

Experience shows that only small numbers of patients need to choose an alternative provider to seriously concentrate hospital managers' minds on improving their service. Sophisticated pre-requisites must be in place, however, including an effective purchase-provider split, a DRG-type provider payment system, and an accurate and timely national database of hospital waiting times for specific procedures. Cost-control can also be difficult to achieve when trying to reduce waiting lists rapidly, particularly if activity-based financing is predominant the underlying payment mechanism