

Collaborative Advantage

National Funding, Local Reform



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Outline

- Elective surgery policy analysis
 - International perspective
 - Commonwealth and State interface
- 2008 Blitz – Half-time report
- Strategic analysis
- Opportunities for alignment and improvement

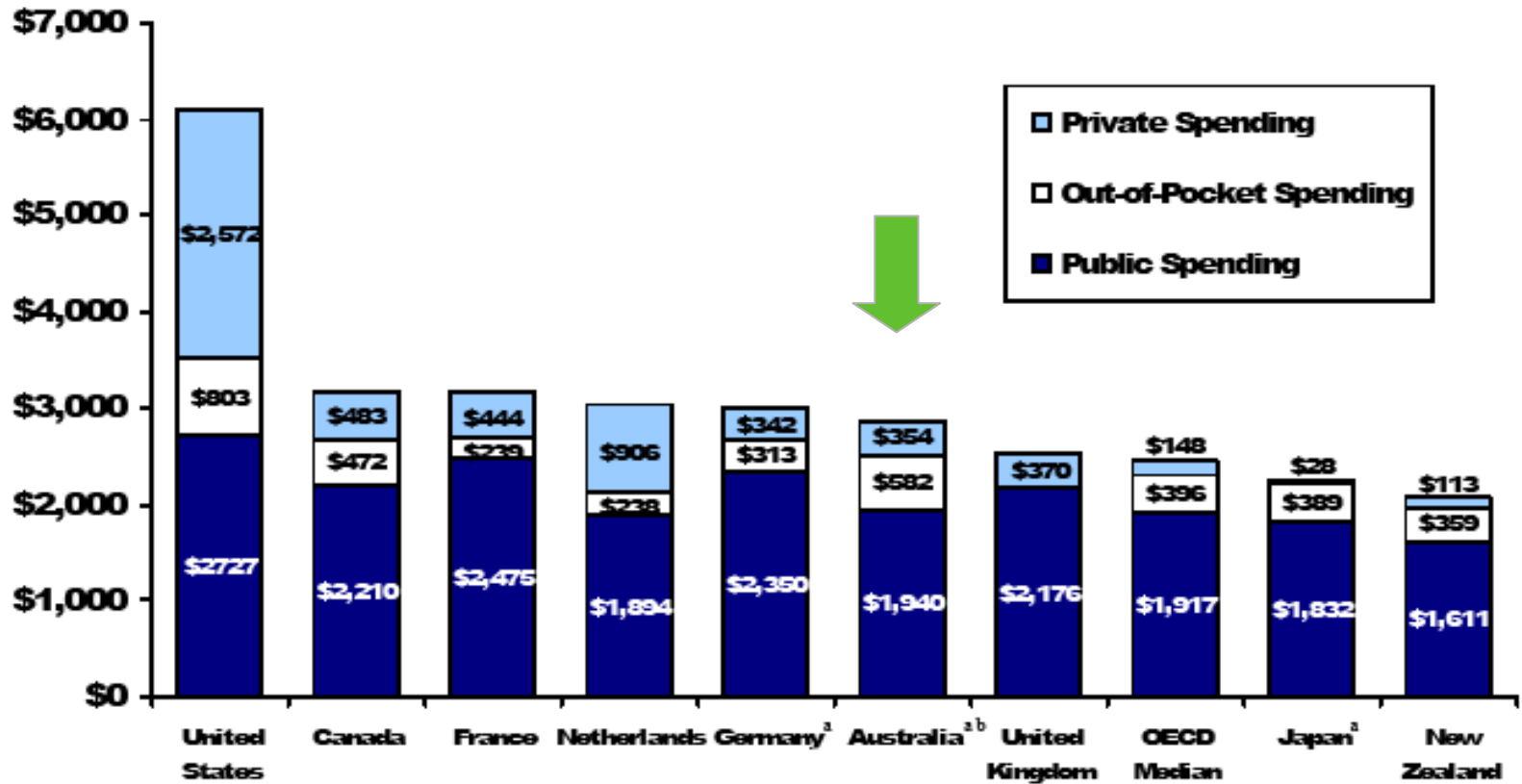
Ending the Blame Game

- Commonwealth government elective surgery waiting list reduction plan
- \$600 million over 4 years
 - Blitz on long waits
 - Structural reform (equipment and capital works)
 - Dividend payments (innovation fund)
- Alignment and integration with state/territory policies and strategies for elective surgery

