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Comparing Costs and Hospital Ownership for Thyroidectomy Patients

ABSTRACT

Background. In order to slow the growth of medical expenditures, one of the major strategies proposed by the Bureau of National Health Insurance (BNHI) was to expand the scope of diseases paid for under the case payment system.

Aim. To explore the relationship between costs per discharge and hospital ownership under the case payment system.

Method. This study used patients undergoing a thyroidectomy without complications or comorbidities in Taiwan. A multiple regression analysis was performed to explore the relationship between costs per discharge and hospital ownership after adjusting for patient age, gender, length of stay, and discharge status, as well as hospital level and teaching status.

Result. The costs of patients undergoing a thyroidectomy without complications or comorbidities admitted to public hospitals were more likely to be higher than those of patients admitted to private hospitals.

Conclusions. This study demonstrates that wide variations in costs per discharge exist among hospitals. Concerns have been raised about the issue of under-utilization of medical care provided by hospitals that may be harmful to patients. It is recommended that the BNHI oversee certain hospitals that are more likely to have unusually low costs per discharge to prevent the phenomenon of quicker and sicker resulting from premature discharge under the Prospective Payment System. (N. Taipei J. Med. 2002;4:99-107)

INTRODUCTION

The Taiwan National Health Insurance (TNHI) was officially launched on March 1, 1995. Financing of the TNHI is governed by the principle of self-sufficiency; the government will cover no operational losses. However, the program was acknowledged to have gone into debt in 1999. In order to slow the growth of medical expenditures, one of the major

strategies proposed by the Bureau of National Health Insurance (BNHI) was to expand the scope of diseases paid for under the case payment system. Therefore, 24 new case payment items were added by the BNHI on July 1, 1999. Fifty case payment items on the list have been implemented, and the BNHI promised that there would be a case payment item for each DRG in the near future (www.nhi.gov.tw, April 2002)

Case payment, similar to diagnosis-related groups

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