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Hospital Efficiency: The Case of General Hospital in Buenos Aires City
The main goal of this study is to quantify the efficiency associated with 13 General Hospitals located in Buenos Aires city. This is achieved in the first stage of our study, based on the methodology of Data Envelope Analysis (DEA). Two hospitals of the sample, both located in the same area of the city, show a more satisfactory performance than the rest of the sample between 1994 and 1998. In a second stage, this study looks for different variables that may help to explain hospital efficiency. Variables such as size, location, bed rotation, administrative staff in relation to installed capacity, the amount of specializations as well as the assigned budget for each hospital contribute to the explanation of efficiency indicators obtained in this study.
OVERVIEW

Health markets have become an important case study in economics during the last decades of the 20th century. Nonetheless, there have been very few health economics studies performed for the Argentina. The Argentine health sector is currently in the need of reform and restructuring, as well as other sectors in the country. Since any reform needs to be based in previous studies of current circumstances, this study aims at developing further the technical and economic analysis of the Argentine health sector today.

In particular, we concentrate in the analysis of hospital efficiency associated with General Hospitals in Buenos Aires city, based on the Data Envelope Analysis (DEA) and on the use econometric tools so as to explain potential variables influencing hospital efficiency. Even if similar studies have already been performed for other countries such as Australia and Spain, this study is the first in its type for the case of Argentina.

Therefore, our two main goals in this study are the following:

− First, to construct an efficiency frontier based on a sample of 13 General Hospitals in Buenos Aires city, between 1994 and 1998. The main objective of this stage is to rank these hospitals according to their relative efficiency, and to analyze their performance over time between 1994 and 1998.

− Second, to detect by means of econometric techniques potential variables affecting hospital efficiency in the sample under study.

Our study of hospital efficiency is thus structured in two stages. In Stage 1, we produce an efficiency ranking based on DEA indicators that reflect the distance of each hospital to the efficiency frontier of the whole sample. In Stage 2, we look for economic insights concerning possible qualitative and quantitative variables affecting efficiency indicators obtained in Stage 1.

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