FREE HOSPITAL CHOICE IN SWITZERLAND – PATIENTS' DECISION CRITERIA AND SOURCES OF INFORMATION

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Abstract

Since 2012 Swiss DRG (diagnosis related groups) allows patients to choose a hospital for elective treatments in acute care. The so called "free hospital choice" enables patients with basic insurance to choose a public or private hospital located inside or outside the canton of residence. These options apply to inpatient treatment of acute diseases (somatic and psychiatry) as well as to inpatient medical rehabilitation. There is a lack of data in Switzerland on patients' decision behaviour regarding hospital choice for elective treatments and there is only little information on patients' decision criteria. However, hospitals would benefit from such data, which would support strategy development and positioning of the hospital in competitive environments.

Studies conducted in other European countries show that patients obviously use a mix of information sources. References of the general practitioner or physician and recommendations of family members and friends are the most important sources. Personal experience also affects hospital choice, although it is mentioned in two studies. Patients' characteristics like age, sex, health status, and the level of education influence the kind of information sources used. Qualification of physicians and nurses, treatments' state of the art, specific competence of the hospital, patient's involvement, cleanliness, friendliness of the staff and satisfaction with the hospital are factors influencing hospital choice and patient satisfaction.

JEL Classification: I10, I11, I12

Keywords: Hospital choice; Swiss DRG; Information Sources; Decision Criteria; Patient; General Practitioner.

Introduction

There is a permanent change in the Swiss hospital market. In 2010, 299 healthcare providers were counted, which maintained activities at 482 locations. A lot of facilities are located in the cantons of Berne, Zurich and Vaud. 121 hospitals offer services for inpatient care. 30 hospitals can be assigned to the group of large hospitals like university hospitals or cantonal hospitals, 91 hospitals are considered as regional hospitals. In total, the number of hospitals decreased by 34.6% between 2000 and 2010. In the same period the number of beds decreased by 12.8%. In 2002, patients spent on average 9.1 days in hospital, in comparison to 6.7 days in 2010 (BFS, 2012).

In the future, two trends are expected in the Swiss hospital market: The first trend is a shift of treatments from the acute care sector to the ambulatory sector. This process will reduce the length of stay in hospitals and the beds capacity. The second trend is the growth of the healthcare market and an expected increase of the need for services. The growth will depend on the region: Regions like Zurich, Lake Geneva, and Central Switzerland will grow above-average. Especially in regions with a low need and a high concentration of hospitals, it will be a challenge for smaller hospitals to survive. This shows that cooperation between hospital providers could be essential. Currently, 98.4% of the population of Switzerland reach a hospital in less than 20 minutes (Credit Suisse, 2013).

One of the most important drivers of these developments was the launch of Swiss DRG (Swiss Diagnosis Related Groups) in 2012. Swiss DRG represents a patient treatment classification system for inpatients. Each acute case is classified by diagnosis or procedure, i.e. by economic (e.g. costs of operation) and medical criteria (e.g. severity of operation). The earnings per DRG compute from the base rate (one price for the treatment of the patient; the base rate is equal in all Cantons of Switzerland) multiplied by the cost weight (average treatment cost factor). The base rate is fixed by the health authorities once a year. The hospital can earn a higher income if it treats more cases and inpatients with a higher cost weight. Hospitals have to adapt and control their processes, to be able to treat inpatients in the optimal length of stay and within a shorter time (Beng, 2010; Malk and Beth, 2010). The new financing system should give a better overview about treatment costs, enhance transparency of costs and quality, and allow patients to choose a hospital for elective treatments in acute care (Swiss DRG, 2012; NZZ, 2012). The so called "free hospital choice" enables patients with basic insurance to choose a public or private hospital located inside or outside the canton of residence. These options apply to

