Ewepa 2011 - XII European Workshop on Efficiency and Productivity Analysis - Verona - Italy
Book of abstracts

Comparative analysis of referral and drug costs at the level of specialty: General medicine and geriatrics

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The aim of this paper is to compare a sample of English General Practitioner (GP) units at the Geriatric and General Medicine specialty level in terms of their referral and drug prescription costs. The cost comparison is done on a contextualized basis, where we use some proxy variables to account for the severity of the health conditions of inpatients and outpatients, and to account for the need of GPs incurring drug prescription costs. We use Data Envelopment Analysis (DEA) to compute cost efficiency measures of GP units and to decompose these measures into technical and allocative components. In addition, we also identify further sources of cost inefficiency related to prices. The results reveal a varying potential across GP practices for cost savings through volume reductions, switching between referral types and drugs and through seeking better unit cost profiles. This offers the potential to transfer cost saving practices from benchmark to other GP practices by type of savings available.