

An Implementer's View of Cost and Metrics

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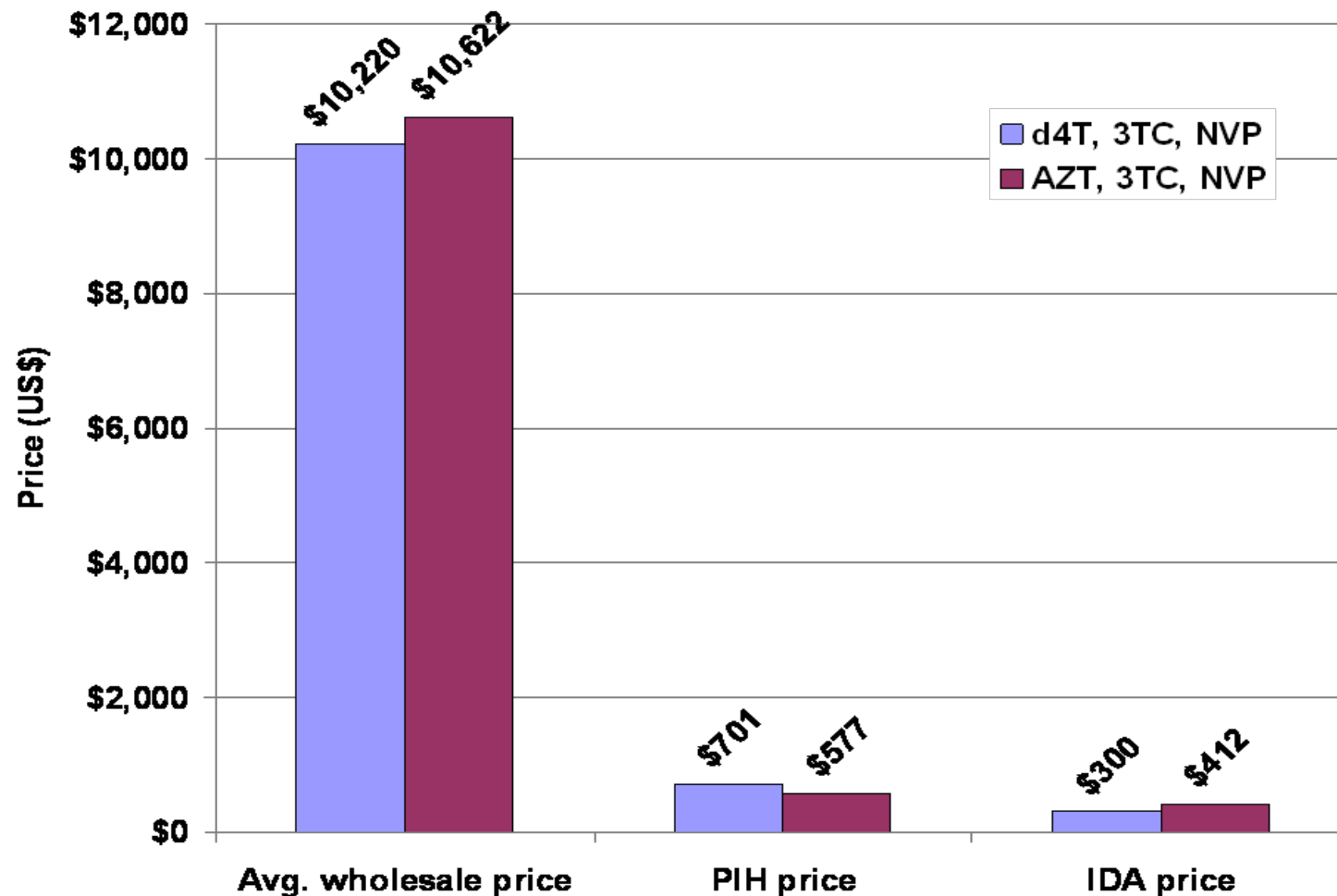
Harvard Medical School
Brigham and Women's Hospital
Partners In Health