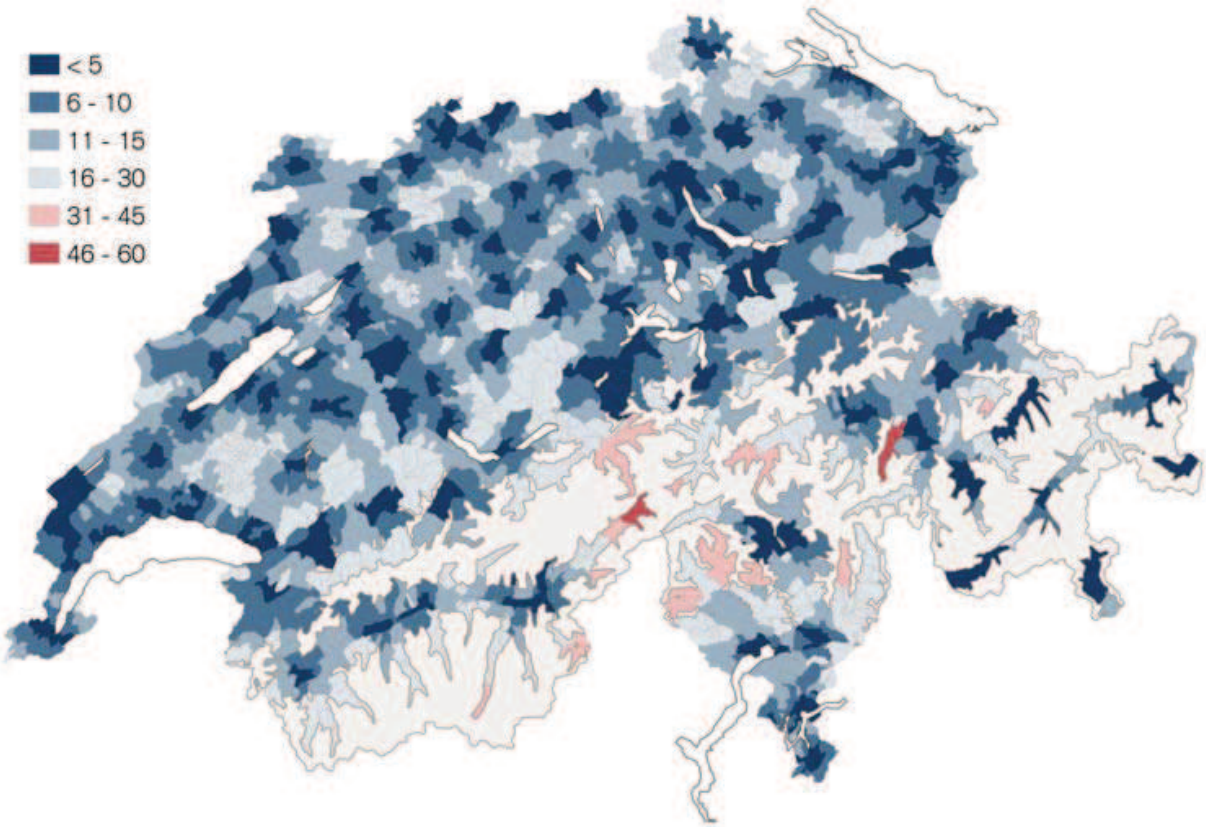
inpatient treatment acute diseases (somatic and psychiatry) as well as to inpatient medical rehabilitation. In order to guarantee assumption of the costs by canton and health insurance, the hospital must be approved by the health authorities (Swiss DRG, 2012; Universitätsspital Basel, 2012).

Currently, there is a lack of data in Switzerland on patients' decision behaviour regarding hospital choice for elective treatments. It is not known, whether patients choose their hospital actively, i.e. if they invest time and effort in taking their decision. There is only little information on patients' information sources or factors influencing the decision which hospital to choose. However, hospitals would benefit from such data, e.g. for strategy development, positioning of the hospital in a competitive environment and for improving public relations. Finally, such data could help a hospital to improve its services and to attract new patients for elective care.

Hospital concentration in Switzerland

Figure 1 presents the length of trip to the next general hospital in Switzerland. The distances were calculated from the midpoint of the community.

