

Patient-level information and costing systems (PLICs): a mixed-methods study of current practice and future potential for the NHS health economy

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Plain English summary

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The NHS is tax funded, has a finite budget and faces increasing demand. Costing is essential to put resources to best use and to avoid waste. For example, there is compelling evidence for community treatment as opposed to hospital treatment, if in community services a patient's care procedure is equally safe and less expensive and if clinical outcomes are equally positive. Patient-level costs are most appropriate for such decisions. We investigated the use of the recently introduced NHS patient-level information and costing systems (PLICs) by means of a survey and four hospital case studies. The most significant use of PLICs relates to hospitals reducing costs to meet financial targets while trying to maintain good care. Clinicians generally welcome having patient-level costs to help decide: how best to undertake care procedures; how to use theatre capacity; how many diagnostic tests are required; whether to treat patients as day cases or in hospital; and how long patients should stay. PLICs were rarely used to make resource allocation decisions involving collaboration between hospitals and community services, partly because 74% of hospitals consider their PLICs data commercially sensitive and only 5% share them with commissioners, but also because community services lack PLICs data. Hospitals tend to have separate data collection systems for clinical outcomes and cost; therefore, in general, PLICs could not be used to relate costs to clinical outcomes. Under the current regulatory regime, the NHS is subject to competitive forces but also to pressures for collaboration. We conclude that the use of PLICs is, primarily, to manage an individual trust's financial performance in a competitive environment.

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