Lifting performance through greater clinical co-ordination and integration

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MINISTRY OF HEALTH
MANATŪ HAUORA

Summary

- Current Performance
- Challenges
- The Evidence for clinical integration
- The current landscape
- Our Integration Programme
- Engagement and Improvement

Current Performance: Health Status

- We have a higher life expectancy than the OECD average
- Life expectancy at birth is 78 years for males, 82 for females
- Since 1980 life expectancy has increased more than in Australia, the UK, US and Canada
- We are living longer in good health
- Health expectancy at birth: 67 years for males, 69 years for females
- Our extra years of life tend to be spent with disability, because life expectancy has increased faster than health expectancy

Current Performance:
Health Status: Non-communicable disease

- 80% of deaths are caused by CVD, cancer, chronic respiratory disease and diabetes
- Māori and Pacific experience poorer health outcomes

Diet, physical inactivity, tobacco use and harmful use of alcohol contribute to NCDs

- 3 in 10 adults are obese - 3rd highest rate in OECD
- 1 in 5 adults have hazardous drinking patterns
- On a positive note, NZ's daily smoking rate has decreased (26% in 1999, 18% in 2009)
- Mental health

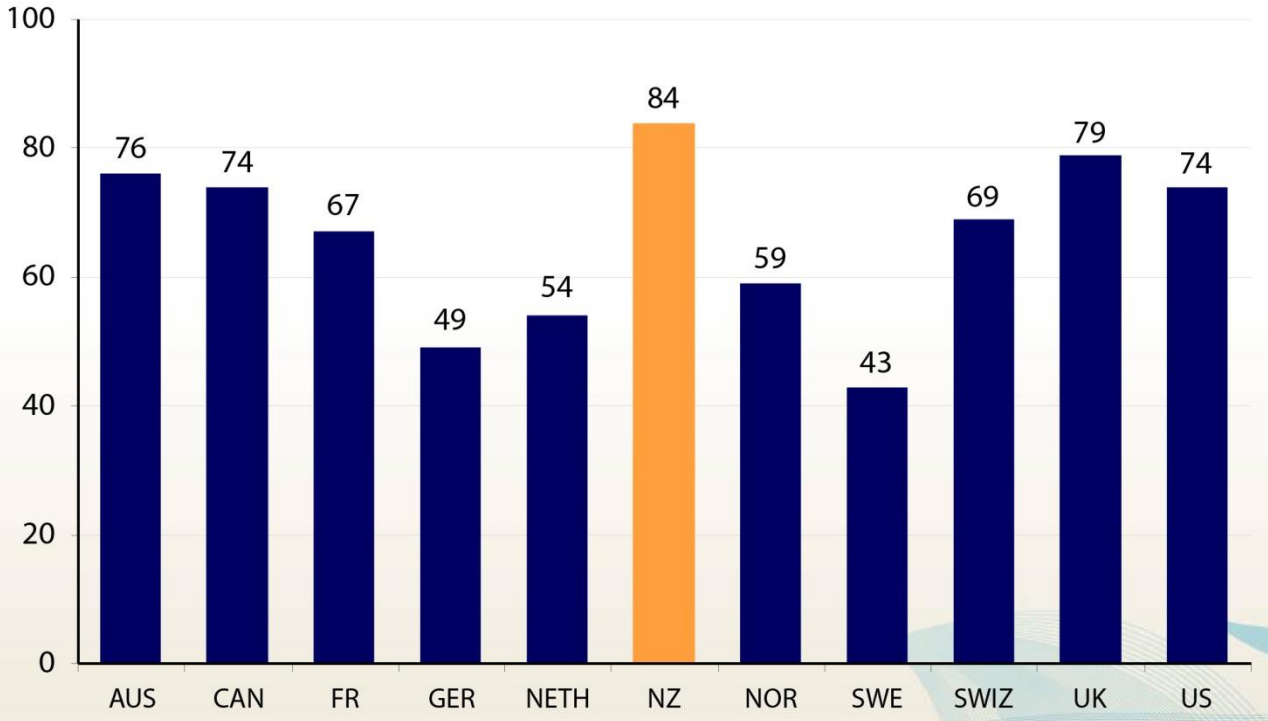
Current Performance:
Health Status: Communicable Disease

