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Julie Hands
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Ref: H201304900

Dear Ms Hands

Thank you for your email of 4 December 2013 requesting official information on statistics on the numbers and costs of hip revision surgeries and rehabilitation.

Hospital discharges are reported to the National Minimum Dataset (NMDS). It is not mandatory for private hospitals to submit records to the Ministry of Health. As such, the privately funded hospital figures below will not include all the procedures actually performed.

In 2011/12 New Zealand started using AR-DRG v6.0. This new Diagnostic Related Group (DRG) version separated hip revisions without complications or comorbidities out from hip replacements. This resulted in more events being recorded in hip revision DRGs than in previous years. As such, 2011/12 data cannot be directly compared to previous years.

The answers to your questions are as follows:

1. *How may hip revision surgeries be undertaken in private hospitals each year versus public?*

In 2011/12, 798 publicly funded hospital discharges were reported to the NMDS that had a hip revision DRG code. There were 64 privately funded hospital discharges reported to the NMDS that had a hip revision DRG code.

2. *How much is spent on hip revision surgeries a year?*

The Ministry doesn't record the actual cost of an event in the NMDS. We do calculate a costweight which can be used to calculate an estimated cost of an event. Costweights only apply to events considered casemix. These are largely medical, surgical and maternity hospitalisations that are funded by the Ministry of Health or DHBs. The methodology and specific list of exclusions can be found on the Ministry's website via this link:

<http://www.health.govt.nz/nz-health-statistics/data-references/weighted-inlier-equivalent-separations?mega=Health%20statistics&title=Weighted%20Inlier%20Equivalent%20Separations>

The following table shows the 2011/12 casemix data:

AR-DRG code	AR-DRG description	Discharges	Average estimated costweight per discharge	Average estimated cost per discharge
I31A	Hip revision with catastrophic complications or comorbidities	104	7.5	\$34,049.89
I31B	Hip revision without catastrophic complications or comorbidities	635	4.8	\$21,795.15

3. *How much is spent on rehabilitation, following hip revision surgery, a year?*

Rehabilitation care is excluded from casemix methodology. The Ministry does not hold cost data on the cost of rehabilitation care of individual cases.

4. *What number of revision surgeries are funded a year by ACC. (Last five years)?*

In 2011/12, there were 59 publicly funded hospital discharges with a hip revision DRG code reported with a purchaser code of ACC. In the previous 4 years a total of 50 hip revision DRGs were recorded. As noted above, this difference is due to a change in DRG versions.

5. *What was the average cost of a hip revision surgery in 2012 (total amount spent on patient including scans, post-operative rehabilitation etc).*

The Ministry of Health does not hold this information.

6. *Average length of post-operative hospital stay following a hip revision surgery?*

The average length of stay of 2011/12 casemix funded publicly funded hospital discharges with a hip revision DRG is in the following table:

AR-DRG code	AR-DRG description	Average Length of Stay
I31A	Hip revision with catastrophic complications or comorbidities	21.9
I31B	Hip revision without catastrophic complications or comorbidities	8.0

7. *Procurement policy for medical devices*

In 2012, the Government agreed to a phased plan for PHARMAC to progressively take on management of procurement of hospital medical devices. Information about PHARMAC's role in this area can be found on their website via this link:

<http://www.pharmac.health.nz/medicines/hospital-devices>

If you have any queries about this data, please direct them to Analytical Services, Ministry of Health. They can be contacted by phone on (04) 496-2000, fax on (04) 816-2898 or by e-mail (data-enquiries@moh.govt.nz).

You have the right to ask the Ombudsman to review my decision on this request.

Yours sincerely



PP
Michael Hundleby
Acting National Director
National Health Board
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