

PROJECTS

Cost Benefit Analysis of the Mackay Cardiac Ward Expansion

Evaluating the costs and benefits of additional capacity

**LOCATION**

Mackay, QLD

CLIENT

Mackay Hospital and Health Service

COST BENEFIT ANALYSIS

Background

The Mackay Hospital and Health Service Clinical Services Plan identified the growing burden of cardiac disease in the region. As the burden of disease increases, the demand for health services will also increase. To meet this increased demand, additional capacity is required in the region.

At present, inpatient and outpatient cardiac services are provided within the HHS. In addition, a pacemaker insertion and management service and a heart failure service is also delivered. However, the health service does not currently deliver some complex procedures or cardiac surgery.

A Cardiac Catheterisation Laboratory was opened in 2014 which operates five days a week during business hours. When this lab is closed, patients require aerial transport to Townsville. To help meet demand and the growing patient needs, the Health Service investigated the merit in expanding service hours.

Our role

NineSquared undertook an economic evaluation of a proposed expansion of opening hours for the Mackay Base Hospital Cardiac Catheterisation Lab. The proposal involves an expansion of staff hours to accommodate a 24-hour service. An economic evaluation was conducted which compared the increase in wages to the expected health benefits associated with a reduction in mortality rates, lower on-going health costs and changes in life expectancy, as well as financial implications associated with transfer to other hospitals.

To quantify the health implications of the change in program, a detailed understanding of patient numbers and the treatment types was required. Historical data was reviewed along with forecast presentation and separation data. This was supplemented with an analysis of disability weights from the World Health Organisation and the Australian Institute of Health and Welfare.

A range of headline decision criteria were produced as a result of this analysis, including benefit cost ratio and net present value. The outputs provided decision makers with sufficient information to make a decision on whether to expand operations. A draft and final report was prepared in partnership with other consultants and the final client.

FOR FURTHER INFORMATION

For more information, find one of our experts at ninesquared.com.au/people