Bundling Services Together to Create the "unit" of Service Theory=Bundling is Always Better

- Examples: All Maternity care is a bundle (prenatal, postnatal, delivery)
 Pre/post op services paid in a bundle w/ surgery
 Pre admit work up for elective surgery
 Comprehensive visit fee (incl Rx, Tests)
- The more inclusive the rate, the more attentive the provider will be to selecting an effective service mix
- Don't pay capital separately---Capital inclusion--eliminates centralized contracting for construction
- Don't pay drugs separately---Encourage bundling drugs into provider payment —giving incentive to provider to consider the relative efficiency of prescribed drugs.