Communicable diseases are still a challenge

- Rheumatic fever rate much higher than other developed countries, almost solely Māori and Pacific affected
- Although improving, our immunisation rates are still lower than we would like

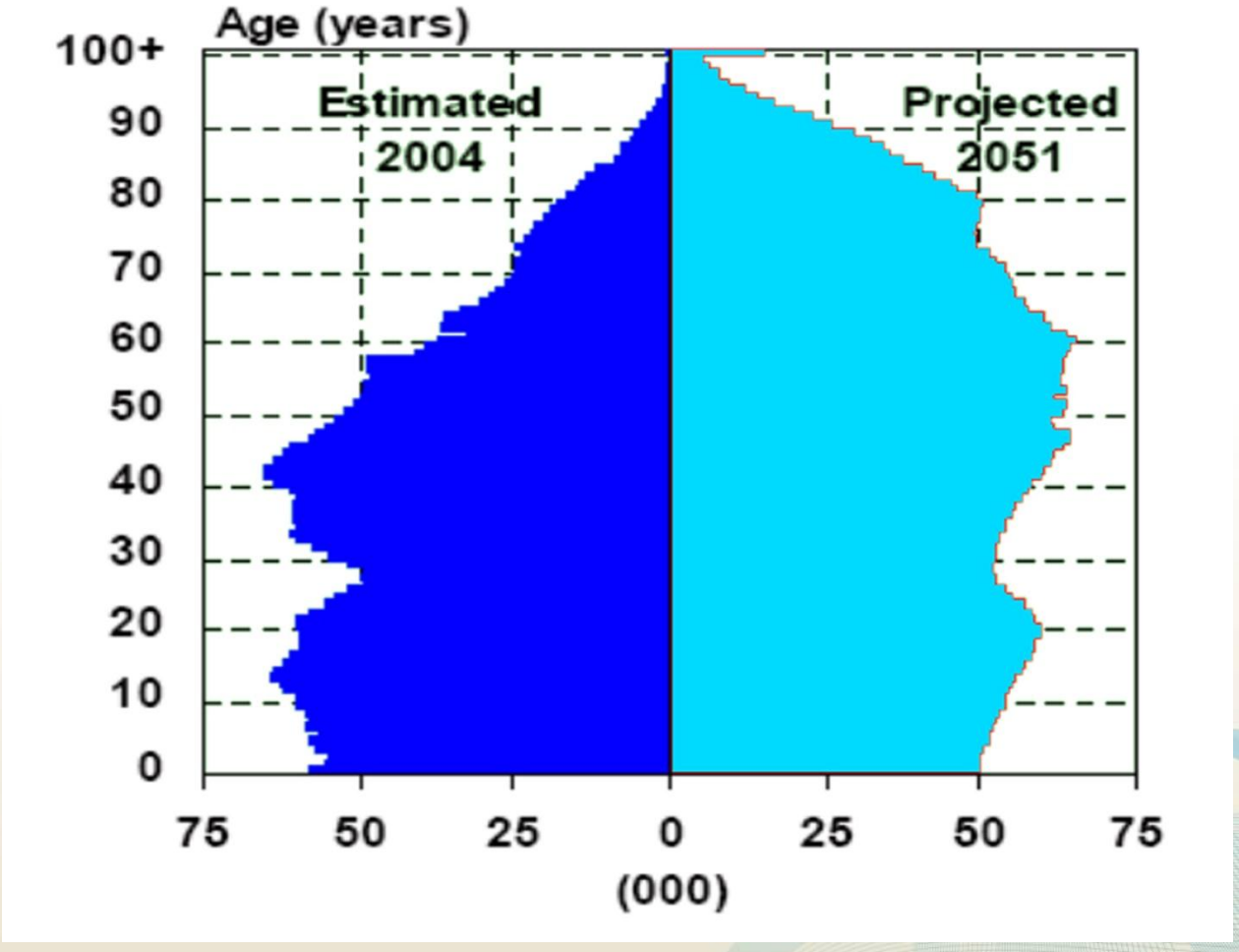
Current Performance:
Patient views of New Zealand general practice