Figure 1: Length of trip to the next general hospital in Switzerland

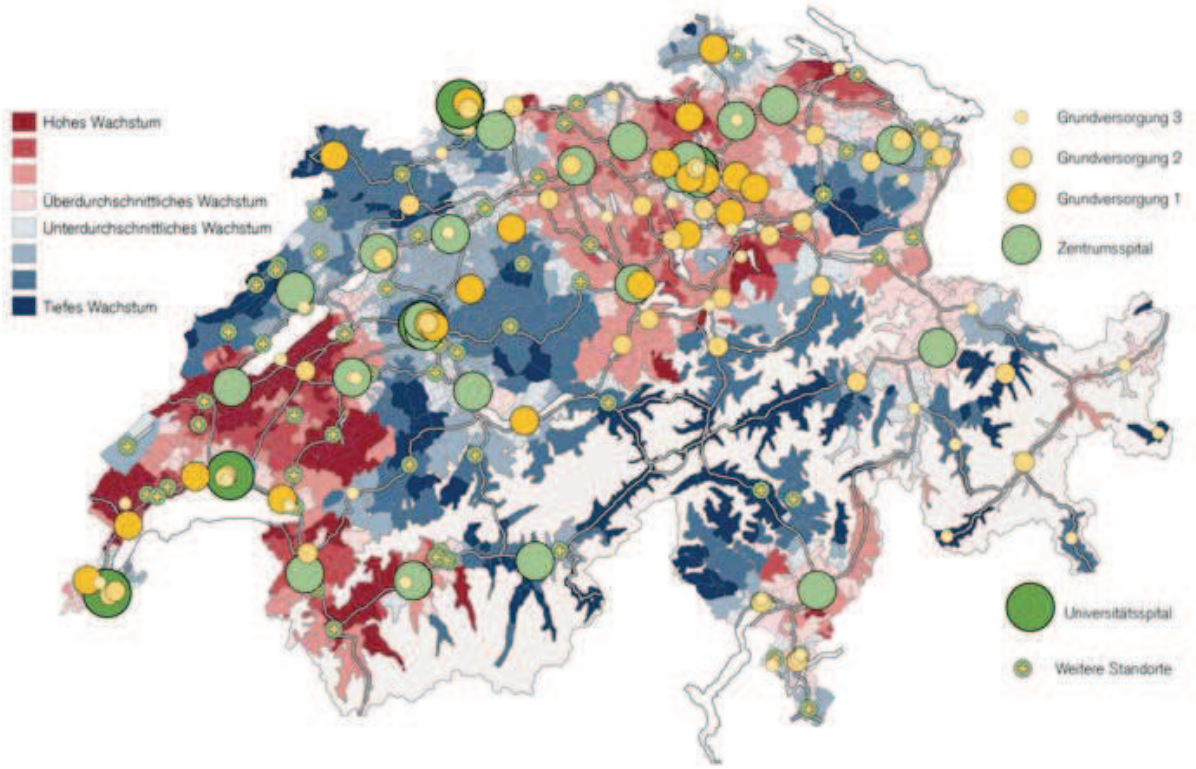


Source: Credit Suisse, 2013

Despite difficult geographic conditions, 98.4% of the Swiss population reach a general hospital within 20 minutes by car. The high concentration of hospitals is cost-intensive, but patients have the chance to choose a hospital actively (Credit Suisse, 2013)

Figure 2 shows the growth of needs until 2040 and locations of general hospitals in Switzerland. The legend of the left side illustrates the growth, divided into red sectors and blue sectors. Regions marked in red will develop above average. The demand will rise in regions like Zurich, central Switzerland and around the Lake Geneva. In contrast, regions marked in blue, especially the region of Berne and Bale, will show a need below average. The circles in yellow or green colour show different hospital types (university hospital, city hospital or primary health care). The size of circles reflects the size of the hospitals, independent of the colour. The largest green circle is a university hospital and the smallest yellow circle is small regional hospital (Credit Suisse, 2013). As figure 2 shows, the hospital concentration is impressive in Switzerland.

Figure 2: Growth of needs until 2040 and locations of general hospitals in Switzerland



Source: Credit Suisse, 2013

Literature Review

Generally, patients want to choose the hospital, in which they will be treated (Coulter and Jenkinson, 2005). Patients in acute care show expectations and preferences, which are different from those of patients in chronic care. Differences can also be found for male and female patients (Schaeffer, 2006). The "typical patient" does not seem to exist: "different patients make different choices in different situations" (Viktoor et al., 2012, p. 1).