The Lancet Commission on Global Surgery
January 18, 2014

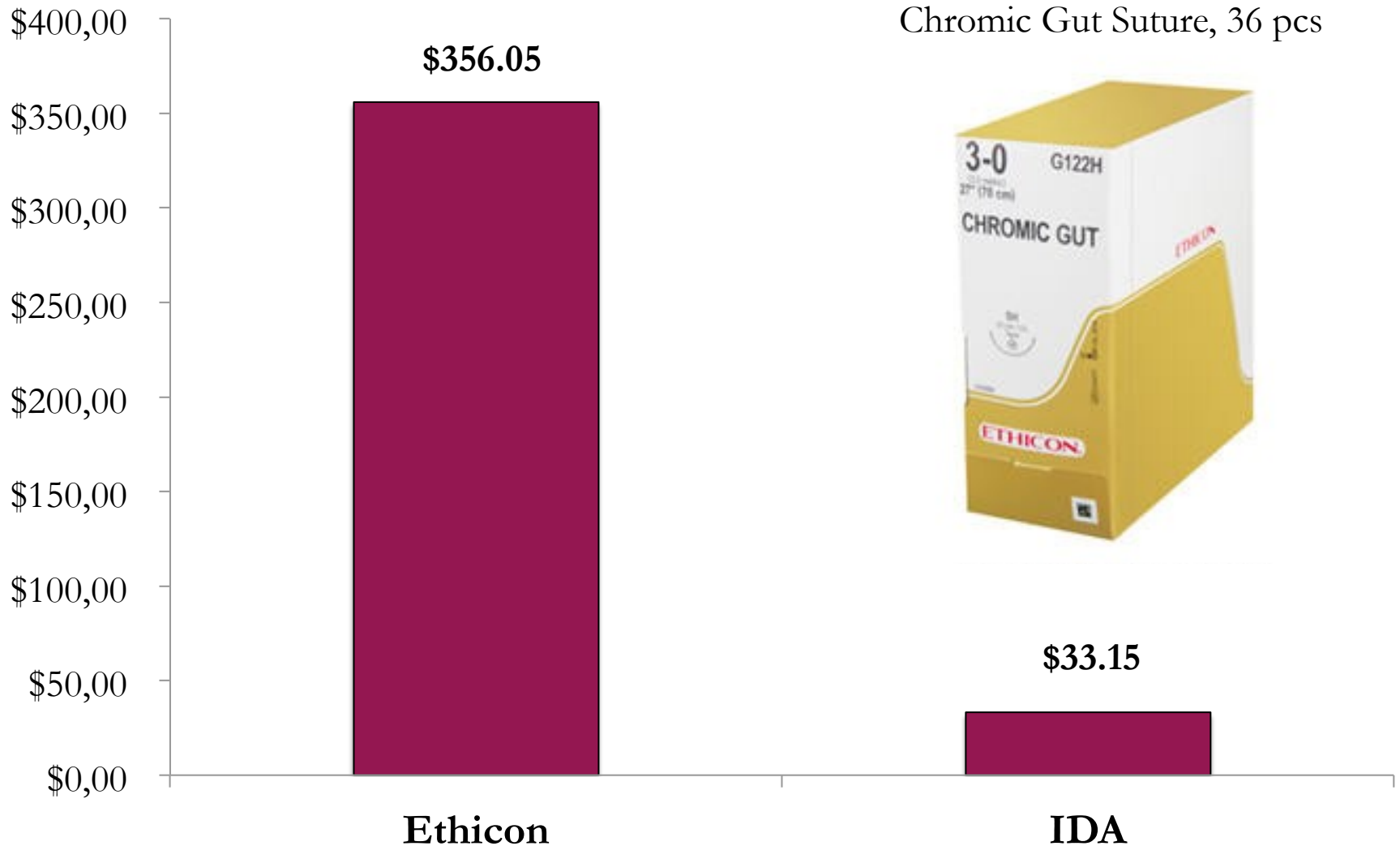


The Social Construction of Cost

Annual per-patient ARV cost, 2002



The Social Construction of Cost



“As hospital prices soar, a stitch tops \$500”

(Elisabeth Rosenthal, *NYTimes*, 2 December 2013)

Inflated Prices

California Pacific Medical Center has very high price markups for routine supplies and services.

