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About Australia



- 23 million population
- 31.5% live in rural areas
- 517,000 indigenous Australians
- 23% English as a second language
- Federation 6 states,2 territories



- Medicare universal health entitlement
- 45% have private health insurance
- \$130.3 billion spent on health (2010); 9.3% of GDP
- 70% public, 10% health insurance, 20% direct
- 7.3% increase 2010–2011

- 3 practicing doctors per 1000 people (OECD)
- 110 million GP visits per year

- 8.9 million hospital admissions in 2010–11
- 60:40 public:private patient admissions

A long-term blueprint for reform





The National Health & Hospitals Reform Commission (NHHRC) was established in March 2008:

"to provide a blueprint for tackling future challenges in the Australian health system including:

- the rapidly increasing burden of chronic disease;
- the ageing of the population;
- rising health costs; and
- inefficiencies exacerbated by cost shifting and the blame game."



AUSTRALIAN

The national news publication of the Australian Medical Association

ealth Trek











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Green Wing DVD competition winners - page 2 Medicine education is all-important -pages 4 & 6 Where to now for the Rural Bonded Scholar? - page 8 Another nail in the coffin of the independent GP - page 9 All aboard the Marrakesh Express - page 11

AND AUGUST AND AUGUST

A long-term blueprint for reform

- Four reform themes:
 - Taking responsibility
 - Connecting care
 - Facing inequities
 - Driving quality performance
- 123 recommendations for action
- 108 accepted / 14 noted / 1 rejected



The reform journey



- July 2009 The National Health and Reform Commission's Final Report 'A Healthier Future for all Australians' released.
- April 2010 Signing of a National Health and Hospitals Network Agreement between the Commonwealth and, except for Western Australia, all of the states and territories.
- August 2011 An amended plan formed the basis of the National Health Reform Agreement signed by all First Ministers.

Public hospital financing reform

- 2010/11–2013/14 Commonwealth contribution to maintained as special purpose payment (block grant) plus National Partnership Agreements.
- 2014/15 Activity Based Funding will be used to determine Commonwealth share growth of efficient cost of public hospitals.
- 2014/15 Commonwealth pays for 45% of growth, up to 50% from 2017/18.
- Clarity of roles with transparency, efficiency and agreed measures of system performance



How ABF is being used

- Federal Government Determines funding for agreed share for State operated public hospitals using efficient activity based pricing from 2014/15.
- State governments Purchase through price and volume contracts with local hospital networks using activity targets and efficient pricing.
- Local Hospital Networks Informs hospital budgeting and assists understanding volume, complexity and patterns of service activity.

IHPA



- Independent Hospitals
 Pricing Authority Agreed under the NHRA Created under the National Health Reform Act 2011 (Cth).
- The strategic intent is to improve transparency, efficiency and value for money, with independence and national consistency.



NHPA



- National Health Performance
 Authority Agreed under the
 NHRA Created under the
 National Health Reform Act
 2011 (Cth).
- The NHPA monitors and reports on the performance of Australian hospitals and primary health care organisations in both the public and private sectors.

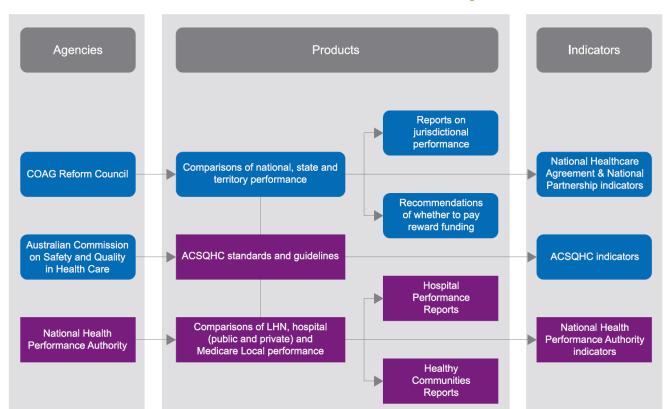




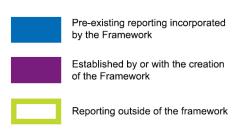


- The NHPA creates reports based on nearly 50 agreed indicators (Performance and Accountability Framework – Council of Australian Governments, May 2012):
 - National Emergency Access Target (6.2.3.3)
 - National Elective Surgery Targets (6.2.3.4)
- Designed to increase transparency and accountability through thorough performance reporting.

Performance and Accountability Framework

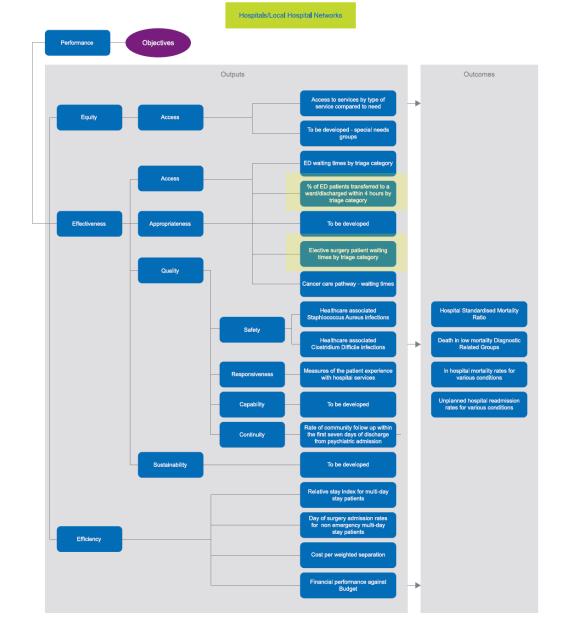


Other reporting: AlHW flagship reports RoGs annual comparisons Aboriginal and Torres Strait Islander Health Performance Framework Public reporting by state and territory governments National Mental Health Report



Hospital Performance Indicators





National Partnership Agreement



- National Partnership Agreement on Improving
 Public Hospital Services agreed 13 February 2011 –
 Improve access to elective surgery, emergency departments and subacute care services by improving efficiency and capacity in public hospitals:
 - \$1.55 billion for elective surgery and emergency department targets;
 - \$1.6 billion for new subacute beds; and
 - \$200 million flexible funding pool for capital and recurrent projects across elective surgery, emergency department and subacute care.

