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## THE MANITOBA CENTRE FOR HEALTH POLICY CALCULATES THE COST OF PROVINCIAL HOSPITALIZATIONS

*Research provides government and other healthcare planners with tools for policy development and economic analysis*

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**WINNIPEG, Manitoba** – Between April 1, 2005 and March 31, 2006 Manitoba spent nearly \$600 million on providing services to inpatients in Manitoba hospitals. To find out how that money was spent, the Manitoba Centre for Health Policy (MCHP) released a report that identifies estimated costs for each type of hospitalization.

When looking at overall spending, the report found that the most costly hospitalization wasn't providing care for heart attacks or strokes, nor was it lung transplants or hip replacements. In fact, this expense isn't even disease related – it's having a baby. In 2005-06, Manitoba spent over \$11.3 million on hospitalizations for the delivery of 6,819 healthy babies. The cost of knee replacements is second on the list, followed by simple pneumonia and then hip replacements. The amount of money spent on hospital care for heart attacks comes in ninth. The report also found that while there are some very expensive types of hospitalizations, Manitoba hospitals provide very few of them, and their total cost is a small proportion of overall spending.

The cost list provides valuable information that will allow health authorities and hospital administrators to compare costs and has the potential to highlight areas for improvement. Researchers, government and other planners can use this information to do population-based hospitalization studies and to develop realistic health policy.

"The list can be used for policy development and economic analyses," says Finlayson. "Being hospitalized can be expensive. If programs can be put in place to prevent hospitalizations through prevention, we may be able to save tax dollars. This cost list can help government make decisions about what programs may be most cost effective."

This report includes lists with the number of cases, average cost per case and total cost for each condition. The lists also break down costs by age group and complexity.

"There is variability in hospital costs across the life span and between genders," says Greg Finlayson, MCHP research scientist who led the report. "On average men cost more at almost all ages, while women cost more in total during the childbearing years and at the end of life."

This report updates the last cost list for services provided in Manitoba hospitals, which was published in 1999 based on 1993-95 data. The current information improves our ability to understand the cost of providing hospital care in Manitoba.

*MCHP is a research unit in the Department of Community Health Sciences in the University of Manitoba's Faculty of Medicine. MCHP conducts world class population-based research on health services, population and public health, and the social determinants of health.*

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