

# National Day Surgery Committee Same Day Surgery

Lindsay Roberts, FRCS FRACS

Chairman, Australian Day Surgery Council, 1990 – 2000

President Elect, International Association For Ambulatory Surgery  
1999

## BACKGROUND

1. The National Day Surgery Committee was formalised in 1985 to address standards for Day Surgery Facilities. In 1988 its scope was extended to advise on measures that would encourage the success of quality day surgery. The preparation of this paper is a continuation of this role to demonstrate the possible savings which may be achieved by a determined strategy to encourage a change in designated procedures from Over Night to Day Only surgery.
2. The growth figures for Day Only surgery have been slower than anticipated and are indicated in Table 1 below.  
Australia: Privately Insured Patients % of Same Day episodes  
- Acute Patients

**Table 1**

1989/1990	27.1%
1990/1991	31.6%
1991/1992	33.2%
1992/1993	35.5%

Source: PHIAC Annual Reports

3. These data are Australian National Data collected for privately insured patients in public and private hospitals. The data include medical as well as surgical patients. Other resources and Medibank Private claims experience reflect a similar percentage trend in surgical patients, however compared with international trends there is still considerable scope for increase.
4. Available information suggests that part of the increase in claims related to Day Only surgery has been due to a movement of patients previously treated in casualty, outpatients, diagnostic units or Doctors' surgeries into Day Only Facilities.

## **OUTLINE**

1. This paper identifies potential savings within the health care industry if a designated percentage of selected CMBS items, as recommended by the National Day Surgery Committee Incentives for the Expansion of Day Surgery (March 1992), (Appendix A) were to shift to Day Only surgery.
2. Examination of the claims figures of Medibank Private can be reasonably expected to provide a snapshot of the trends in health insurance claiming patterns.
3. The results are extrapolated to provide an estimate of the national savings in bed days to the Private Health Insurance Funds using the premise that Medibank Private covers approximately 25 per cent of the insured population.
4. These results can be further extrapolated to estimate possible national savings of both public and private hospital bed days, based on the premise that approximately 38 per cent of the population have Private Health Insurance.

## **METHODOLOGY**

1. A statistical report was produced from the Medibank Private data base, detailing, by CMBS item number, the number of patients and the Day Only accommodation band (related to length of time in theatre and type of anaesthetic) for the calendar year 1993. These were aggregated national figures.
2. A second statistical report was produced from Medibank Private claims data, detailing, by CMBS item number, the average length of stay of all patients in private hospitals in all states.
3. The claims experience related to the list of procedures, recommended by the National Day Surgery Committee as those which might be more appropriately undertaken on a Day Only basis, was reviewed using data from both these reports.
4. The review included a comparison of the number of these procedures undertaken on a Day Only basis and those undertaken on an Over Night basis, with the average length of stay of Over Night patients included in the analysis.
5. It was found that 80 per cent of those undertaken on a Day Only basis occurred as Day Only Band 3 and the benefit used in the calculation of savings was a weighted average of the Band 3 benefit in all states.
6. The figure used to calculate the Over Night bed rate was a weighted average of the general surgical shared ward rate and where applicable the "Medical other" rate from the highest hospital benefit table in all states.

The figure was weighted to take into account the different

number of claims and the different amount of benefit paid in each state.

## NOTES TO DATA

1. Data have been extracted on a national basis from Medibank Private claims history for services in Private Hospitals and Day Only Facilities.
2. Identified savings relate to accommodation benefits only and assume that the procedure benefit for the services is the same whether performed as an Over Night or a Day Only patient.
3. Benefits used to calculate possible savings were the top hospital brochure benefits in each state and the applicable Day Only band accommodation benefit calculated from a weighted average of the relevant benefits in each state.
4. To protect the commercial sensitivity of using benefit calculations from only one fund, no dollar amounts have been quoted.

## FINDINGS

1. From the figures available the per cent of bed days for designated procedures undertaken on a Day Only basis in the period under review is indicated in table 2 below.