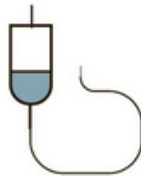
Tylenol with codeine pill



**CALIFORNIA
PACIFIC**

\$36.78

IV fluid bag



\$137

Neck brace



\$154

Echocardiogram



\$1,791

Hospital fee only

Knee arthroscopy



\$14,110

MARKET PRICE

\$0.50

Under \$1

\$19.99

\$358

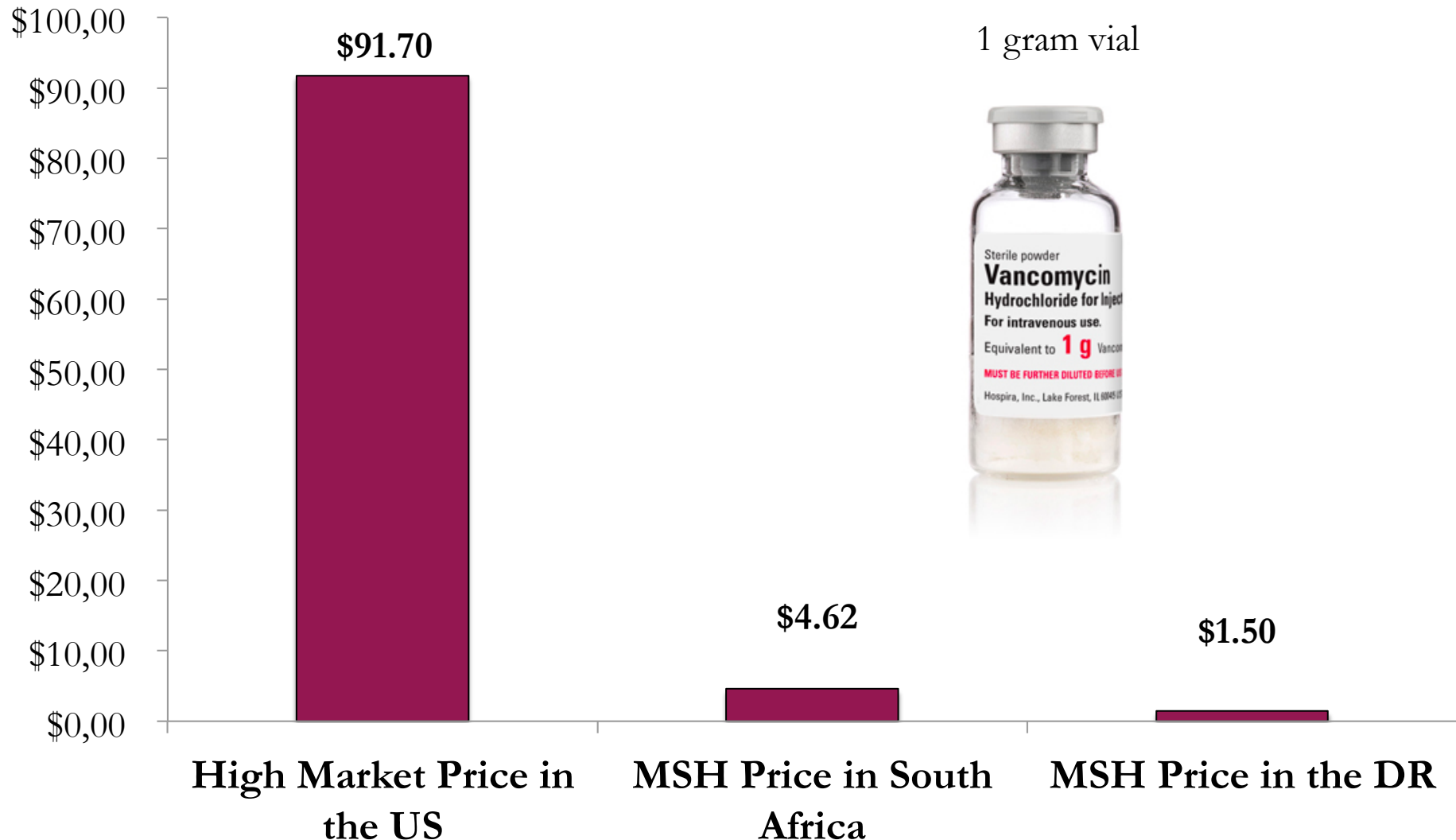
Includes doctor

\$2,037

Sources: California Pacific Medical Center chargemaster; Health Care Blue Book; CVS in San Francisco

The Social Construction of Cost

1. Vancomycin



“In need of a new hip, but priced outside the U.S.”

(Elisabeth Rosenthal, *NYTimes*, 3 August 2013)



Charges for Michael Shopenn's
hip replacement in Belgium

\$13,660



Charges for Susan Foley's
knee replacement in the U.S. were over

\$125,000

Thank you