Elective Surgery Waiting List Reduction Plan (Commonwealth)

Jan – Dec 2008	\$150 million - Blitz on Elective Surgery Waiting List
Jul 2008 – Jun 2010	\$150 million - systemic improvements to Australia's hospital system
Jul 2009 – Jun 2010	\$300 million - dividend payments to States and Territories that meet elective surgery waiting list reduction targets

Chart II-7 Health Care Expenditure per Capita by Source of Funding in 2004 Adjusted for Differences in Cost of Living

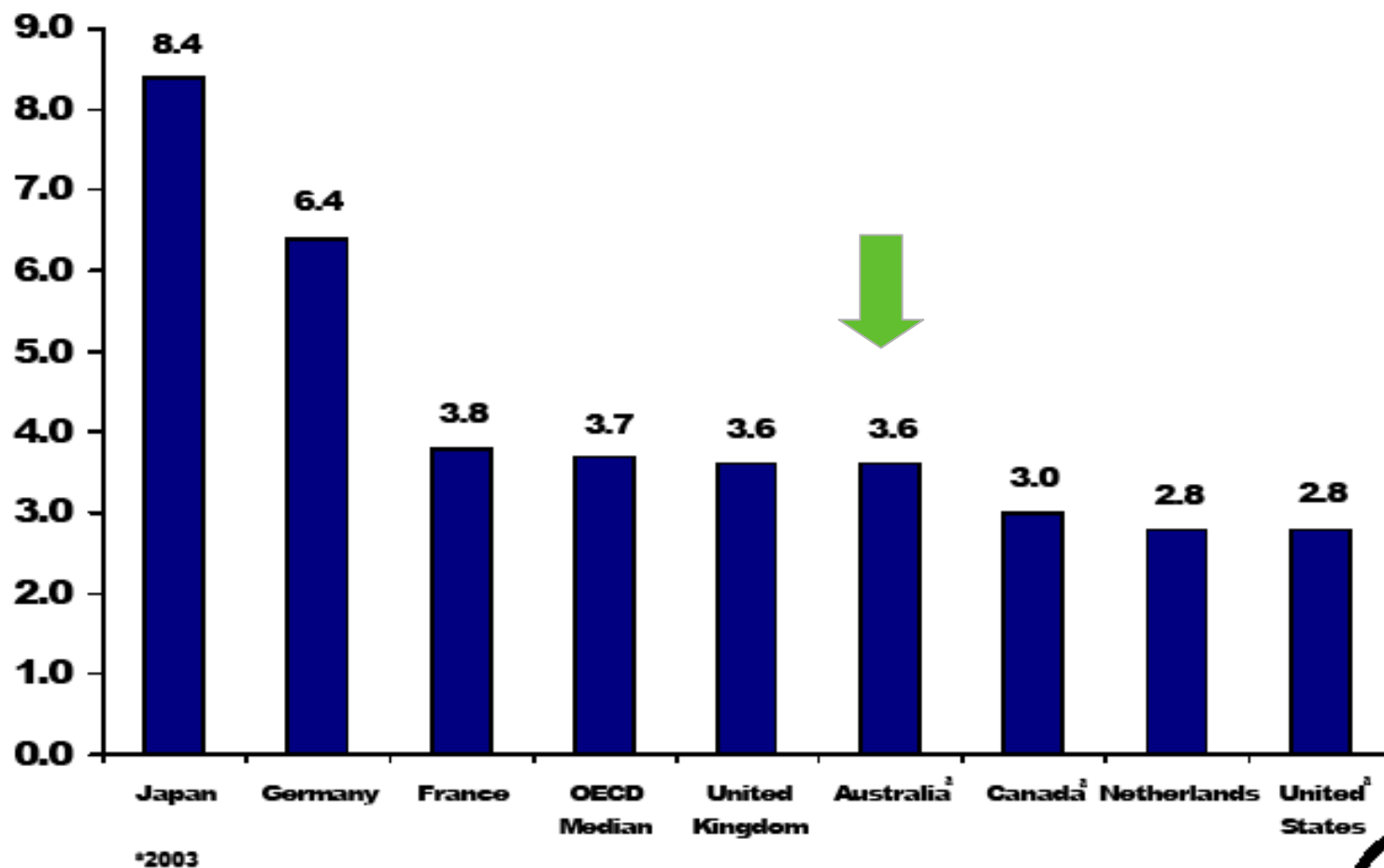


^a2003
^b2002 (Out-of-Pocket)



Source: The Commonwealth Fund, calculated from OECD Health Data 2006.


Chart III-4
Number of Acute Care Hospital Beds
per 1,000 Population in 2004



Source: The Commonwealth Fund, calculated from OECD Health Data 2006.



Percentage of Sicker Adults Who Reported Long Waiting Times for Care, International Comparison, 2005



<i>Key: Lower rates are better (grey = best and blue = worst country performance)</i>	AUS	CAN	GER	NZ	UK	US
Waited 6 days or longer for a doctor appointment (last time sick or needed medical attention)	10	36	13	3	15	23
Waited 4 hours or longer to be seen in the emergency room (among those who visited an ER in the past 2 years)	17	24	4	12	14	12
Waited 4 weeks or longer to see a specialist (among those who needed to see a specialist in the past 2 years)	46	57	22	40	60	23
Waited 4 months or longer for elective surgery (among those who needed elective surgery in the past 2 years)	19	33	6	20	41	8

Data: 2005 Commonwealth Fund International Health Policy Survey (Schoen, C. et al. 2005. *Health Affairs* Web Exclusive W5-509–25). AUS = Australia; CAN = Canada; GER = Germany; NZ = New Zealand; UK = United Kingdom; US = United States. Sicker adults have a high incidence of chronic disease and recent intensive use of health care.

