

The average length of stay in hospitals is often regarded as an indicator of efficiency, since a shorter stay may reduce the cost per discharge and shift care from inpatient to less expensive post-acute settings. However, shorter stays tend to be more service intensive and more costly per day. Too short a length of stay could also have adverse effects on health outcomes, or reduce the comfort and recovery of the patient. If this leads to a rising readmission rate, costs per episode of illness may fall little, or even rise.

In 2010, the average length of stay in hospitals was the lowest in Turkey, Norway and Denmark (Figure 3.7.1). It was the highest in Finland, followed by the Former Yugoslav Republic of Macedonia, Croatia, Switzerland and Germany. The high average length of stay in Finland is due to a large proportion of beds allocated for convalescent patients and long-term care (see Indicator 3.5). Focusing only on stays in acute care units, the average length of stay in Finland is not greater, indeed is even lower than in most other European countries.

The average length of stay in hospitals has decreased over the past decade in all European countries, falling from 8.2 days in 2000 to 6.9 days in 2010 on average in EU member states (Figure 3.7.1). The reduction in average length of stay was particularly marked in Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia and Switzerland. It also decreased in the Netherlands and the United Kingdom. Several factors explain this general decline, including the use of less invasive surgical procedures, changes in hospital payment methods, and the expansion of early discharge programmes enabling patients to return to their home to receive follow-up care.

A growing number of countries (*e.g.* France, Germany, Poland) have moved to prospective payment methods often based on diagnosis-related groups (DRGs) to set payments based on the estimated cost of hospital care for different patient groups in advance of service provision. These payment methods have the advantage of encouraging providers to reduce the cost of each episode of care (OECD, 2010b). In Switzerland, the move from per diem payments to diagnosis-related groups (DRG) based payments has contributed to the reduction in length of stay in those cantons that have modified their payment system (OECD and WHO, 2011).

In the Netherlands, the introduction of a new payment system for hospitals in 2006 also provided incentives to reduce length of stay. Prior to the reform, hospitals were paid

on a fixed amount per bed and beddays. Since 2006, a growing share of hospital payments is determined through negotiations between insurers and hospitals, based on the Dutch version of DRGs (Westert and Klazinga, 2011). While the average length of stay in hospitals in the Netherlands used to be above the EU average in 2000, it has now fallen below. Still, a number of additional interventions have been identified by hospital staff to further reduce length of stay in Dutch hospitals, including a further increase in the share of same-day surgery, reducing waiting times for examinations, implementing acute stroke units, and promoting early discharge planning and follow-up (Borghans *et al.*, 2012).

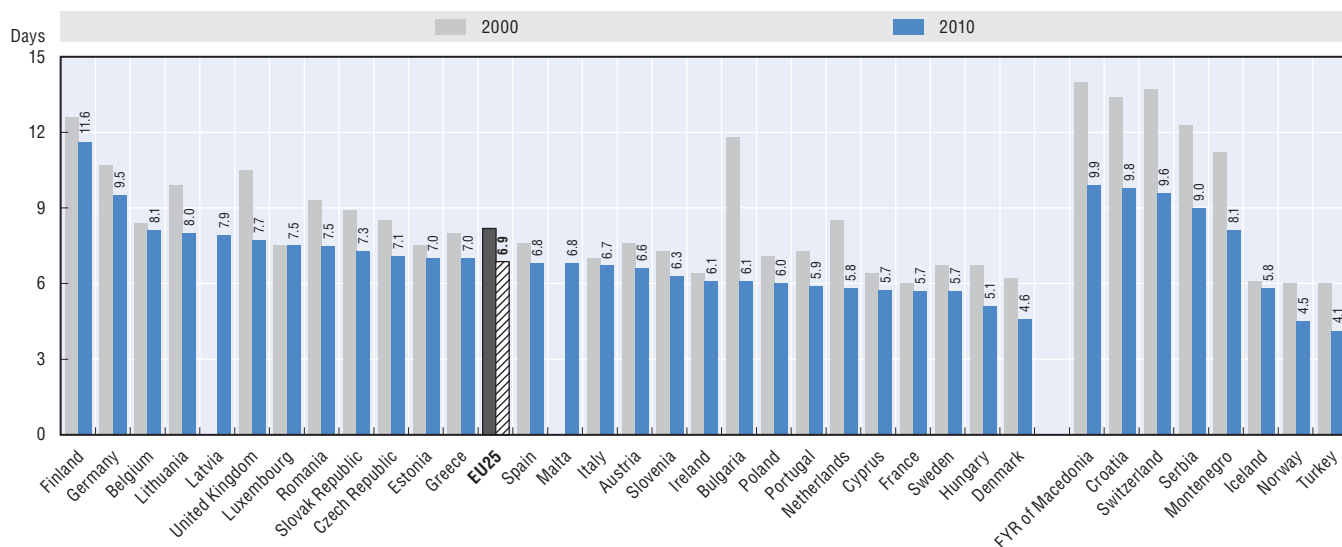
Focusing on average length of stay for specific diseases or conditions can remove some of the heterogeneity that may arise from the different mix and severity of conditions across countries. Figure 3.7.2 shows that the average length of stay for a normal delivery ranges from less than two days in Turkey, Iceland, the United Kingdom and the Netherlands, to five days or more in the Slovak Republic, Romania, Croatia and Switzerland. The length of stay for a normal delivery has become shorter in nearly all countries over the past decade, dropping from five days in 2000 to about three-and-a-half days in 2010 on average in EU member states.

