

Secondary Hospitals in West Bengal: Health Care Resources and Technological Efficiency

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This paper attempts to locate the distributional inequality of health care and efficiency of utilization of those resources in West Bengal. Output oriented Data Envelopment Analysis under VRS and Group Frontier approach has been used. Data have been collected through a primary survey funded by Government of West Bengal. Results show that there is a significant inequality in distribution of resources across region, violating the basic idea of 'vertical equity'. The overall mean efficiency of all hospitals is 0.728, suggesting that they could produce at least 37 per cent more of output with the same input volume. The scarce resources are sub-optimally used. The group frontier analysis shows that bigger hospitals situated in backward regions perform badly compared with others. The policy must attempt to reduce the inequitable distribution of resources and control the under-utilization of resources available with the hospitals.

Introduction

The wave of health care reform across the globe in the post-globalization period essentially gave exclusive focus to essential clinical services, almost entirely neglecting the speciality level hospital care. The hospital sector over the last twenty years was viewed merely as “disease palaces” (Walford and Grant 1998). However, with the passing of time, rising cost in private sector and inadequate health care services in public hospitals eventually brought back the issue of

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