Percentage of ES admissions admitted within the recommended time

By clinical urgency category, states and territories, 2006–07 (SOOPH, 2008)

	Category 1	Category 2	Category 3	Total
New South Wales	87	74	96	86
Victoria	100	75	92	86
Queensland	86	82	88	85
Western Australia	85	67	91	82
South Australia	78	78	90	83
Tasmania	75	54	77	68
Australian Capital Territory	93	51	70	68
Northern Territory	80	58	59	69
Australia	88	75	92	84

Percentage of admissions in each clinical urgency category

By states and territories, 2006–07 (SOOPH, 2008)

	Category 1	Category 2	Category 3
New South Wales	32	32	36
Victoria	25	48	28
Queensland	37	45	19
Western Australia	33	29	38
South Australia	34	28	39
Tasmania	42	38	20
Australian Capital Territory	30	48	22
Northern Territory	48	35	18
Australia	32	38	30

Policy Analysis

- Commonwealth – State jurisdictional boundaries overlap
- Focus on public hospital performance
- Gaps in policy linkages for elective surgery:
 - Primary care access and referral
 - Emergency demand and elective prioritisation
 - Patient flow to subacute and rehab services
 - Private sector capacity and private funding
 - Governance, performance and metrics

2008 Blitz - Half-time Progress Report

- Approx. + 4,000 patients treated
- Most metro
- Two-thirds long-waiters
- Most additional work same-day, but 500+ additional orthopaedics, most hips and knees.

Strategic Analysis

Strengths

1. Output funding model
2. Performance Monitoring Framework
3. Private sector purchasing arrangements

Weaknesses

1. Beds and theatres – esp. outer metro
2. Workforce – esp. Urology, Anaesthetics, Orthopaedics
3. Operating hours
4. Equipment

