

## Centre For Health Economics Seminar Series 2017

# HOSPITAL OWNERSHIP AND QUALITY OF CARE FOR ELECTIVE PATIENTS: EVIDENCE FROM ENGLAND

Presenter: Prof Hugh Gravelle, University of York  
Date: Wednesday 1<sup>st</sup> March 2017  
Time: 12.00pm -1.00pm  
Venue: RB Scotton Room  
Centre for Health Economics



### Abstract:

Hospital care in the English NHS is free at point of use and NHS patients can choose to be treated at any qualified provider, whether public or private. Around 11% of planned admissions of NHS patients are to private hospitals. Theoretical models yield ambiguous predictions about the effect of ownership on quality. Previous comparisons of quality of care between public and private hospitals have been for a small number of treatments and have produced mixed results. In this paper we investigate the quality of planned care for 3.8 million NHS patients for 133 treatments in 393 public and 190 private hospital sites. OLS estimates suggest that private hospitals have lower emergency readmission rates but may be biased if unobservedly more morbid patients choose hospitals on the basis of their perceived quality. Using differences in distances to public and private providers as instruments variables we find that there is no statistically significant effect of ownership. There are also no quality differences between specialist and non-specialist hospitals or between for profit and not for profit hospitals. We do find that results vary by treatment type with private providers having higher emergency readmission rates for non-diagnostic treatments.

### Presenter:

Hugh Gravelle is Professor of Economics in the Centre for Health Economics at the University of York and was previously Associate Director of the National Primary Care Research and Development Centre. He has published theoretical and empirical papers in economics, health service research and medical journals on topics including discounting for health effects, resource allocation formulae, rationing by waiting, income inequality and health, the effects of pay for performance on GP behaviour and patient outcomes, patient choice of GP and of hospital, and the effects of competition on GP and hospital quality and prices.

### VISITORS ARE MOST WELCOME

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