

Contents

1 Summary and Policy Implications 1

- Implications for Policy 1
- What Is Health Care Administration? 2
- Aggregate National Estimates of Administrative Costs 3
- Comparisons Between the United States and Canada 3
- Personnel as a Measure of Administration 4
- Technology To Simplify Administration 5
- Conclusion 6

2 Defining Administrative Costs 7

- A Typology of Administrative Costs by Function 8
- An Enumeration of Administrative Activities 9

3 Measuring Administration 15

- Estimates of Administrative Costs and International Comparisons 16
- Personnel as a Measure of Administration 39

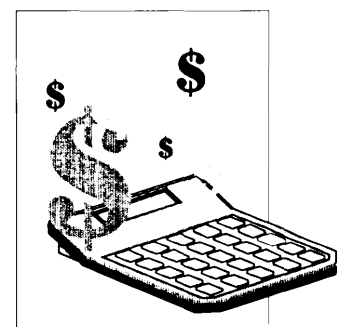
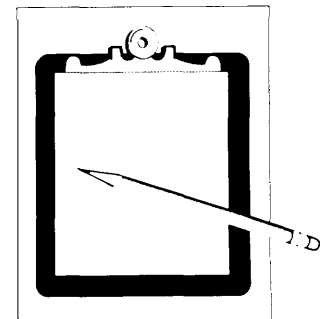
4 Technology To Simplify Administration 47

- Standardization and Automation of Insurance Claims 48
- Health Cards 48

APPENDIXES

A Acknowledgments 57

B Comparison of Health Care Administration Found In Four Countries 59



**C Methods Used in Himmelstein and
Colleagues' Analysis of U.S. and
Canadian Health Care Labor Forces 66**

D Acronyms and Abbreviations 70

REFERENCES 71