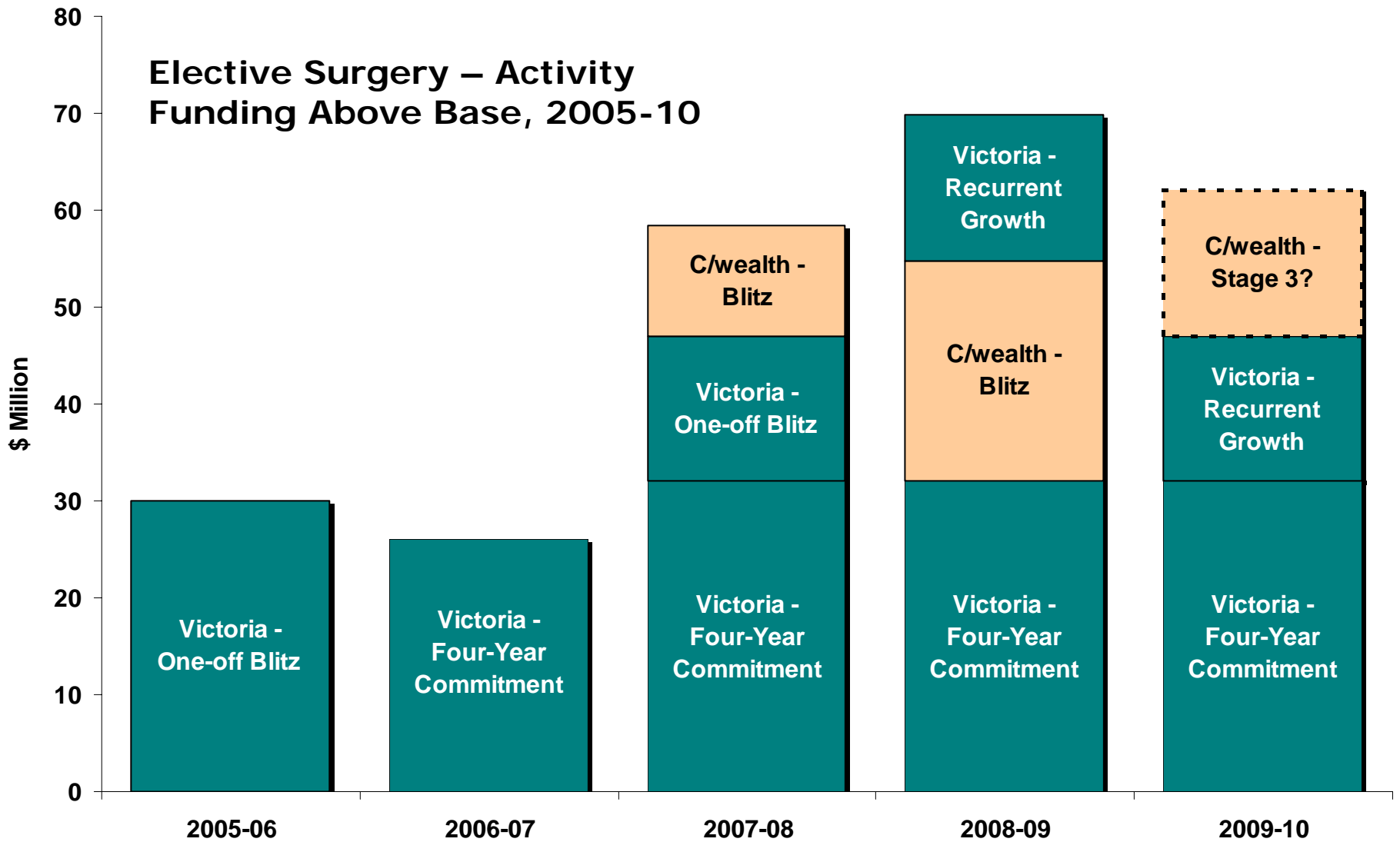
Opportunities

1. Leverage for state investment
2. Policy linkage – eg. OA
3. Unfreeze / improve metrics
4. Surgery Strategy

Threats

