

## Centre For Health Economics Seminar Series 2016

# CREAM SKIMMING, HOSPITAL TRANSFERS AND CAPACITY PRESSURE

**Presenter:** Jongsay Yong, University of Melbourne  
**Date:** Wednesday 10 August 2016  
**Time:** 12.00pm -1.00pm  
**Venue:** RB Scotton Room  
Centre for Health Economics



### Abstract:

This paper investigates cream skimming behaviour by private hospitals via hospital transfers in a mixed public-private hospitals system. Previous work has shown that the likelihood of private-to-public transfers rises with patient complexity and severity. In contrast, the likelihood of public-to-private transfers tends to fall with patient complexity and severity. It has been argued that the observed pattern of transfers, although consistent with cream skimming, could also reflect the specialisation of private and public hospitals. This paper extends the previous work by examining the pattern of transfers when hospitals are faced with capacity pressure, which we argue is a plausible identification of cream skimming. Using Victorian hospital administrative data, we show that private hospitals tend to increase the transfer of complex and severe patients during times of capacity pressure (co-authored with Terence Cheng and Ou Yang).

### Presenter:

Jongsay Yong is Principal Research Fellow in the Health Economics research program of the Melbourne Institute. He joined the Melbourne Institute in 2002, after spending several years as lecturer and later senior lecturer at the National University of Singapore. His main research interests are in applied areas of industrial economics and health economics. His recent research focuses on measuring hospital performance and quality using patient-level data, and firm productivity analyses using firm-level data.

### VISITORS ARE MOST WELCOME

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