



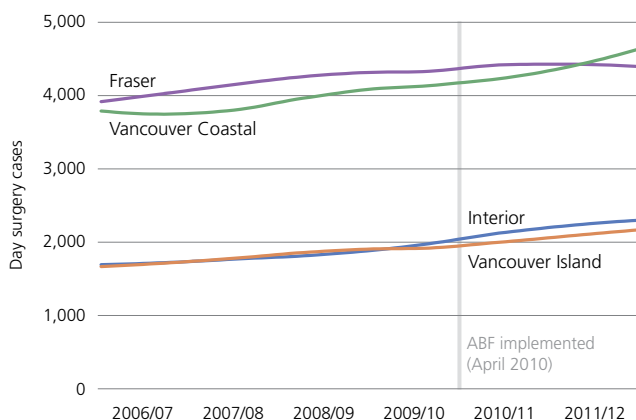
Hospital Funding Policies: Day Surgery Volume

BCHeaPR Study Data Bulletin #19 (August 2013)

In April 2010, an activity-based funding (ABF) program was launched in BC, under the direction of the Health Services Purchasing Organization (HSPO). One motivation of the initiative was to create financial incentives for hospitals to reduce the incentive to restrict services in order to meet budget targets.

Other countries' experiences demonstrate that, using ABF, the volume of hospital care is expected to increase (1–3). In this analysis, we examine the volume and complexity of day surgery cases over the study period 2006/07 to 2011/12. We present counts of day surgery cases, but because the complexity of cases can vary greatly over time and geography, we also adjust day surgeries using resource intensity weights (RIWs) (developed by the Canadian Institute of Health Information) and present the average day surgery RIW. Weighting day surgery activity with RIW adjusts for the intensity and costliness of the patients treated and provides a picture of the total resources used by day surgeries, rather than a simple count of surgeries.

Figure 1: Number of day surgeries, 2006/07 to 2011/12, for hospitals beginning activity-based funding in April 2010, by health authority



What is this research about?

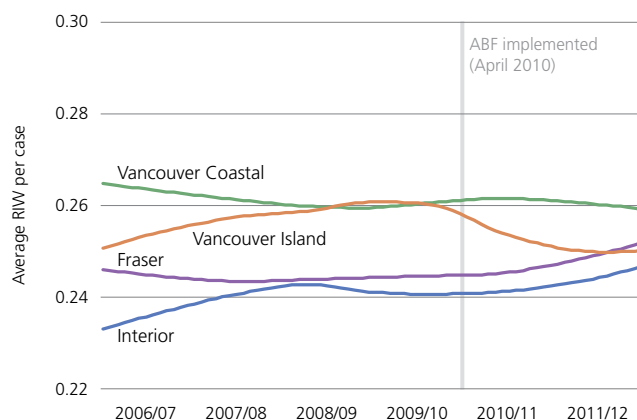
The CIHR-funded *BC Hospitals: examination and assessment of Payment Reform (BCHeaPR)* study examines the impact of activity-based funding on acute care hospitals and related services in BC. Over time, the study team will release analyses on the effects of the change in funding policies. Check www.healthcarefunding.ca for updates and policy implications.

In a previous Data Bulletin, we examined total RIWs over the same time period (*BCHeaPR Study Data Bulletin #8*).

Impact of the Incentive

Figure 1 shows the number of day surgeries in BC health authorities from 2006/07 to 2011/12. There has been a steady increase in day surgeries over the study period in all health authorities. Fraser Health (FH) and Vancou-

Figure 2: Average resource intensity weight per day surgery, 2006/07 to 2011/12, for hospitals beginning activity-based funding in April 2010, by health authority



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ver Coastal Health (VCH) perform significantly more day surgeries than Interior Health Authority (IHA) or Vancouver Island Health Authority (VIHA). Day surgeries increased by 12% in FH over the study period, 22% in VCH, 30% in VIHA, and 36% in IHA.

Figure 2 shows the average RIW per day surgery case by health authority for 2006/07 to 2011/12. Average RIWs have not increased by any significant amount over the study period. Health authorities do not seem to be selecting cases with higher, or lower, RIW values. The exception to this trend is IHA, where the average RIW per patient has increased by 6%, suggesting a possible increase in patient acuity or other change in clinical activity.

Conclusion

In BC to date, the data do not support an association between the introduction of ABF and a change in volume or acuity of day surgery patients across health authorities. One interpretation of this finding is that hospitals were already doing more day surgery year-over-year, and this trend continues regardless of the implementation of ABF.

This project will continue to calculate and report on changes in volume on a periodic basis.

Technical Notes

The data source is the Discharge Abstract Database (DAD). The study population covers BC residents as well as non-residents who received health care services in BC.

Only hospitals that were included in the HSPO's activity-based funding program are included in the study.

The volume of day surgeries were weighted by RIW (Resource Intensity Weights).

References

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