1. Throughput vs complexity
2. Emergency demand growth
Public / Private interface

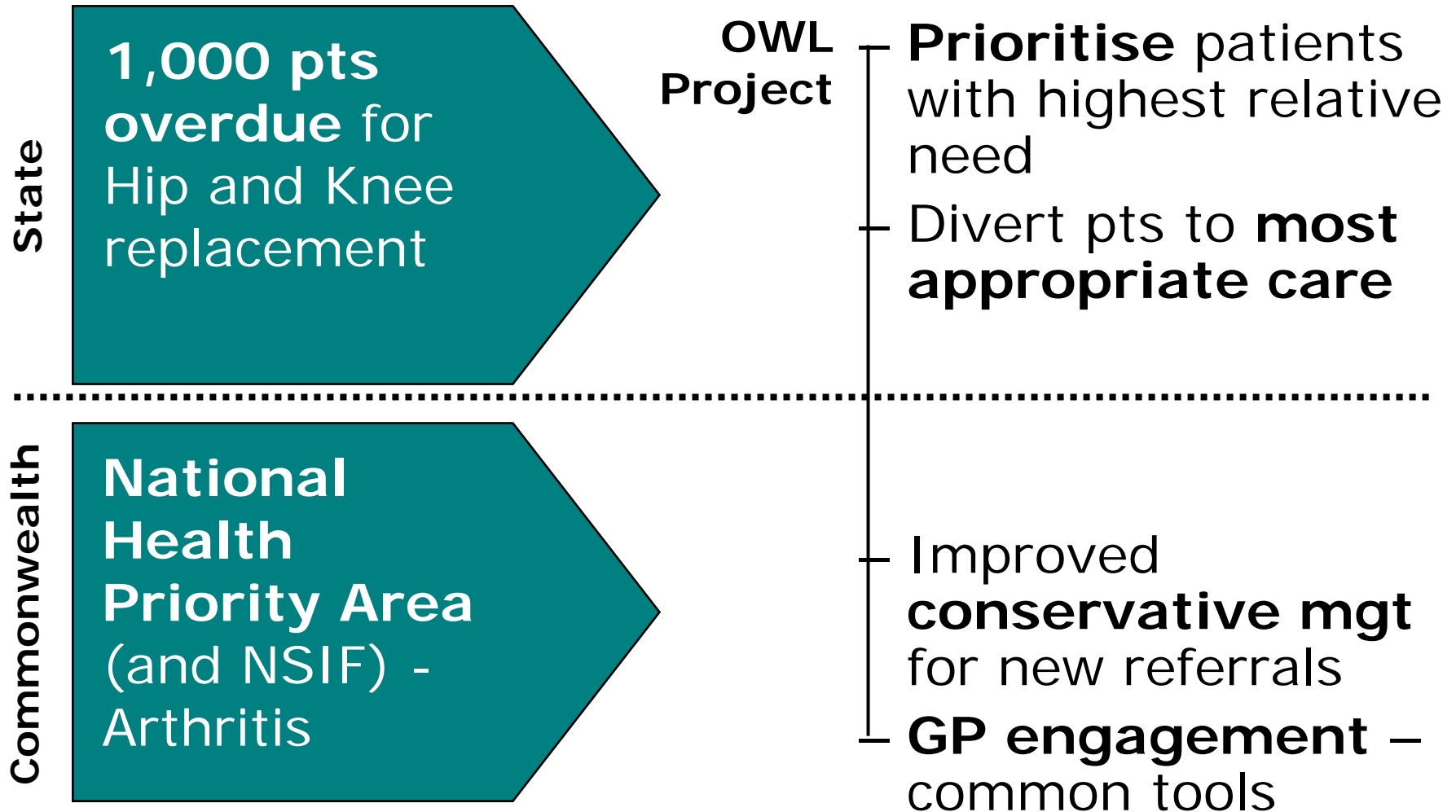
Opportunities: Leverage for State Investment - 1



