

2 Methodology

The disease cost estimates contained in this report are from the Disease Costs and Impact Study (DCIS) conducted by the AIHW. Appendix B provides a summary of the disease costing methodology and more detailed information on the methodology is given in Mathers et al. (1998b).

Data sources

Total recurrent health expenditures for 1993–94, as estimated by the AIHW (1996), are apportioned by sector using hospital morbidity and casemix data for 1993–94, Medicare and Pharmaceutical Benefits Scheme (PBS) data for 1993–94, the Survey of Morbidity and Treatment in General Practice 1990–91, and the Australian Bureau of Statistics' (ABS) National Health Survey 1989–90.

Health sectors

The health sector areas of expenditure included here are hospital inpatients and outpatients; nursing homes; medical services; allied health professional services; pharmaceuticals; research; certain public health programs relating to cancer prevention (national breast and cervical cancer screening programs, and lung and skin cancer prevention programs) and 'other', which includes other institutional (not elsewhere classified), administration, and other non-institutional. These areas are defined as follows:

Hospital inpatients: inpatient (admitted patient) costs for public hospitals (including public psychiatric hospitals), repatriation (veterans') hospitals and private hospitals. Also included are private medical costs for private patients in public and private hospitals.

Hospital non-inpatients: hospital outpatient services and casualty/accident and emergency services.

Medical services: total costs of all private medical services except those to hospital inpatients (medical services for private patients in hospital are included under hospital inpatients). This sector includes consultations with general practitioners and specialists as well as pathology tests and screening, and diagnostic imaging services. It includes services to veterans.

Pharmaceuticals: includes costs of prescription drugs (whether listed in the PBS or not) and non-prescription (over-the-counter) medicines apart from those dispensed in hospitals (included in estimates of hospital costs).

Nursing homes: includes nursing homes for the aged but not institutions caring for the young disabled (considered a welfare rather than health expenditure).

Allied health services: includes costs of visits to allied health practitioners excluding pharmacists but including dentists, apart from allied health services provided by hospitals.