

**Formulating individual capabilities for health service evaluation:  
Considering individuals' differences in utilization ability**

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**Abstract**

**Background:** The structure of individual capabilities is formulated by capturing process that an individual utilise resources to achieve well-being, based on characteristic theory and human capital theory, and enables us to focus not on individuals' "utilities" but on their "functionings and capabilities

**Aim:** To inquire into the theory and method of operationalizing the capability approach in the context of evaluating the effectiveness of nursing services in home-care settings.

**Methods:** The inquiry was carried out in 2011 using questionnaires for home-care clients' experience, ICECAP-O, and EQ-5D. Responses of 199 clients were analysed and individuals' sub-functioning capabilities were constructed in the space of "having living arts" and "accessing social services" according to the differences in individuals' "activity restrictions" and "health conditions." Next, the relationship between the achievement of main-functionings ("having enjoyment" and "having security") and the endowment of sub-functionings capabilities were investigated.

**Results:** Capability approach makes it possible to measure the effectiveness of nursing services, not only through the level of functionings individuals actually choose and achieve, but also through the set of the alternative combinations of functionings (that is, "capabilities"), from which they can choose and achieve based on their own well-being function. Moreover, the capability approach indicates that the influence of differences in "activity restrictions" and "health conditions" amongst individuals can be exaggerated through the structure of individuals' capabilities.

**Key words:** capability approach, structure of capabilities, utilization ability differences, health service evaluation

**JEL codes:** I19, I31, D69

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