

The development of a disinvestment framework to guide resource allocation decisions in health care service delivery organizations

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Project Objectives

1. Determine how disinvestment is defined and used
2. Identify examples of disinvestment practices
3. Develop a disinvestment framework
4. Trial the tool within a single health authority

Project Overview

- Conducted systematic and scoping reviews: health care and business/public sector
- Inclusion criteria:
 - 1980 to 2011
 - Self-identified as disinvestment (not cost savings)
 - English language abstract
- Searched 6 databases: Medline, Embase, ABI/INFORM, Business Source Complete, ERIC, PAIS
- Over 15,000 hits → 199 abstracts → 43 full articles (21 HC; 22 B/PS)
- Data extraction: 21 questions
- Knowledge synthesis of definition & processes

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Steps to Cost Savings

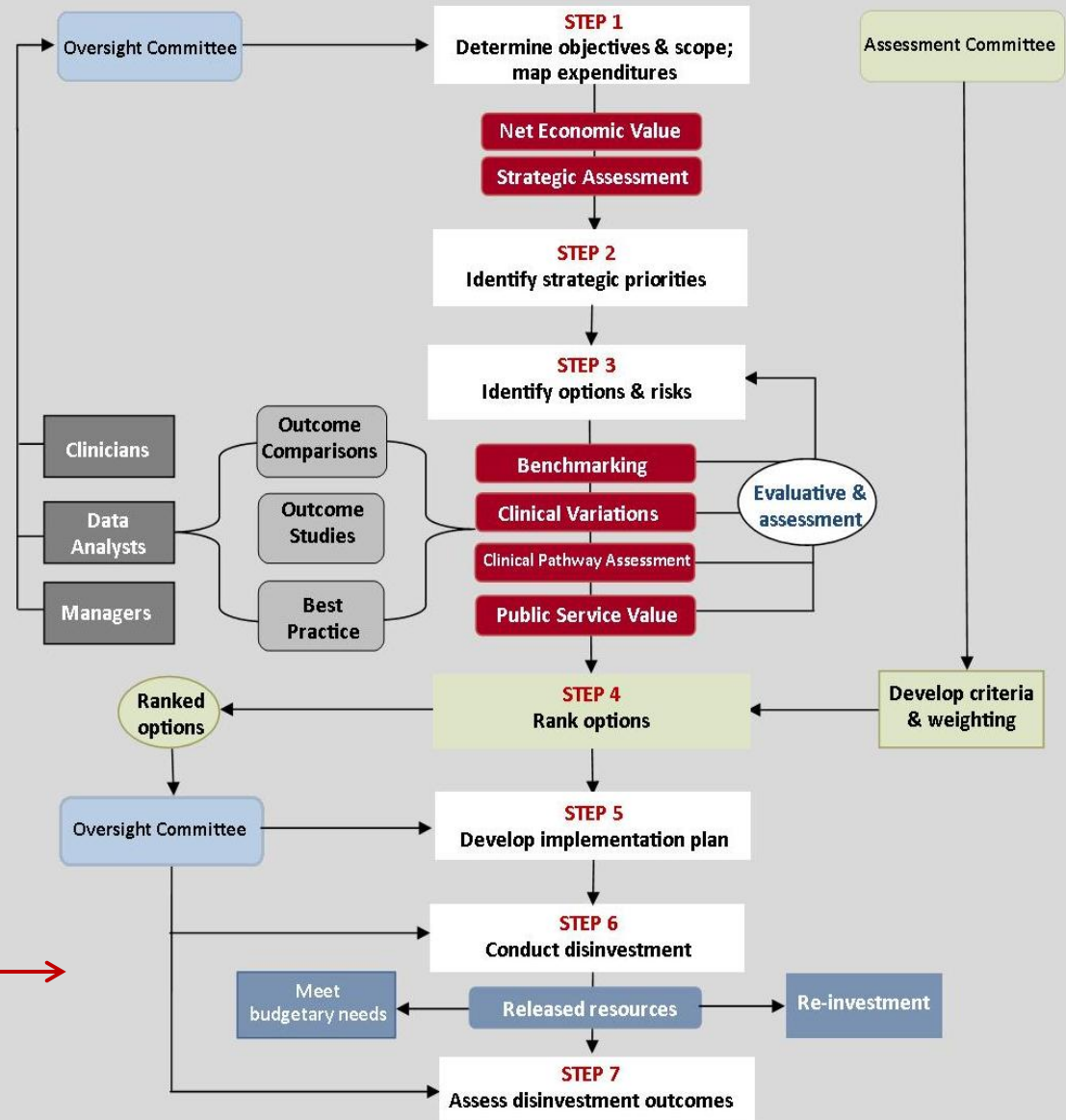
1. Generate revenue
2. Cost reduction activities
3. Outsource services
4. Reengineering – LEAN, Six Sigma
5. Non-clinical integration, consolidation, standardization
6. Clinical integration, consolidation, standardization

