

subjects of patient dumping are black, Hispanic, indigent, unemployed, uninsured, Medicare and Medicaid beneficiaries, AIDS patients, cancer patients, psychiatric patients, and patients with more-serious or complex diagnoses.^{1-4, 9, 14} Among these potential subjects of patient dumping, minority populations have received the most attention from researchers. Himmelstein et al. reported that minority patients account for 45% of all transfers.¹⁵ A report from the *New England Journal of Medicine* even indicated that the proportion of blacks and Hispanics is as high as 89% of transferred patients.¹

In addition to the potential subjects reported above, managed care enrollees are victims of patient dumping as well.¹⁶ When managed care enrollees exhaust insurance benefits or seek emergency services outside the circle of providers, they are likely to be transferred or refused admission by hospitals. Stern and Epstein also noticed that hospitals did discourage admissions when a patient was identified as having high-cost characteristics under the PPS.¹⁷ Hurley et al. observed that even after admission, hospitals might attempt to transfer a patient to another hospital as soon as that patient became a high-cost money loser under the PPS.¹⁸ Therefore, under the PPS, even a patient who has health insurance could be a potential candidate of patient dumping as soon as he/she is identified as being unprofitable to a hospital.

Factors Contributing to Patient Dumping

Few studies have discussed the factors that can predict the occurrence of patient dumping to date since most of the literature on patient dumping has focused solely on the number of incidences of patient dumping and implementation of anti-dumping laws.⁹ However, elucidating factors contributing to patient dumping might not only help health professionals understand the dynamics of treatment decisions that result in patient dumping, but it may also help policy makers adopt appropriate strategies to prevent the occurrence of patient dumping. Therefore, on the basis of literature reviews, researchers have classified the factors contributing to patient dumping into hospital ownership, hospital competition, implementation of the PPS, and the high penetration of managed care.

We discuss these 4 factors here.

Hospital ownership

Hospitals have responded to competitive external pressures or financial incentives of third-party payers to different degrees due to their various missions. For example, Baker et al. indicated that hospital ownership has a significant impact on hospital performance regarding financial management practices.¹⁹ Friedman and Shortell suggested that investor-owned or for-profit hospitals were more reactive to cost containment due to a greater interest in maximizing profits.²⁰

Under the profit-oriented motive, physicians in private hospitals are eventually more likely to be impelled to selectively admit low-cost or profitable patients and to discourage the admission of high-cost or unprofitable patients in order to obtain maximal profits. Therefore, one would expect that private hospitals would have a greater tendency to transfer or refuse unprofitable patients than would public hospitals. The studies of Hylton and Relman support the expectation that private hospitals have a long tradition of refusing admissions to economically undesirable patients.^{3, 4}

One would also expect the problem of patient dumping to be more severe in areas where the density of private hospitals is high. Studies by Relman,⁴ Hurley et al.,¹⁸ and Schlesinger et al.² all demonstrated that patient dumping is more prevalent in regions characterized by a large proportion of proprietary hospitals (private for-profit hospitals). As a result, it was concluded that the for-profit characteristic of private ownership is an important predictor of patient dumping.

In addition to a high density of private hospitals, Schlesinger et al. proposed that a large public sector treatment capacity is associated with a high incidence rate of patient dumping.² Public hospitals are obliged to attend to the public regardless of their insurance status or ability to pay. Therefore, hospitals receiving dumped patients are more likely to be public hospitals.⁹ Once a community has a large public sector treatment capacity, this will instigate private hospitals to take advantage of the large capacity by dumping patients to these public sectors. Consequently, patient dumping is also partially attributed to a great public