

ECONOMIC EVALUATION OF PUBLIC/PRIVATE MIX MANAGEMENT  
IN BAN PAEW COMMUNITY HOSPITAL, THAILAND



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A Thesis Submitted in Partial Fulfillment of the Requirements

for the Degree of Master of Science

Department of Economics

Graduate School

Chulalongkorn University

1996

ISBN 974-634-318-1

Thesis Title : ECONOMIC EVALUATION OF  
PUBLIC/PRIVATE MIX MANAGEMENT IN  
BAN PAEW DISTRICT COMMUNITY  
HOSPITAL, THAILAND

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## C860608 : MAJOR ECONOMICS

KEY WORD: PUBLIC-PRIVATE MIX / ECONOMIC EVALUATION /  
COMMUNITY HOSPITAL / BAN PAEW DISTRICT.

SHAKTI R. PAUL : ECONOMIC EVALUATION OF PUBLIC / PRIVATE  
MIX MANAGEMENT OF BAN PAEW COMMUNITY HOSPITAL, THAILAND.

THESIS ADVISOR : ASST. PROF. DR. SIRIPEN SUPAKANKUNTI.

91 pp. ISBN 974-634-318-1

Thailand like many of its southeast Asians neighbors has experienced rapid socio-economic changes in the past years. This prevailing situation has contributed to the growth of a strong for-profit private health sector providing mainly curative care in private clinics and hospitals throughout the country. While the private sector is stimulating quality of health care and perhaps, economic efficiency, it is at the same time also raising serious concerns such as cost escalation, equity of health care and 'brain drain' from the public health sector. To overcome some of these critical issues, the government has been undertaking various health care financing reforms at different levels of the health care delivery system including public/private mix management in the hospitals.

The objectives of this study are to examine the characteristics of public/private mix management in Ban Paew district community hospital and its effects on the hospital utilization and cost-recovery. A chronology of events of public/private mix activities are described. The following four specific outcomes are measured to determine the effects of the P/P mix activities:

- accessibility and quality of care;
- hospital utilization;
- equity and efficiency of the system;
- cost-recovery of the hospital.

The available data strongly suggest that there have been significant improvement in all four outcome criteria especially hospital utilization and cost-recovery. The findings of hospital utilization of Ban Paew are compared with a neighboring district with conventional public sector management system. It is found that Ban Paew hospital has much higher utilization rate than that of its neighbor. Conclusions are then drawn to determine the successes or failures of the present P/P mix system of Ban Paew. Finally, the experience of P/P mix management in Ban Paew has been discussed in light of its potential application to other community hospitals in the country or elsewhere in the region.

ภาควิชา..... Economics .....

สาขาวิชา..... Health Economics .....

ปีการศึกษา..... 2538 .....

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*Dr. Siripen Supakankunti*

## Acknowledgments

This has been an excellent opportunity for me to study in Thailand and especially to conduct research work in a Thai community hospital. I am indebted to several people without whom it would have been impossible to complete my work.

My very special thanks to Dr. Witit Artavatkun, Director of Ban Paew Community Hospital who has taken keen interest in my work and guided my visits to his hospital. He has been instrumental in finding necessary data and information concerning the study. It should be mentioned here that Dr. Witit is the mastermind of all the innovative ideas and activities in this community hospital.

My gratitude goes to Ms. Supaporn Songpracha, Head Nurse and Ms. Voranuch Sweanglap, General Manager, both from Ban Paew Community Hospital who have helped in many so ways for the collection of data and information in the hospital. Many thanks to Mr. Worapong Pannarangsi and Mr. Sanga Intajak who have been very kind to accompany my visits and help me interpret Thai language and documents for my research work.

My sincere gratitude are owed to the Thesis Committee comprising of Assoc. Prof. Manisri Puntularp, Asst. Prof. Dr. Siripen Supakankunti, Asst. Prof. Chanetwallop N. Khumthong and Dr. Witit Artavatkun who have guided my research work. Last but not least to all faculty members and staff of the Center for Health Economics who have been helpful in so many ways that goes beyond this description. The staff of the faculty library have been extremely helpful in finding books and reading material for my study. Many thanks to all of them for their kind cooperation.

Finally, I take this opportunity in wishing every success of the Center for Health Economics at Chulalongkorn University in its endeavor for the valuable contribution it is making towards more efficient health system development in the region and worldwide.

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