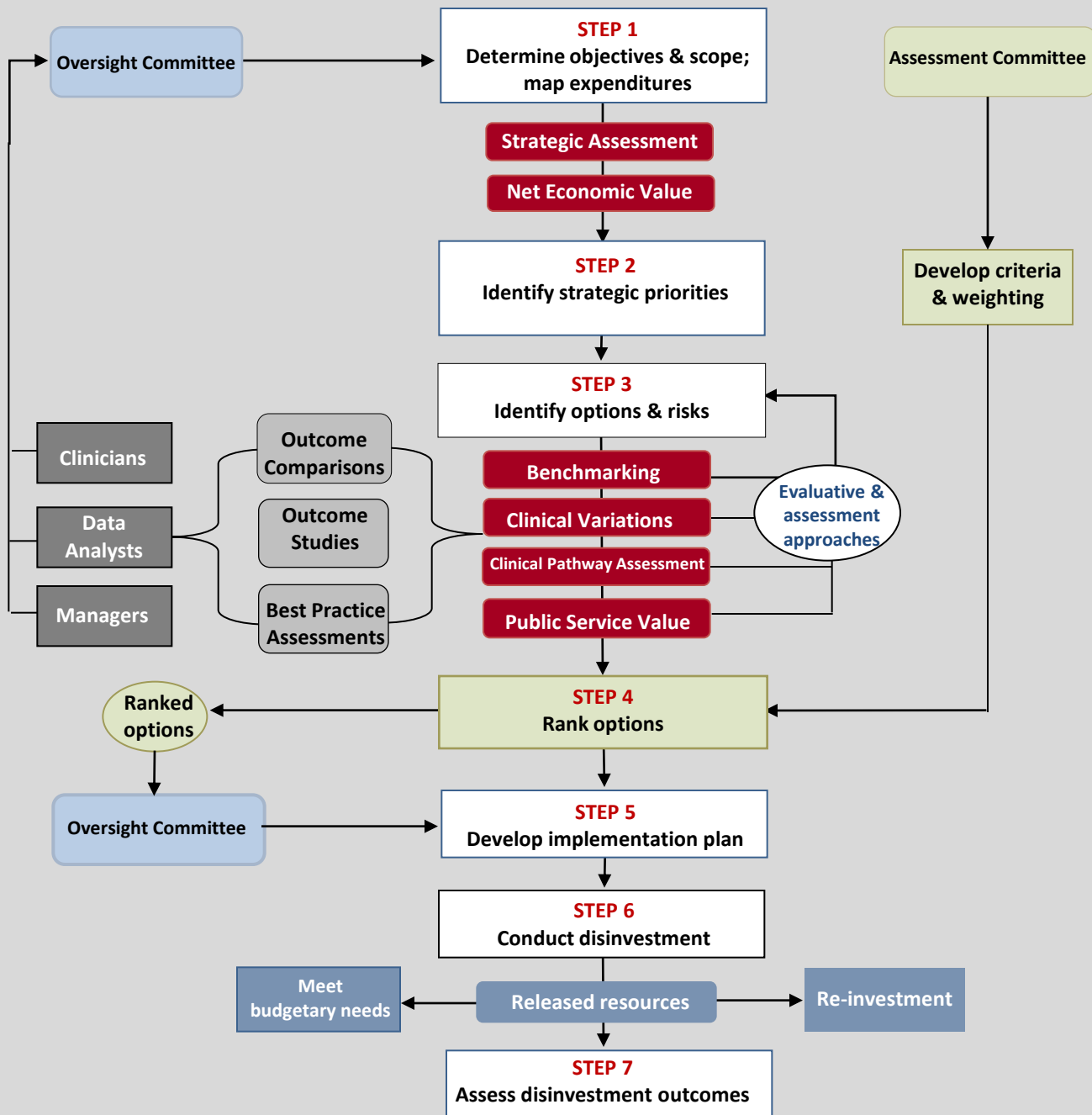
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Steps to Disinvestment

1. Identification of services and treatments that are ineffective and/or inappropriate
2. Identification of services and treatments that are effective, but of lower value than other services and treatments

Disinvestment Framework





Summary

- Need a more equitable and transparent approach
- Disinvestment literature is limited; however, there is experience to draw from
- A top-down approach is important; supported by Western Canadian CFOs
- Can be combined with bottom-up
- Process supports explicit criteria and assessment through multi-disciplinary committee
- Primary purpose is to allocate released resources to the bottom line and/or to re-investment
- Used as stand-alone or as part of resource allocation exercise
- Recommend process be conducted on an ongoing basis

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 - Suzanne Robinson, University of Birmingham
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