



# Leading Hospitalization Costs in Acute Inpatient Facilities in 2012–2013

## How much do acute inpatient hospitalizations cost in Canada?

The cost of acute inpatient hospitalizations in Canada in 2012–2013 was \$24.4 billion.\* This includes the costs incurred by hospitals to provide services but excludes physician fees. Below are the five major clinical categories (MCCs) with the highest costs in 2012–2013. MCCs use diagnosis codes to broadly categorize patients into categories that are generally based on the most responsible diagnosis.

### Information Sheet

CIHI's Clinical Administrative Databases (CAD) department collects administrative, clinical and demographic data. Facilities across Canada submit hospital inpatient, day surgery, emergency and ambulatory care data to CAD.

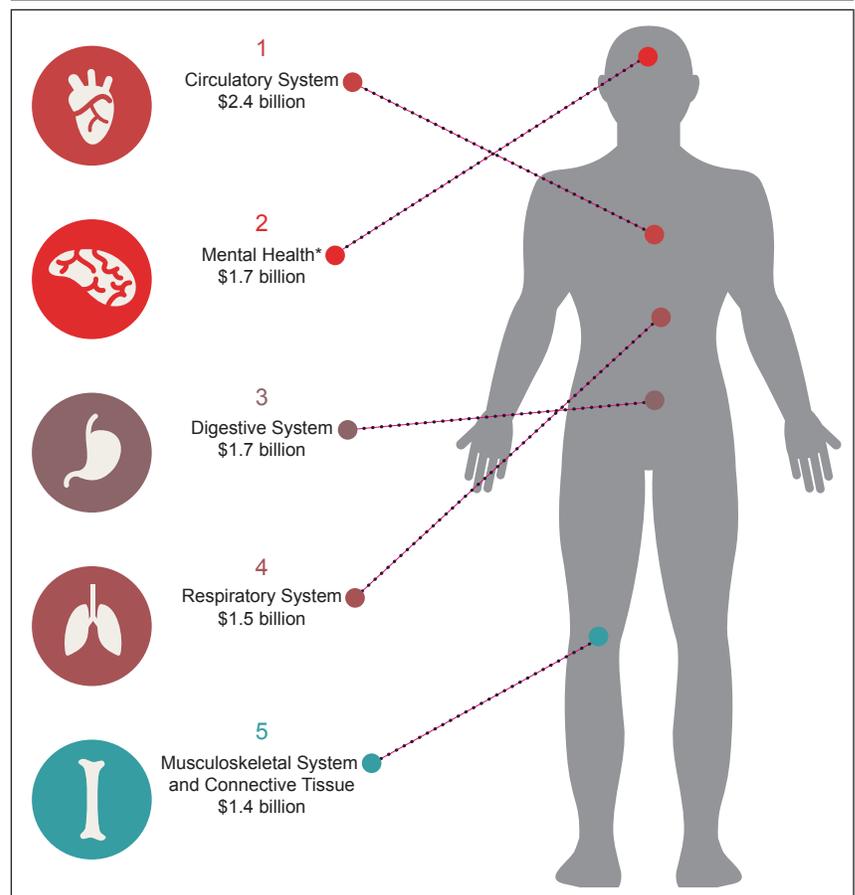
#### Important Notes

- This information sheet focuses on acute inpatient costs only and uses the Case Mix Group+ (CMG+) methodology, which aggregates acute care patients with similar clinical and resource utilization characteristics.
- The diagnosis and intervention groups shown in the figures on most expensive types of hospitalization are mutually exclusive.
- The 2011–2012 cost data used in these analyses is from the Canadian MIS Database (CMDB). Cost analyses exclude physician costs and use the national cost per weighted case (CPWC) value.
- Clinical data used in these analyses excludes data from the Ontario Mental Health Reporting System (OMHRS).
- Atypical cases (such as long stays, deaths and transfers), which make up 16% of cases, were excluded from the highest-cost major clinical categories and CMG+ diagnosis and intervention groups in these analyses.

#### Sources

Hospital Morbidity Database and Canadian MIS Database, Canadian Institute for Health Information.

Figure 1: Top 5 Major Clinical Categories in 2012–2013



#### Note

\* Canadian mental health costs include preliminary direct cost estimates for Ontario.



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## What are the 10 most expensive types of hospital stay in Canada?