NPA - NEST & NEAT



 NEST & NEAT have reward payments for jurisdictions that meet the benchmarks – designed to improve access for emergency and elective surgery patients.

"To be successful, the targets must be used as a tool to drive clinical service redesign and whole—of—system change, ensuring all obstacles to effective patient flow within a hospital are removed."

Source: Expert Panel Review of Elective Surgery and Emergency Access Targets under the National Partnership Agreement on Improving Public Hospital Services – Report to the Council of Australian Governments 30 June 2011, pxii.

What is NEAT? National Emergency Access Target

radional Emergency recess ranger

A four hour National Emergency Access Target where 90% of all patients presenting to a public hospital emergency department will either:

- physically leave the ED for admission to hospital;
- be referred to another hospital for treatment; or
- be discharged within 4 hours.

Priorities of NEAT



- The safety of patients is of utmost priority.
- Target is not intended to overrule clinical judgement.
- Decisions on whether it is clinically appropriate for a patient to be retained in the ED for more than 4 hours will be at the discretion of the clinicians.

NSW initiatives to achieve NEAT



- Review of the implementation of Emergency Department models of care
- Reinvigoration of existing models of care using self assessment checklists
- · Implementation of new models

 Implement the principles of Patient Flow Systems in each Hospital and LHD to manage demand and capacity

Emergency Department Patient Flow Systems

NEAT

Patient Flow Portal Out of Hospital Care programs

 Hospital executive and Patient Flow teams use the Patient Flow Portal to assist in operational decision making related to hospital demand & capacity

- · Hospital in the Home
- Advanced Care Planning
- Community Packages (ComPacks)



NEAT performance

Table 2.1: Emergency department presentations, performance against NEAT targets, states and territories, 2012

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Measure	Per cent							
Baseline	61.8	65.9	63.8	71.3	59.4	66.0	55.8	66.2
2012 target	69.0	70.0	70.0	76.0	67.0	72.0	64.0	69.0
2012 achievement	61.1	65.0	66.9	78.5	66.0	67.0	56.7	64.3

Note: Refer to boxes 1.1 and 2.1 and appendices 1 and 2 for more information on terminology, data limitations and methods.

Source: AIHW, Australian hospital statistics - National emergency access and elective surgery targets 2012 (Canberra, 28 February 2013)

What is NEST?

- National Elective Surgical Targets

- Progressively increase elective surgeries performed
- 100% of patients receive their elective surgery within the clinically recommended time by 2016

Strategies to implement NEST



Two complementary strategies:

- Part 1: A stepped improvement in the number of patients treated within the clinically recommended time.
- Part 2: A progressive reduction in the number of patients who are overdue for surgery, particularly patients who have waited the longest beyond the clinically recommended time.



NEST performance

Table 3.1a: Elective surgery performance against NEST, New South Wales, 2012 (per cent)

			
	Baseline	Target	Achieved
Proportion seen on time			
Category 1 (within 30 days)	92.3	96.0	95.1
Category 2 (within 90 days)	86.6	90.0	91.0
Category 3 (within 365 days)	89.4	92.0	92.2
Average overdue wait (days)			
Category 1 (within 30 days)	0.0	0.0	11.0
Category 2 (within 90 days)	39.0	29.0	23.6
Category 3 (within 365 days)	130.0	98.0	63.4

Source: AIHW, Australian hospital statistics - National emergency access and elective surgery targets 2012 (Canberra, 28 February 2013)

NEST performance targets



Each state is assessed on the 31 December each year against Part 2 of the NEST. Reward funding under Part 2 contingent on meeting these conditions:

- 10% of the longest waiting patients on 31
 December each year must be treated by the end of the following year.
- 2. On the 31 December each year any overdue patients on the waiting list cannot exceed the average targeted waiting days over their clinically recommended timeframe.

Reflection



Even if NEST and NEAT are achieved are they the best measures of efficient, effective, accessible healthcare.

- Are NEST and NEAT the right things to pay incentives on?
- What are NEST and NEAT not measuring?
- If we pay too much attention to NEST & NEST, what are the unintended consequences?

How do we consider public and private sector roles?

Performance reporting is a dynamic, ongoing process.





National Health and Hospitals Reform Commission, 'A Healthier Future For All Australians' – Final Report (Canberra, June 2009): http://www.health.gov.au/internet/nhhrc/publishing.nsf/

Professor Bennett's report Are we there yet? – A journey of health reform in Australia" (March 2013) is available at: http://www.nd.edu.au/events/are-we-there-yet.

IHPA: http://www.ihpa.gov.au

NHPA: http://www.nhpa.gov.au

AIHW: http://www.aihw.gov.au

Other reports and presentations can be found at http://www.christinebennett.info.