People rated care received from regular doctor as very good/ excellent



Source: 2010 Commonwealth Fund International Health Policy Survey in 11 Countries

The Challenge of Ageing

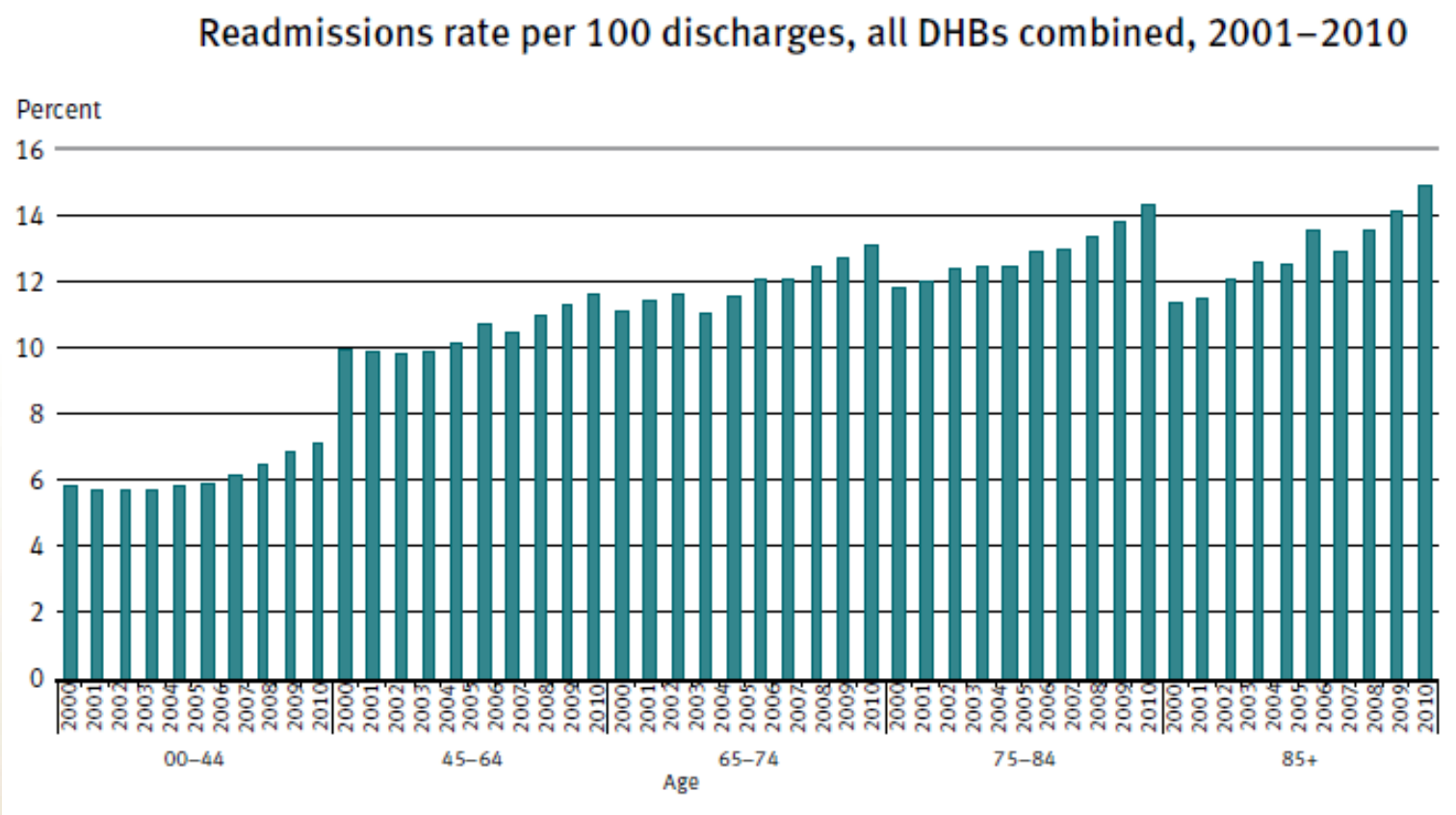


Statistics New Zealand, March 2006

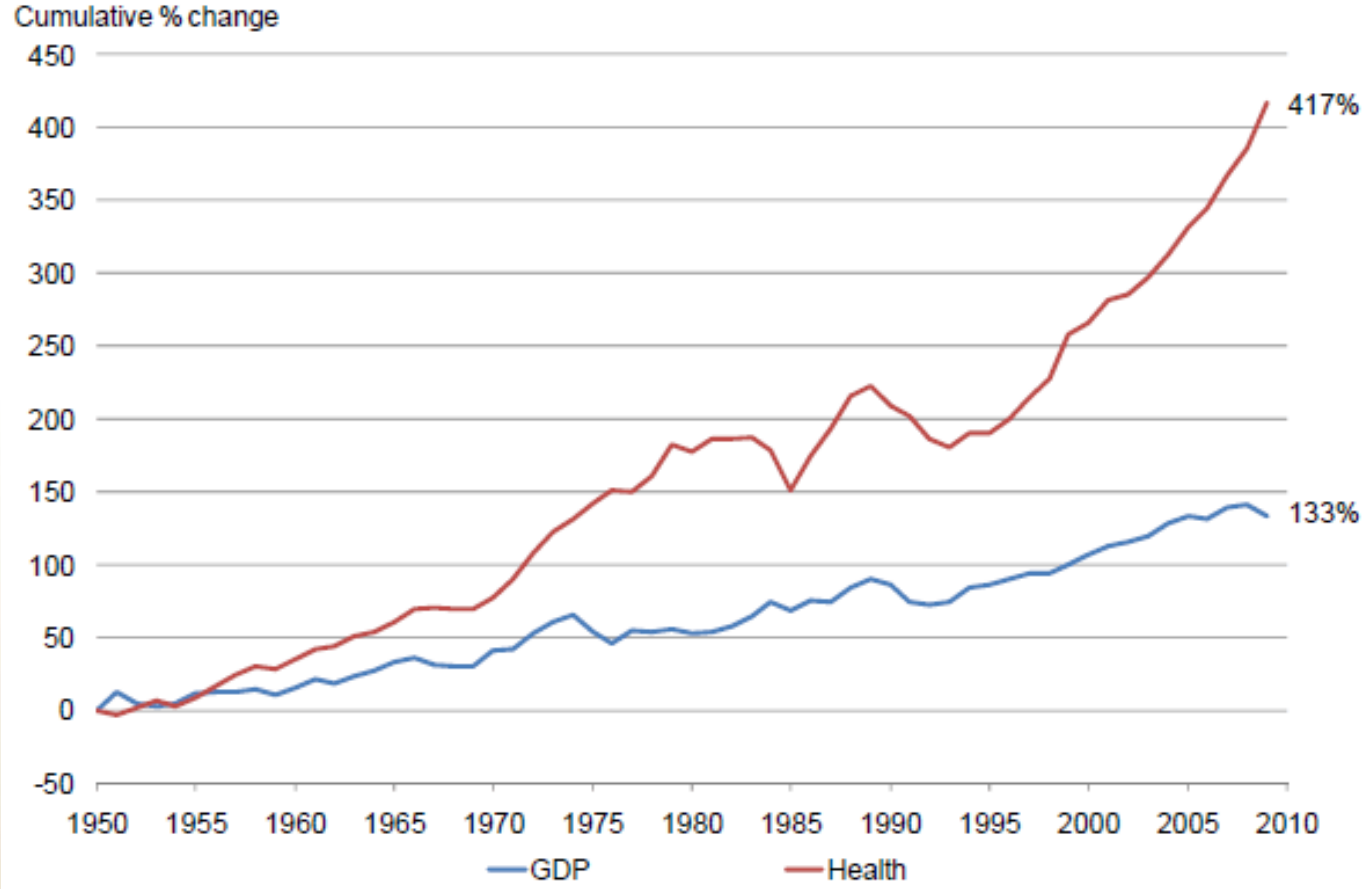
The burden of long term conditions

- Two out of three adults have been diagnosed with a health condition that lasted (or was expected to) six months or more.
- The number of people with multiple comorbidities is expected to rise.
- At least a two fold increase in absolute prevalence (and burden) of dementia needs to be planned for over the next twenty years.
- The number of people needing renal replacement therapy is expected to increase by 50% or more in next ten years (partly driven by diabetes)
- Common mental health problems affect about one in five of the adult population, with severe mental health problems affecting three in a hundred.

