



Hospital sector choice and support for public hospital care in New Zealand: Results from a labeled discrete choice survey



Paul Brown^{a,*}, Laura Panattoni^b, Linda Cameron^a, Stephanie Knox^c, Toni Ashton^d,
Tim Tenbenschel^d, John Windsor^d

^a University of California, Merced, CA, United States

^b Palo Alto Medical Foundation Research Institute, Palo Alto, CA, United States

^c Centre for Health Economics Research and Evaluation, University of Technology, Sydney, Australia

^d University of Auckland, Auckland, New Zealand

ARTICLE INFO

Article history:

Received 3 January 2013

Received in revised form 26 May 2015

Accepted 19 June 2015

Available online 29 June 2015

JEL classification:

I110

I130

I180

Keywords:

Labeled discrete choice

Public and private hospitals

Waiting times

Health behavior

Criteria for decision-making under risk and uncertainty

ABSTRACT

This study uses a discrete choice experiment (DCE) to measure patients' preferences for public and private hospital care in New Zealand. A labeled DCE was administered to 583 members of the general public, with the choice between a public and private hospital for a non-urgent surgery. The results suggest that cost of surgery, waiting times for surgery, option to select a surgeon, convenience, and conditions of the hospital ward are important considerations for patients. The most important determinant of hospital choice was whether it was a public or private hospital, with respondents far more likely to choose a public hospital than a private hospital. The results have implications for government policy toward using private hospitals to clear waiting lists in public hospitals, with these results suggesting the public might not be indifferent to policies that treat private hospitals as substitutes for public hospitals.

© 2015 Elsevier B.V. All rights reserved.

1. Introduction

Understanding patient preferences for healthcare providers is necessary for nurses, physicians, and healthcare planners to design patient centered care (Brennan and Strombom, 1998; Epstein et al., 2010). Previous studies suggest that healthcare professionals are often inaccurate in their assessment of their patients' preferences (Nagl and Farin, 2012; Wessels et al., 2010). Although evaluation of patients' choices of healthcare providers provide one way of deducing preferences, this approach is challenging in settings where patient choice is restricted due to limited direct competition between providers, institutional barriers, or market constraints. For instance, in countries that offer free hospital care in publicly run hospitals (e.g., New Zealand) or place restrictions on the private providers (e.g., Canada), there is limited or no consumer choice between providers, thus making it difficult to identify the relative

importance of factors such as cost of care, amenities, waiting times, or other attributes. Even when patients have options, such as in the United Kingdom where patients may choose a private or public hospital or in the United States where patients may have a choice of different private providers, direct competition may be limited due to private providers segmenting the market by targeting high income groups and leaving the care for low income patients to the public hospital. This market segmentation makes it difficult to identify preferences based on observed behaviors.

One way in which private hospitals can differentiate themselves from public hospitals is by offering reduced waiting times. Previous studies have concluded that waiting times are a major cause of dissatisfaction in many countries with publicly funded health services (Conner-Spady et al., 2011; Martin and Smith, 1999; Siciliani and Hurst, 2005; Siciliani and Iversen, 2012). The pressure to reduce waiting times frequently motivates calls for government action, which can include contracting private hospitals to reduce public hospital wait times (Ashton, 2010; New Zealand Herald, 2009; O'Reilly et al., 2012). However, reduced waiting times is only one of many factors that governments could change to improve the

* Corresponding author. Tel.: +1 209 228 2251.

E-mail address: pbrown3@ucmerced.edu (P. Brown).

patient experience in public hospitals, including providing greater access to providers before and after surgery and improving the amenities offered in the hospital). While previous research has identified the importance of reducing waiting times in increasing patient satisfaction (e.g., [Sanmartin et al., 2007](#)), little is known of the relative importance of other factors associated with the patient experience.

Discrete choice experiments (DCEs) are a method for measuring the relative importance of the factors influencing patients healthcare decisions (see [de Bekker-Grob et al., 2012](#), for a recent review). DCEs allow for the inclusion of factors that might be important to patients but which are difficult to identify or measure, such as amenities of care, waiting times, the positive feeling a patient might feel toward a particular provider (i.e., brand loyalty), or amount of choice available to the patient (e.g., choice of physician). Because DCEs can examine a wide variety of factors that patients value independently of the actual options that are available, they can be particularly useful when there are few providers, when there is market segmentation, or when exploring policy options that have not yet been implemented.