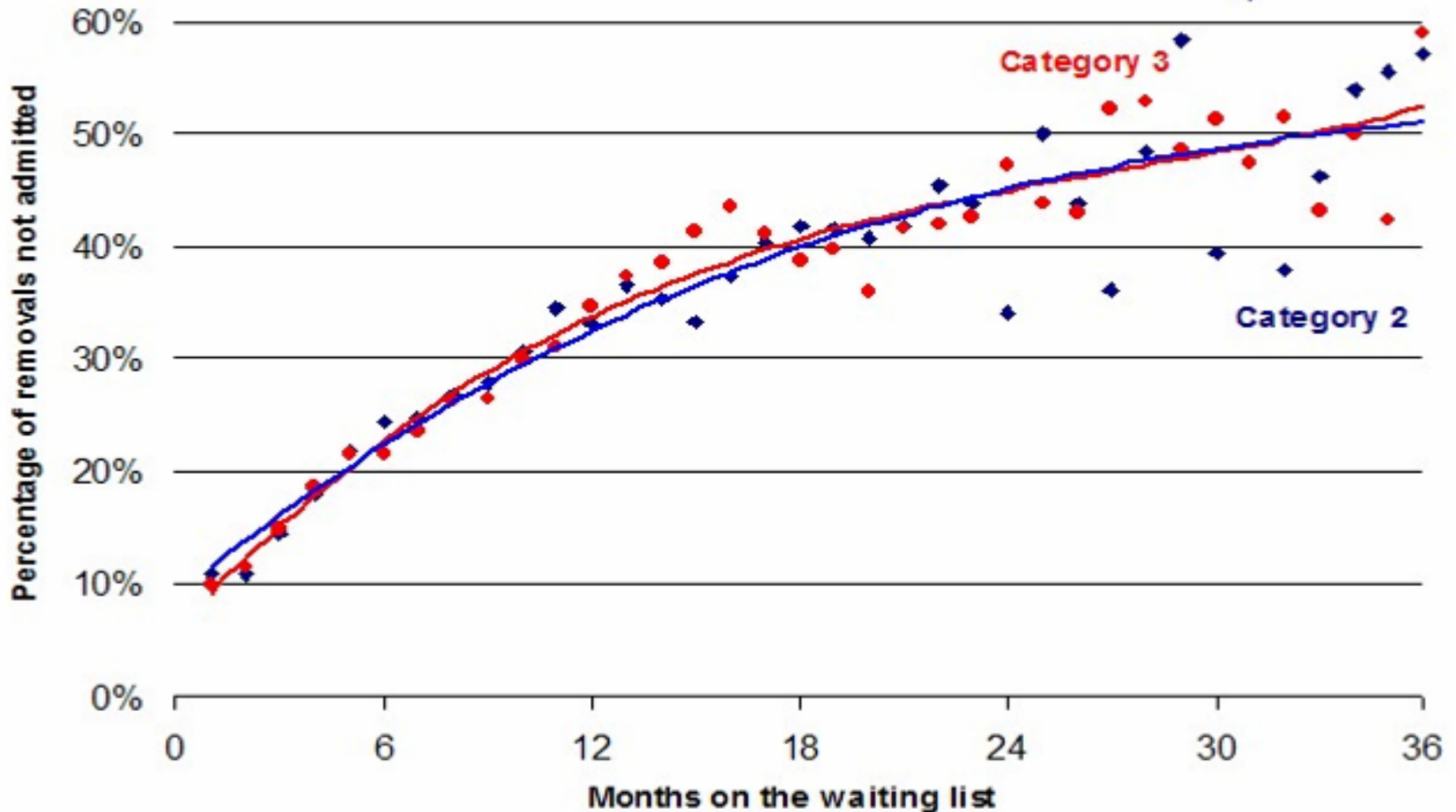
Leverage for State Investment – Systemic Improvement

Victoria		Commonwealth	
Facilities	\$215m+	Facilities	\$20.2m
Equipment	\$50.8m+	Equipment	\$10.6m
Workforce and Innovation	\$50.4m+	Workforce and Innovation	\$6m

Policy Linkage - Surgery (State) and Chronic Disease Management (C/W)



Clearing the backlog improves validity of waiting measures.



Priorities

- **Emergency – elective balance**
- **Patient choice and right referrals**
- **Reduced variation in care**
- **Theatre utilisation**

Enablers

- **Equipment and ICT**
- **Workforce Reform**
- **Better measures of outcome, impact and drivers**

Summary

- Challenge to integrate a national approach with local environment
- Opportunity for reform and alignment:
 - Leverage investment
 - Policy linkages for continuum of care
 - Improved metrics
 - Longer-term strategy