Hospital readmissions



Health Spending



Ministerial Expectations

"It is vital that New Zealanders continue to receive quality health care and the support they need to manage their own health and maintain their independence. This needs to happen in a financially stable way.

"Over the next three to five years, the Ministry of Health will drive greater integration of services across the health service, to better centre on the patient."

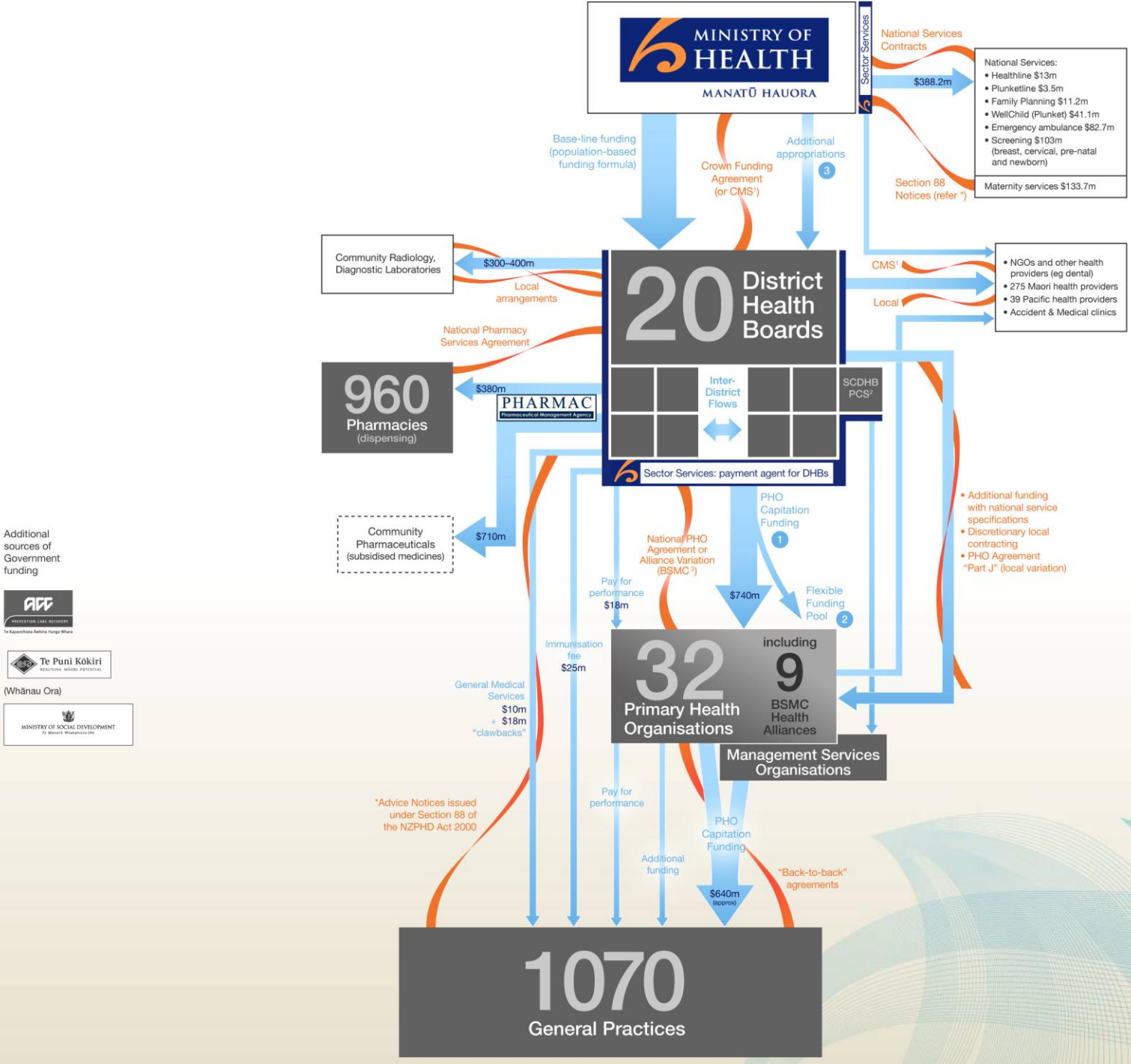
Hon Tony Ryall
Minister of Health
May 2012
Source: Foreword to Ministry of Health Statement of Intent

Can integration improve quality and save money?

