FROM VOLUME TO VALUE DRIVEN CARE

2016 NSW Health Innovation Symposium
Elizabeth Koff, Secretary, NSW Health
WORLD WIDE, ALL HEALTH SYSTEMS ARE ON JOURNEYS OF REFORM

- Population growth and ageing
- Increasing chronic disease
- Rapidly evolving technologies and new medical knowledge
- Rising expectations
- Uneven quality
- Increasing costs

“Health spending has risen faster than economic growth in all OECD countries over the past 20 years.”
OECD, Better Policies for Better Lives
SINCE 2011, NSW HEALTH HAS BEEN PUTTING IN PLACE THE BUILDING BLOCKS FOR TRANSFORMATION

- Putting decision making closer to the patient
- Supporting strong clinician engagement and leadership
- Making healthcare funding transparent
- Implementing new models of evidence-based care
- Looking at ways to better integrate care
- Lifting system performance
- Investing in partnerships
- Supporting connectivity through investments in eHealth
NO OTHER COUNTRY HAS BETTER HEALTH OUTCOMES PER CAPITA EXPENDITURE THAN NSW

Current public and private healthcare expenditure per capita (AUS$) adjusted for cost of living

- Higher spending and poorer health than NSW
- Lower spending and poorer health than NSW
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**THIS WAY TO BETTER VALUE**
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This way to better value
“Achieving high value for patients must become the overarching goal of health care delivery, with value defined as the health outcomes achieved per dollar spent. ...If value improves, patients, payers, providers,…all benefit while the economic sustainability of the health care system increases”
M Porter, What is value in health care? NEJM, 2010
FROM VOLUME TO VALUE – FOCUSING ON PATIENT OUTCOMES

THE SYSTEM MANAGER
• New payment models
• Statewide service planning
• NSW Health enabling IT program
• New models of care
• Quality and safety capacity building
• Translational research

DISTRICTS AND NETWORKS
• Patient-centred care
• Quality and safety led governance
• Measuring and reporting
• Culture of continuous improvement
• Care integration
• Collaboration

ENABLERS
Listening, Learning, Measuring, Reporting, Data Analytics, Evidence, Education, Research, Evaluation, Innovation, Partnering

BETTER VALUE FOR THE SYSTEM
Cost savings delivered by reducing variation, errors, duplication and fragmentation

BETTER OUTCOMES FOR PATIENTS
Improved alignment of patient expectations with the care delivered

FROM VOLUME TO VALUE: KEY PRIORITIES AND ACTIONS FOR NSW HEALTH

SAFETY & QUALITY
PATIENTS FIRST
- safe, patient-centred care
- incident management
- accountability
- measurement and reporting
- compliance

NEW MODELS OF CARE
LESS VARIATION
- chronic conditions (diabetes, COPD, CCF)
- timely access to care (hip fracture surgery)
- variation in rates of procedures (hysterectomy)
- community based care (palliative care)
- specialised services (stroke)

SYSTEM REDESIGN
BETTER VALUE
- process improvement (OR efficiency)
- statewide service planning (Level 4 ICUs and Observation Units)
- partnerships
- procurement models (tendering processes)

PEOPLE AND CULTURE
SKILLS MATCH
- rostering improvements
- new workforce models
- building capability of boards
DEVELOPING NEW MODELS OF CARE –
KEY AREAS OF FOCUS TO IMPROVE CARE

- Falls
- End of life
- Congestive heart failure
- Chronic obstructive pulmonary disease
- Hip Fracture
- Diabetic foot
- Osteoarthritis
- Diabetes
- Chronic obstructive pulmonary disease

Identified areas where there is an opportunity to improve our models of care to deliver better outcomes and better value.
OVERALL, CARE IS RATED HIGHLY BY PATIENTS IN NSW, BUT THERE’S ROOM FOR IMPROVEMENT

- 60% of patients were involved in decisions
- 21% of GPs are always notified when patients are discharged from hospital
- 25% of patients were not told about new medication side effects to watch for
While challenges remain, it is becoming clearer every day that shifting from volume-based toward value-based payment and delivery systems in health care has great potential. But it is also clear that it will take all of us in the health care system working together to achieve its full potential of providing the best quality of care.

D Leonard. The Health Care Paradigm Shift: Moving from Volume to Value, March 31 2015
Between 2006 and 2009, 47% of patients who died from cancer visited an Emergency Department in the last 30 days of their life.
DEVELOPING NEW MODELS OF CARE – KEY AREAS OF FOCUS TO IMPROVE CARE

Of all patients admitted to a NSW hospital for CHF between 2006 and 2009, 15% were readmitted within 30 days of discharge – 32% for a potentially avoidable complication.
In 2014-15, there were around 10,000 patient falls in NSW public hospitals that caused harm.
DEVELOPING NEW MODELS OF CARE – KEY AREAS OF FOCUS TO IMPROVE CARE

NSW has one of the highest rates of hospitalisation for patients with COPD. Compared to 11 other countries, only New Zealand had a higher rate.
DEVELOPING NEW MODELS OF CARE – KEY AREAS OF FOCUS TO IMPROVE CARE

In 2014-15, admission for treatment of diabetes accounted for 11% of all public hospital admissions, with an average stay of 6 days.
DEVELOPING NEW MODELS OF CARE – KEY AREAS OF FOCUS TO IMPROVE CARE

Compared to 11 other countries, NSW is mid range for diabetes-related lower extremity amputation rates (9/100,000 people).
In 2013, only 70% of patients with a hip fracture received surgery within the recommended timeframe of two days from time of admission.
DEVELOPING NEW MODELS OF CARE – KEY AREAS OF FOCUS TO IMPROVE CARE

In NSW in 2013, 11,377 patients aged over 50 years underwent a knee arthroscopy, which has been found to have little or no benefit for people in this age group.