

Lay Summary

Paying for Efficiency: Incentivising Same-Day Discharges in the English NHS

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Most patients who receive hospital treatment stay overnight. But medical professionals increasingly agree that many patients do not need a long recovery period under close supervision and who could be safely discharged home more quickly. There are some patients who could even be discharged on the same day they are admitted. These cases are what we mean by 'same day discharges'.

Day surgery and other types of hospital care that takes place on a single calendar day (so-called 'ambulatory emergency care') have been promoted in the English NHS for many years. These forms of care are arguably cheaper to provide and outcomes appear as good as or better than traditional overnight care. Patients often prefer to recover at home. Yet many hospitals have been slow to change clinical practice and their same-day discharge rate has remained low.

To tackle this problem, the Department of Health changed the way it paid hospitals in 2010. For 32 types of treatment, hospitals receive more money if a patient is admitted and discharged on the same day than the amount they are paid if that patient stays overnight. This gives hospitals a monetary incentive to identify suitable patients and send them home as soon as it is safe to do so.

Our study tests whether hospitals respond to this financial incentive in the expected way. We analyse trends in the proportion of English hospital patients who had a 'same day discharge' during the period 2006 to 2014. We find a small increase in planned day surgery rates, but no consistent increase in the rates of ambulatory emergency care. Hospitals are more likely to change their care pathways for types of day surgery that attract more money. Overall, we estimate that the payment reform led to an extra 6,500 patients having a same-day discharge.

Findings from our study give policymakers a better understanding of how hospitals respond to monetary incentives.

Full paper available at

https://www.york.ac.uk/media/che/documents/papers/researchpapers/CHERP157_financial_incentives_hospital_discharges.pdf

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