### DESIGNATED CMBS ITEM NUMBERS % DAY ONLY AND OVERNIGHT BED DAYS RANKED IN DAY ONLY ORDER

**Table 2**

CMBS ITEM	5 DAYS ONLY	5 OVERNIGHT
35,633	66.3	33.7
35,630	61.4	38.6
35,627	48.9	51.1
36,812	47.2	52.8
30,617	44.9	55.1
36,836	44.6	55.4
36,818	43.8	56.2
30,346	38.6	61.3
36,824	38.2	66.2

42,833	37.8	62.2
30,342	37.2	62.8
32,503	30.7	69.3
42,698/42701	30.5	69.5
36,821	29	71
45,659	27.3	72.7
30,614	13.2	86.7
30,676	10.7	89.3
32,506	5.6	94.4

Source: Medibank Private Claims History

2. The procedures where the greatest savings in \$ amounts could be achieved in order of ranking are:
  - 42698/42701
  - 32506
  - 36812
  - 30346
  - 30676
  - 30342
3. The number of Over Night bed days which could be saved over all the designated procedures if 80 % of cases were undertaken on a Day Only basis is calculated to be approximately 22,129 Over Night Bed Days per annum and if 60 per cent of cases were undertaken on a Day Only basis the amount is calculated to be approximately 12,881 Over Night bed days per annum on 1993 figures.
4. The increase in Day Only bed days (at the lesser cost and benefit rate) is 12,253 bed days if 80 per cent of these cases were to be undertaken on a Day Only basis and 6,602 if the number was 60 per cent. The overall calculated saving in bed days is 9,876 at the 80 per cent rate and 6,297 at the 60 per cent rate.

## CONCLUSION

1. The costing of the two options, achieving an increase to 60 per cent or 80 per cent of these procedures on a Day Only basis, suggests significant annual savings in expensive bed days.
2. Using the premise that Medibank Private covers 25 per cent of the insured population, these figures can be extrapolated to

predict savings of approximately 40,000 bed days each year throughout the private health care sector. (Private hospital bed days per annum 5,176,000).

3. If these savings are considered in respect to the public health care system, using the premise that only 38 per cent of the population is covered by Private Health Insurance, thus 62 per cent of the population rely principally on the public sector, with a minimum being self-insured, the savings in the public health sector in bed day costs could be expected to be in the order of 65,000 bed days nationally. (Public hospital bed days per annum 15,15\87,000).

This is a simplistic view based only on direct calculations of the figures, and does not take into account the many other factors which could affect the possible savings. However the figures suggest significant savings in hospital costs if strategies can be developed to encourage any movement from Over Night to Day Only surgery.

4. Any reference to specific \$ values has been purposely omitted on the grounds that predicting specific \$ savings frequently results in unrealistic expectations and can give rise to inappropriate reallocation of \$ amounts, which may result in insufficient funds being initially allocated in the budgetary process to hospital accommodation.
5. It can be seen that the savings in bed days demonstrates savings to the total health care industry of millions of dollars in a 12 month period if the suggested targets can be reached.

## APPENDIX A

CMBS NUMBER	DESCRIPTION
30,342	Breast: Excision of cyst or fibroadenoma or other local lesion
30,346	Breast: Excision of cyst, fibroadenoma or other local lesion where frozen section is performed
30,614	Femoral or inguinal hernia, or infantile hydrocoele repair of ...
30,617	Umbilical, epigastric or linea alba hernia repair of ... < 10 years of age
30,676	Pilonidal sinus or cyst, or sacral sinus or cyst excision ... . 10 years of age
32,503	Varicose veins, multiple ligation ... one leg

36,812	Cystoscopy with urethroscopy ... not associated with any other urological endoscopic procedure
36,818	Cystoscopy with ureteric catheterisation ...
36,821	Cystoscopy with one or more of ureteric dilation, insertion of ureteric stent, biopsy
36,824	Cystoscopy, with ureteric catheterisation, unilateral or bilateral
36,836	Cystoscopy, with biopsy of bladder ...
35,627	Hysteroscopy with dilation of cervix under GA.
35,630	Hysteroscopy with endometrial biopsy or suction curettage or both
35,633	Hysteroscopy with uterine adhesiolysis or polpectomy or tubal catheterisation or R/O IUD ...
42698/42,701	Lens extraction and artificial insertion
42,833	Squint operation for one or both eyes involving one or two muscles

The Committee records its appreciation to the Subcommittee members: Meg Skegg, George Neale and Peter Baulderstone who prepared this important paper.