

## EXECUTIVE SUMMARY

Health financing in India is mostly out-of-pocket with only around 10 per cent of the population is covered by some health insurance schemes. The health care sector of the state of Kerala also tells a similar story. Along with the dominance of private health care institutions in the state's health care provision, the out-of-pocket expenditure is the most important source of health care expenditure. With the ailing public health care institutions and the over dependence on private for-profit health care centers the per capita health care expenditure of the state has been increasing tremendously with the medication going over and above twice the annual real rate of inflation. An important reason identified for the increase in the cost of health care has been the over dependence on medical technologies for diagnosis and curative treatments by the private health care institutions. Studies around the world has identified the over use of technology as the major reason for the increase in the cost of health care. Among the many questions it raises over this issue some of the important aspects that the study analysed are to find the factors that actually push a hospital to go for the technology adoption. Among hospitals treating the same type of diseases why some go for technology adoption at the same time others don't? Are there certain inherent characteristics in certain hospitals which can determine its adoption behaviour? Where does the, need to adopt technology, feeling arise? What are its triggering factors? Is there various stages involved in the process of technology adoption?

In order to find answers to these questions the study analysed the various available literature in the field since there exists less number of literature in the area of adoption of technology by health care centres the study considered the adoption of technology by firms and tried to understand as to how far those factors are valid for hospitals.

The factors influencing the adoption of technology identified from literature and assumed from the pilot survey conducted were grouped under four headings namely organisational, structural, individual and contextual. The study could identify eight variables for which adopter hospitals differed from non-adopter hospitals. Using another approach the study tried to carry out one-to-one correlation analysis between each of the values of each of the variables and the number of equipments. As per this analysis the study could identify six variables for which there existed some positive correlation results between the number of equipments. These six variables identified were the same as those identified from the earlier analysis. Thus, six of the selected variables were considered as variables with some influence on the adoption behaviour of the private for-profit hospitals. Through this the study intended to identify the points where the policy makers can effectively intervene so that some control can be brought in the adoption of technology and there by there can be some influence on the cost of health care since the major factor influencing the cost of health care being the overuse of technology.