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Subject: Research Fellow at KEPE, Dr. Roxani Karagiannis participated in the 2nd PanHellenic Conference on Applied Economics (Volos, Greece, April 14-15).

KEPE's Research Fellow Dr. Roxani Karagiannis presented her work entitled: '*A Stochastic Analysis of technical and scale efficiency of public hospitals in Greece*', in the 2nd PanHellenic Conference on Applied Economics organised by the Department of Economics of the University of Thessaly in Volos, Greece, on April 14-15, 2011.

The aim of this paper is to measure technical and scale efficiency scores for a panel of Greek public hospitals during the period 1999-2003 using stochastic frontier analysis, wherein production technology is represented by an output-oriented production function. The technical inefficiency effect model (Battese and Coelli, 1995) is used to explain how variables such as: doctors per beds or patients turnover per year, could influence the level of hospitals efficiency scores. The hospitals' most productive scale size is measured by Ray's methodology (1998).

According to the empirical results, mean technical efficiency found to be 44.59% and tends to increase over time. After 2001 health act we can observe the highest growth rate of technical efficiency. Mean scale efficiency is equal to 89.47% and is greater than technical efficiency. The vast majority of hospitals exhibit increasing returns to scale. These empirical results provide useful insights for the improvement in health care services provided by hospitals after the 2001 reform, which is associated with the increase in doctor and nursing staff per hospital, the introduction of new technology and advanced medical equipment, and the expansion of hospital care services through the establishment of self-controlled emergency and outpatients care services.

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