Yes

- "For a health system…most changes for better coordination improve quality and save money."
- "Coordination combined with other changes in how patients are cared for, can save money and raise quality e.g. some models of care to prevent hospital admissions and other chronic care and illness prevention models…the most effective are those that use reliable data to identify the patients most at risk of deterioration, and then ensure that they get the right type of coordinated care and self-care services."
- "Changes in payment systems, regulation, professional education and codes of practice are needed to counteract the increasing fragmentation and pressures to neglect coordination."
- "Those who suffer most from under-coordination are people who are poor, vulnerable and/or members of minority ethnic groups."

Does clinical coordination improve quality and save money – Dr John Ovretveit, The Health Foundation 2011


MINISTRY OF HEALTH
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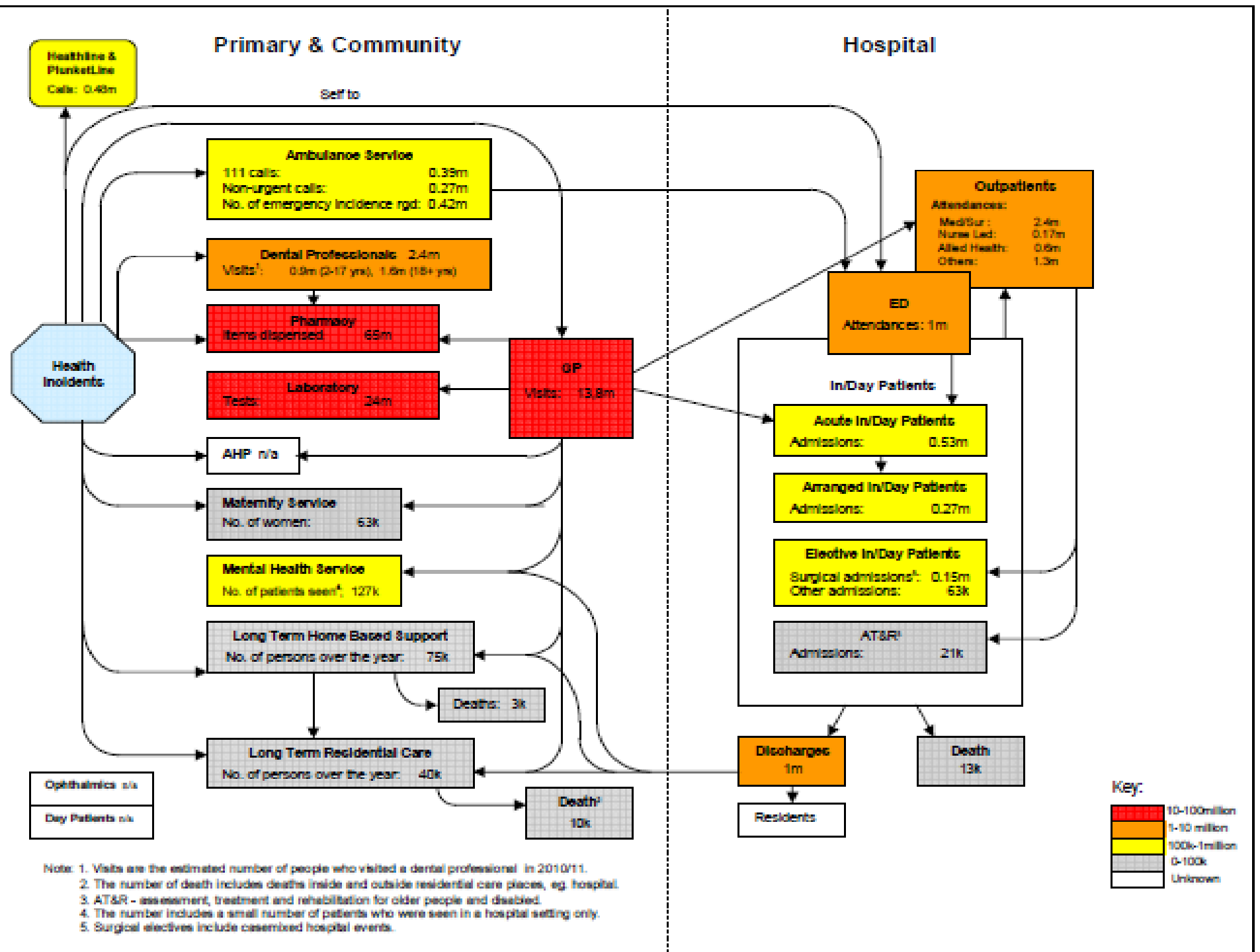
Sector Services
National Services Contracts
$388.2m
National Services:
• Healthline $13m
• Plunketline $3.5m
• Family Planning $11.2m
• WellChild (Plunket) $41.1m
• Emergency ambulance $82.7m
• Screening $103m (breast, cervical, pre-natal and newborn)
Maternity services $133.7m
Section 88 Notices (refer *)
Base-line funding (population-based funding formula)
Crown Funding Agreement (or CMS¹)
Additional appropriations
3
Community Radiology, Diagnostic Laboratories
$300–400m
Local arrangements
20 District Health Boards
CMS¹
Local
• NGOs and other health providers (eg dental)
• 275 Maori health providers
• 39 Pacific health providers
• Accident & Medical clinics
National Pharmacy Services Agreement
960 Pharmacies (dispensing)
$380m
PHARMAC
Pharmaceutical Management Agency
Inter-District Flows
SCDHB PCS²
Sector Services: payment agent for DHBs
Community Pharmaceuticals (subsidised medicines)
$710m
PHO Capitation Funding
1
$740m
Flexible Funding Pool
2
National PHO Agreement or Alliance Variation (BSMC ³)
Pay for performance $18m
• Additional funding with national service specifications
• Discretionary local contracting
• PHO Agreement "Part J" (local variation)
Immunisation fee $25m
32 Primary Health Organisations including 9 BSMC Health Alliances
Management Services Organisations
General Medical Services $10m + $18m "clawbacks"
*Advice Notices issued under Section 88 of the NZPHD Act 2000
Pay for performance
PHO Capitation Funding
Additional funding
$640m (approx)
"Back-to-back" agreements
1070 General Practices
Additional sources of Government funding
ACC
Te Puni Kōkiri
(Whānau Ora)
MINISTRY OF SOCIAL DEVELOPMENT



