<td>0.64( \mid )0.74</td>
<td>2.12</td>
<td>0.025</td>
<td>0.19978</td>
</tr>
</tbody>
</table>

Notice that the target sample size has increased from 60 per group (\( N = 120 \)), to 219 per group (\( N = 438 \)).