Costs of hospital stays are driven by volume of cases and resources used by type of case. In 2012–2013, respiratory disease cases accounted for the highest hospitalization costs of all the grouped diagnoses, while knee and hip replacement cases accounted for the two most expensive intervention CMGs. It is important to note that total costs for a given diagnosis or intervention may require combining costs for multiple CMG+ groups. For example, the knee replacement costs in Figure 3 are for unilateral primary knee replacements only.

The leading CMGs by diagnoses and interventions had similar cost ranges in 2012–2013. When similar diagnoses were grouped, obstetric cases dominated the hospitalization costs, with four CMGs for vaginal births accounting for \$734 million in costs. Knee and hip replacements and hip/femur repairs made up 3 of the top 10 hospitalization cost groups based on CMG interventions, accounting for a total cost of \$831 million.

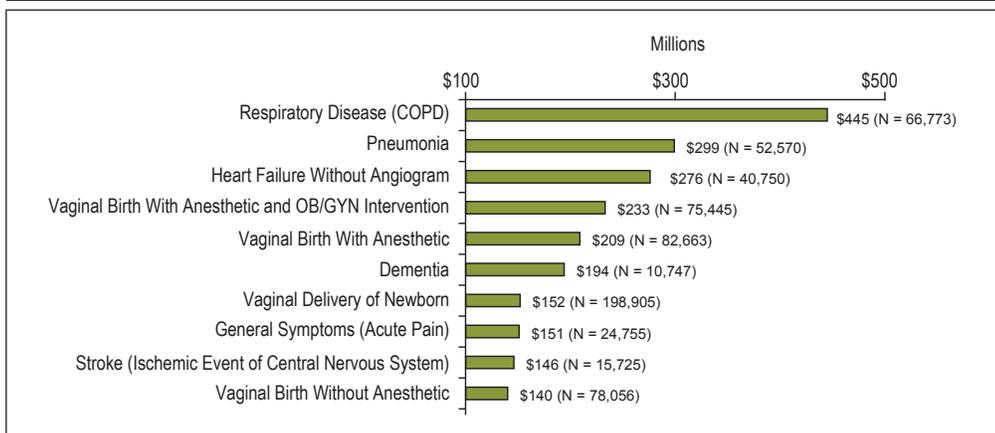
## What differences exist between age groups for the most expensive types of hospitalizations?

- Seniors accounted for 78% of the three most expensive types of hospital stays by diagnosis: Respiratory Disease, Pneumonia and Heart Failure Without Angiogram.
- Seniors also accounted for 63% of the combined costs of knee replacements, hip replacements and hip/femur repairs, with adults age 30 to 64 accounting for an additional 36% of costs.

### More Information

For more information or to provide feedback, please contact us at [cad@cihi.ca](mailto:cad@cihi.ca).

Figure 2: 10 Most Expensive\* Types of Hospitalization in Canada by Diagnosis



**Notes**

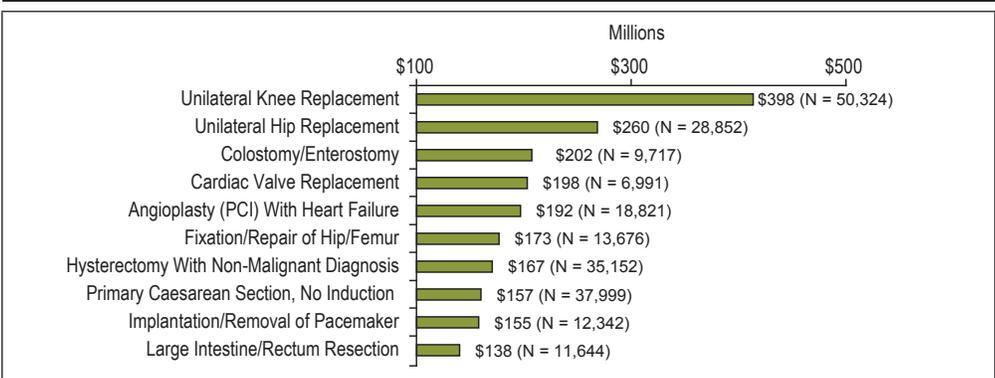
\* The term “expensive” refers to the high total cost for acute care patients. It does not refer to high average cost per stay.

COPD: Chronic obstructive pulmonary disease.

OB/GYN: Obstetric/Gynecologic.

N: Number of cases included in the CMG+ diagnosis group.

Figure 3: 10 Most Expensive\* Types of Hospitalization in Canada by Intervention



**Notes**

\* The term “expensive” refers to the high total cost for acute care patients. It does not refer to high average cost per stay.

PCI: Percutaneous coronary intervention.

N: Number of cases included in the CMG+ intervention group.