

Output and Productivity Measures for Medical Care (and Education): Views from America

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“It is not exactly clear what is being transacted, what is the output, and what services correspond to the payments made to their providers.”

Zvi Griliches (1992)

“What’s Different About Health? Human Repair
and Car Repair in National Accounts and in
National Health Accounts”

Jack Triplett (in Cutler & Berndt, 2001)

Medical Care Output

Measure Human Repairs:

Completed Episodes of Treatment for Disease

Classification System for Health Output

International Classification of Disease (ICD)

Difference, US and Other Countries

US: Form Medical Care Output by Deflation

Other Countries: Form Medical Care Output by
Direct Quantity Index

But Convergence?

And Anyway: Issues Are the Same

(Some) Issues Being Discussed

- 1) If Data Collection from Providers, Need to Link Hospital, Doctors office, Clinic, Lab to Get Total Cost of a Disease Episode
- 2) Co-Morbidities
- 3) The “Cataract Surgery Problem”
- 4) If Patient Data Used, Often Unit Value Indexes
(Implies Quantity Index = Simple Count of Treatments)
- 5) Changes in Treatments
(Quality Change: Requires Medical Outcomes Measures)

A Treatments Measure Adjusted by Medical Outcomes?

(Outcomes Used only when Improved Treatments Encountered)

Or a Medical Outcomes Measure?

(Skip the Treatments Measures Entirely)

A Brief Word on Education

REALLY Hard

Education Industry (Public or Private) Consists of Multi-Product
Establishments

They Do Not Produce Just Education