

Program budgeting and marginal analysis

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- the difficult stage of the process is marginal analysis, and it must be recognised that this takes time;
- the composition of the PBMA working groups needs careful attention, but the overseas experience suggests they should be multidisciplinary;
- marginal analysis involves value judgments which are dependent on local knowledge, and therefore it must be implemented locally;
- PBMA is dependent on preparedness to consider and then carry through the identified resource shifts; and
- there seems to be no rational alternatives which will allow an approach to efficiency based largely on existing data.

PBMA IN NSW

PBMA is being developed as an element of the outcomes approach in NSW. The Centre for Health Economics Research & Evaluation (CHERE) is working with the NSW Health Department's Policy and Planning Division to establish and evaluate pilot projects over the next 12 months. During 1995 CHERE will run a series of workshops for health service planners and managers on how to implement PBMA, and meetings with Area and District Health Services' Health Outcomes Councils to identify possible projects. In addition, PBMA is proposed as part of the implementation of an approach to improve outcomes for people with diabetes.

In this context it will be important to identify the respective roles of Statewide and Area or District services. For PBMA to be successful, clear State objectives must guide priority setting, and information about effective interventions must be readily available. This is best coordinated at a Statewide level. Although the process is not data driven, a Statewide data system and casemix information could be useful in assisting Areas and Districts in establishing program budgets. Decisions about the final structure of the programs, establishing goals, supplementing information on outputs and resources and undertaking marginal analysis and resource shifts are the province of Areas and Districts. Although PBMA may be time-consuming and difficult, the process can help to ensure that priority-setting decisions are based on objective criteria.

1. Mooney GH. Programme budgeting in an Area Health Board. HERU discussion paper No 01/77, 1977.
2. Mooney GH. Planning for balance of care of the elderly. *Scottish Journal of Political Economy* 1978; 25:149-164.
3. Mooney G, Russell EM and Weir RD. Choices for health care. London: Macmillan, 1986.
4. Shiell A, Hall J, Jan S and Seymour J. Advancing health in New South Wales: planning in an economic framework. CHERE discussion paper No 23, 1993.
5. Cohen D. Marginal analysis in practice: an alternative to needs assessment for contracting health care. *Br Med J* 1994; 309:781-4.

Professor James S. Lawson, Professor and Head of the School of Health Services Management at the University of NSW, has prepared the following public health items from the literature.

REDUCING FALLS IN THE ELDERLY

Falling is a serious public health problem among elderly people because of its frequency, the morbidity associated with falls and the cost of necessary health care. In a prospective trial in the US, elderly subjects had a range of interventions, including modification of medications, removal of hazards, and appropriate physical exercise. During the year of follow-up 35 per cent of the intervention group had falls, compared with 47 per cent of the control group.

Tinetti ME, Baker DI, McAvay G et al. A multifactorial intervention to reduce the risk of falling among elderly people living in the community. *N Engl J Med* 1994; 331:821-827.

DOMESTIC VIOLENCE DURING PREGNANCY

A survey of pregnant women attending the Royal Women's Hospital in Brisbane has shown that 5.8 per cent had been abused. One-third sought medical treatment as a consequence of the abuse. The injuries included lacerations, bruising and gynaecological damage. Because most women will not reveal details of violence in the home unless asked, it is recommended that a relationship history should be included at the first visit with medical, obstetric and other histories.

Webster J, Sweett S, Stoltz TA. Domestic violence in pregnancy. *Med J Aust* 1994; 161:466-470.

ACCURACY OF WEIGHING INFANTS

The weighing of infants at Early Childhood Centres is a major preventive health activity. A Queensland study has demonstrated that due to normal physiological variations infants' mass can vary by as much as 3 per cent. Staff and parents should be made aware of this and should not become concerned with what are normal variations.

Alsop-Shields IE, Alexander HG, Dugdale AE. The accuracy of weighing infants. *Med J Aust* 1994; 161:489-490.

MALARIA VACCINES: THE SEARCH GOES ON

The journey to an effective vaccine against malaria has been long, tough and expensive. The major "breakthrough" was that of Pattaroyo et al in Colombia. This vaccine can prevent more than 30 per cent of infections in South America. The first results of trials in Africa have been reported. This was a tough test because malaria in parts of Africa is a universal infection, i.e. all the members of some populations are infected. The early results are encouraging in that protection at about 30 per cent is similar to Colombia. This does not seem so good compared with other vaccines, but it is the best attained with malaria.

White NJ. Tough test for malaria vaccine. *Lancet* 1994; 1172-1173.