There are six characteristic criteria relating to patients' expectations on inpatient care:

- Reliability
- Expertise and specific know, competence
- Relationship to the patients
- Communication and information
- Organization and management of the hospital care
- Atmosphere and surrounding facilities

All these expectations are relevant for inpatient care, i.e. for patients who stay in hospital. There is no evidence that these criteria have an impact on the patients' hospital choice, but it can be assumed (Dierks and Schaeffer, 2005).

Patients' information sources for hospital choice

The general practitioner is the most important and main source of information of all patients, who are allowed choose their hospital themselves. Patients are more sensitive to critical references than to suggestions (Birk and Henriksen, 2012). Patients prefer verbal information and use written information in addition (Schaeffer, 2006). For decision-making, they use different sources of information, in particular the sources listed below:

- References from the physician or general practitioner
- Recommendation, reports, experiences of family members, friends and former patients

Those are found to be highly relevant to the hospital choice of patients (Schaeffer, 2006; Victoor et al., 2012; Laverty et al., 2013). Furthermore, the patient's own experience plays an important role (Laverty et al., 2013).

Elderly people and less educated patients follow the suggestion of the physician. Comparative information of different healthcare providers is used for treatments which are planned with a longer time horizon, but the value of such comparative information is only marginal for patients with less health literacy. Other factors like the patient's own experience are more relevant, i.e. a positive experience with a provider has positive influence on the future choice (Victor et al., 2012).

Cruppé and Geraedts (2011) find in their cross-sectional study that family members, friends and discussions with the physician are the most important information sources. Patients use additional information before hospital stays and participate in information events before treatment. Quality reports are mostly unknown or are not used for hospital choice. Specific patient groups like pregnant women search the internet for general information such as diagnosis or therapy procedures offered.

In 2012, the Swiss health insurance group Helsana asked their clients how they choose a hospital. The majority followed the reference from general practitioner or specialist. Other criteria were: short distance to the hospital or recommendation of family members and friends (Helsana, 2012).

Table 1 gives an overview on literature findings. It shows that patients use mixed information sources.

Table 1: Patients' information sources for hospital choice

	References from general practitioner or specialist	Recommendation and reports of family members, friends and former patients	Own Experience	Internet Search	Quality Reports
Birk and Henriksen, 2012	x				
Schaeffer, 2006	x	x			
Victoor et al., 2012	x	x	x		
Cruppé and Geraedts, 2011	x	x		x	
Laverty et al., 2013	x	x	x		
Helsana, 2012	x	x			
Total	6	5	2	1	0

Source: Author's research

Criteria for hospital choice: view of patients

Patients' most important criteria for choosing a hospital are: quality of care, cleanliness, standard of facilities and the hospital's reputation, whereas patients with a lower level of education reported that location and appointment times were important (Laverty et al. 2013). In 2006, a representative survey on different health topics was conducted in Germany. Insured persons were asked to rank their criteria of hospital choice. In this context, 10 criteria were ranked as most important:

- qualification of the physicians
- cleanliness of the clinic and patient rooms
- qualification of the nurses
- treatments according to state of the art and best available procedures
- friendliness of the staff
- patient's involvement (shared decision-making between physician and patient)
- specific competence of the hospital
- satisfaction with the hospital
- success rates and complication rates
- recommendation through a specialist

Whereas all criteria are considered important, patients mostly have limited access to this information. Some information like qualification of personnel or specific competences of the hospital is available in quality reports of hospitals, but those play a secondary role as information source (Geraedts, 2006).

Criteria for hospital choice: view of physicians

Physicians who assign patients to hospitals manage patient flows and therefore regard good communication between hospital and physician as a key factor. Good communication and high medical competence are fundamental for close collaboration, whereas insufficient communication is one reason for refusing the physician's collaboration with a hospital. Another criterion influencing the physician's decision is a specific wish pronounced by the patient during the decision-making process. Physicians or general practitioners will e.g. offer an alternative hospital if patients report bad experience made by family members or friends. In general, patients trust the opinion of general practitioners. If e.g. a patient wants to be treated in a specific hospital department and the physician offers a better department or a better physician, the patient will decide for the better option (Borges, 2003).