Note: 1. Visits are the estimated number of people who visited a dental professional in 2010/11.
2. The number of death includes deaths inside and outside residential care places, eg. hospital.
3. AT&R - assessment, treatment and rehabilitation for older people and disabled.
4. The number includes a small number of patients who were seen in a hospital setting only.
5. Surgical electives include casemixed hospital events.

Preparing for the Future

Integration and incentives work programme

- Integrated Family Health Centres
- Multi-disciplinary teams
- Urgent and unplanned care
- Child and Maternity
- Services for older people
- Long Term Conditions
- Hospital Networks: eg Cancer, Cardiac
- Regional Planning
- E-Health
- Policy “settings”: Incentives

“Whole of government” approaches

Supporting vulnerable children

- Increasing immunisation coverage
- Reducing incidence of rheumatic fever
- Reducing assaults on children

Whanau ora

Prime Minister’s Youth Mental Health Project

- focusing on improving provision of services for youth aged 13-19 with, or at risk of, mental health problems

… a grass roots movement

"Health care improvement starts from the ground up. It requires tenacious work to understand what does and does not work in real life and the engagement of countless providers and patients, institutions and communities."

David Naylor et al, OECD Conference, Ottawa
5 November 2001

We all have a role …

"Medical associations that wish to lead socially responsive improvements in technical care, service, outcomes and costs have no choice but to invest in improving interdependency among individuals, professions and organisations."

"Great doctors interacting well with all of the other elements of the healthcare system make great health care."

Donald M Berwick, Editorial: Medical associations: guilds or leaders, BMJ 1997; 314:1564