The present study uses a labeled DCE to examine the general public's preferences for public versus private hospital care in New Zealand. New Zealand has a predominately public healthcare system, with public hospital care provided free of charge. However, there is an active market for private hospital care that is financed by patients through private insurance or out-of-pocket payments. Private payments account for approximately 11% of all healthcare expenditures ([Thomson et al., 2011](#)), with 30% of the population having some form of private health insurance ([HFANZ, 2013](#)). Most surgeons work in both the public and private sectors, and private hospitals differentiate themselves from public hospitals by giving patients a choice of surgeon, promising shorter waiting times for the surgery, allowing more contact before and after surgery with their surgeon, and providing hotel amenities in the hospital room. As in other countries, there is debate in New Zealand regarding the appropriate role of private hospitals in the health system and the possibility of publicly financed but privately provided services (e.g., [New Zealand Council on Trade Unions, 2010](#)). Although anecdotal evidence suggests that support for public secondary care is strong, no study has attempted to systematically measure the extent of support for the public health system or whether care in private hospitals is more (or less) valued than care in public hospitals.

In the current study, members of the general public in New Zealand were asked to decide between a public and a private hospital provider for a non-urgent operation (i.e. removal of the gall bladder). The factors participants were asked to consider were identified through interviews with patients who had surgery in either a public or private hospital, and with selected healthcare personnel. The resulting factors (including waiting time for the surgery, contact before and after surgery with their surgeon, the risk of complications from the surgery, and the amenities of the hospital room) were varied in the DCE across decision scenarios, with the participants always facing a choice between having a procedure done in a 'Private Hospital' or a 'Public Hospital.' The use of labels, which is common in marketing research, has been used to examine healthcare choices, including the use of test labels for colorectal screening ([de Bekker-Grob et al., 2010](#)), esophagus cancer screening ([Kruijshaar et al., 2009](#)), and cervical cancer screening ([Fiebig et al., 2009](#)). In this study, the label was intended to estimate the strength of preferences for the hard-to-measure or intangible aspects of provider care that might be associated with a private or public hospital. Thus, the aim of the study was to understand patient preferences for hospital care in New Zealand and to determine whether, after controlling for key factors (especially costs and waiting times), the general public would prefer care in public or private hospitals.

2. Methods

2.1. Overview of the study

The choice experiment was designed to simulate a decision by a patient diagnosed with gallstones and awaiting an operation to remove the gallbladder. This procedure was selected because gallstones are typically a non-urgent and common condition that nevertheless produces significant symptoms. Moreover, gallbladder removal is a relatively low-cost operation that the general public might well be able to afford in a private hospital. Consultation with healthcare professionals (including a group of surgeons who work in both the public and private sectors) and private insurers confirmed that this operation is frequently performed in both the public and private health sectors.

Participants were recruited by a company specializing in on-line market research. Registered participants were pre-screened by the market research company and invited to take part in the survey based on demographic characteristics. Participants were rewarded for their participation regardless of whether or not they completed the survey. All participants resided in New Zealand. Ethics approval was obtained from the New Zealand Northern Y Ethics Committee. The study was conducted in May of 2009.

Participants were provided with a general description of gall bladder disease and asked to consider that they had been told by their general practitioner that they needed to have the gallbladder removed. The participants were told to imagine that they did not have private health insurance and thus would have to pay for any care out-of-pocket. The survey then provided an overview of their options (public or hospital or private hospital) and the factors that they might consider when making their decision. The participants reviewed an example of the choices they would be asked to make, and then completed 16 choice sets (see [Fig. 1](#)). Finally, participants answered questions about demographic characteristics and health services usage (including whether they or any family member had experienced gall bladder problems). Participants took approximately 20 min to complete the survey.

2.2. Questionnaire

2.2.1. Selection of attributes and levels

The development of the DCE questionnaire was based upon a literature review of factors previously identified as important for choices of hospital care, interviews with patients currently on the waiting list for a non-urgent procedure in a public or private hospital, and expert opinions provided by surgeons. Following the literature review, semi-structured interviews were conducted with 11 patients who were waiting for an elective (non-urgent) operation to remove their gallbladder in either a public ($n=5$) or private ($n=6$) hospital. Three collaborating surgeons identified and recruited these participants. During the interviews, patients were asked to describe the factors important to them when making their choice of hospital care in general, but specifically between a public and private hospital. The literature review and interview responses were used to develop the list of attributes, the attribute levels, and the wording of the attributes used in the DCE. Three surgeons then reviewed the resulting list of attributes and dimensions to ensure that the factors and attributes were consistent with their clinical experience. [Table 1](#) presents the final list of labels, attributes and attribute levels.

The survey instrument contained measures of factors identified by previous research as potentially influencing healthcare decisions. These factors included age, gender, household income, education level, and knowledge and experience with gall bladder disease.

Download English Version:

<https://daneshyari.com/en/article/7363401>

Download Persian Version:

<https://daneshyari.com/article/7363401>

[Daneshyari.com](https://daneshyari.com)