Lengths of stay following acute myocardial infarction (AMI, or heart attack) also declined over the past ten years. In 2010, it was the lowest in Denmark, Norway and Turkey, at four days or less. At the other end of the scale, it was highest in Estonia, Germany, Lithuania and Croatia, at over nine days (Figure 3.7.3). In this latter group of countries, long average length of stays may be due to the fact that some patients originally admitted for AMI are no longer receiving acute care, but nonetheless stay in hospitals for a certain period to receive post-acute care.

Definition and comparability

Average length of stay (ALOS) refers to the average number of days that patients spend in hospital. It is generally measured by dividing the total number of days stayed by all inpatients during a year by the number of admissions or discharges. Day cases are excluded.

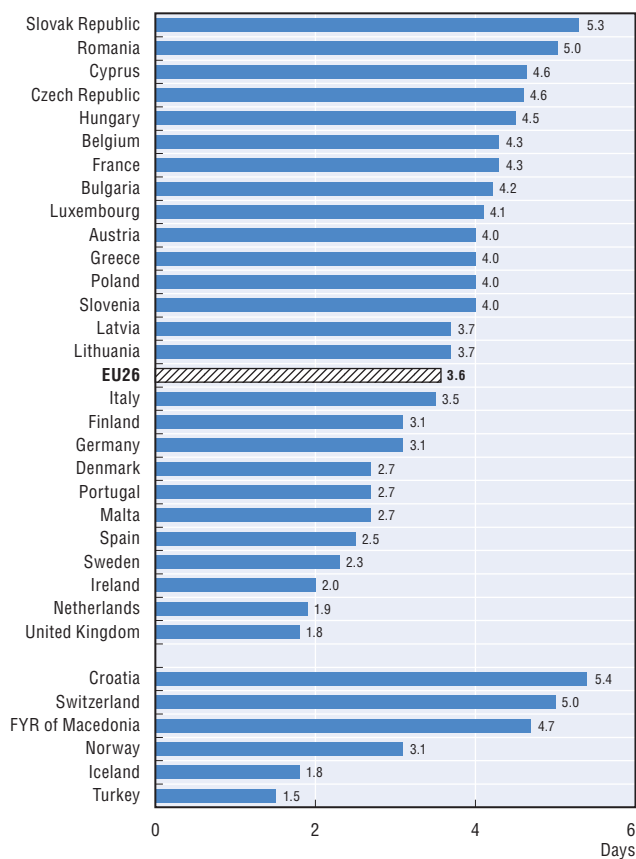
3.7.1. Average length of stay in hospital for all causes, 2000 and 2010 (or nearest year)



Source: OECD Health Data 2012; Eurostat Statistics Database; WHO European Health for All Database.

StatLink <http://dx.doi.org/10.1787/888932704475>

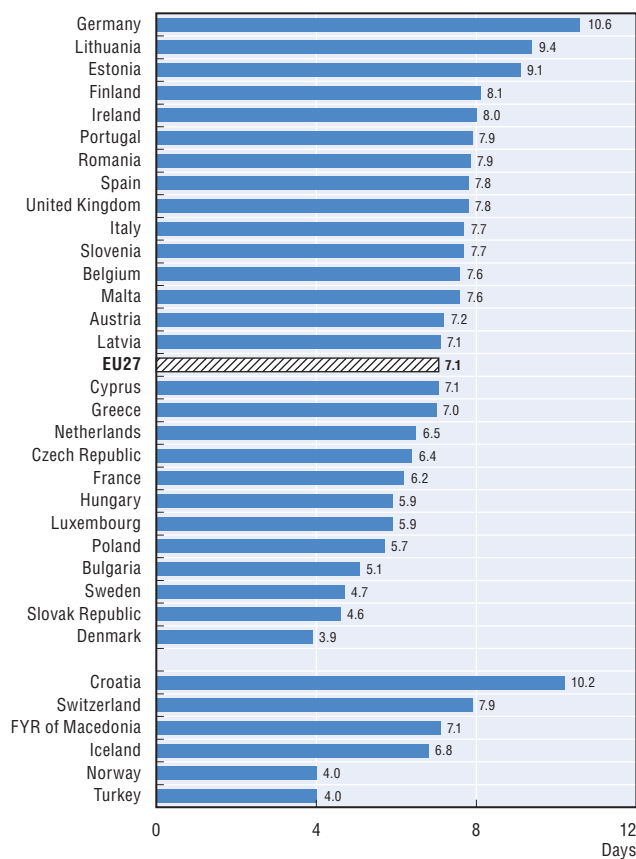
3.7.2. Average length of stay for normal delivery, 2010 (or nearest year)



Source: OECD Health Data 2012; Eurostat Statistics Database.

StatLink <http://dx.doi.org/10.1787/888932704494>

3.7.3. Average length of stay for acute myocardial infarction (AMI), 2010 (or nearest year)



Source: OECD Health Data 2012; Eurostat Statistics Database.

StatLink <http://dx.doi.org/10.1787/888932704513>