General practitioners choose the hospital in the name of patient, which means that the patient delegates the decision. Short distance to the patient's residence is the most important decision criterion reported. Besides this, other criteria are a good collaboration between hospital/department and general practitioner, a former stay of the patient in the same department, and the hospital taking the referral seriously. Public information about quality of care or process parameters (like waiting times) is less relevant. Informal reports from patients or colleagues on information flow, experiences made with a hospital, collaboration between the hospital/department and the general practitioner are also ranked high (Birk and Henriksen, 2012).

Discussion

The implementation of Swiss DRG in 2012 initiated a big transformation in the healthcare sector of Switzerland. The launch of Swiss DRG and their consequences are described in detail in literature, e.g. the increasing reorganization of medical services based on principles of business administration, the reduction of the length of hospital stay, the consolidation of hospitals, the development of horizontal and vertical cooperation and the impact of discharge management, the relationship to general practitioners as well as the enhancement of case numbers (Feuchtinger, 2010; Wiedenhöfer, 2007). Acute care patients benefit from Swiss DRG, because they are allowed choose a hospital for elective treatments, irrespective of the hospital's location.

In Switzerland, only one study investigated patients' criteria for hospital choice and there is no empirical research answering the question whether patients choose their hospital for elective treatments actively. The topic is highly relevant for hospitals, particularly for economic reasons and long-term survival. At the moment, hospitals have no systematic reports about decision criteria, information sources, patient flows or factors, which influence patients' decisions. The relevance of this information will grow in the future, since transparency increases – in particular because of the internet. In Switzerland, patients have access to different information platforms like www.spitalinformation.ch. On this platform patients can select a hospital by region and treatments offered. Quality reports are also available. For one year the national association of quality development in hospitals has been publishing a minimal data set on patient satisfaction in the acute care sector. The benefit and the relevance of this information for hospital choice have not yet been researched.

Literature findings clearly show that patients use a mix of information sources. References of the general practitioner or physician, recommendation of family members and friends are the most important sources. The own experience affects hospital choice, although it is mentioned only twice (Viktoor et al., 2012; Laverty et al., 2013). One reason might be that only a small number of patients included in the sample stayed in a hospital before. Patient characteristics like age, sex, health status, and the level of education (Viktoor et al., 2012) influence the kind of information source used. The level of education (Laverty et al., 2013) also affects criteria considered important for hospital choice. Criteria reported e.g. for hospital choice in Germany (Geraedts, 2006) could be relevant in Switzerland as well, but may be subject to cultural differences and differences in the healthcare systems. Some studies have limitations in terms of representativeness. For instance Swiss Helsana asked 5.000 insured persons to take part in their survey, but there is no information about the response rate. Another limitation is that all insured persons were interviewed, i.e. the sample has not been selected according to previously defined criteria and thus provides mixed results. Patients included in the sample reported e.g. an emergency admission as a reason for hospital choice – which is usually a situation in which the patient has no choice. Other studies show limitations like different health care systems and reimbursement systems, access barriers like waiting times and differences in the concentration of health care providers. Examples for the mentioned limitations are the studies of Schwartz et al. (2005) or Birk and Henriksen (2012).

Conclusion and Implications for Future Research

Literature analysis helped to identify criteria for hospital choice and information sources in other European countries. Apart from the Helsana study, there is no research in Switzerland. Hospitals are interested in getting more information about decision-making processes, decision criteria of patients and general practitioners and the use of hospital information. These data may enhance optimal positioning and development of future strategies to improve the relationship between the hospital, the physician and the patient. Future research in Switzerland should focus on qualitative patient surveys in areas with a high concentration of hospitals - that is where patients have a real choice. The target group of patients should be acute care patients, ideally with frequent treatments or surgery. Criteria applied by pregnant women will probably be different from those applied by patients needing orthopaedic surgery.

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