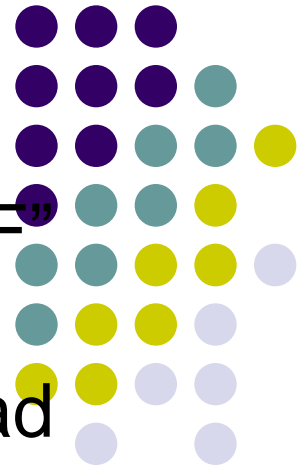


National Health reform and Hospitals

Or “How I am learning to love ABF”

Assoc Prof Craig Whitehead
Regional Clinical Director Rehab and
Aged Care Southern LHN



National Health Reform



- At best a partially missed/seized opportunity
- Not a single funder for the health system
- Transparent hospital funding which is nationally comparable is a step forward
- ABF will drive clinician behaviour



Activity Based Funding

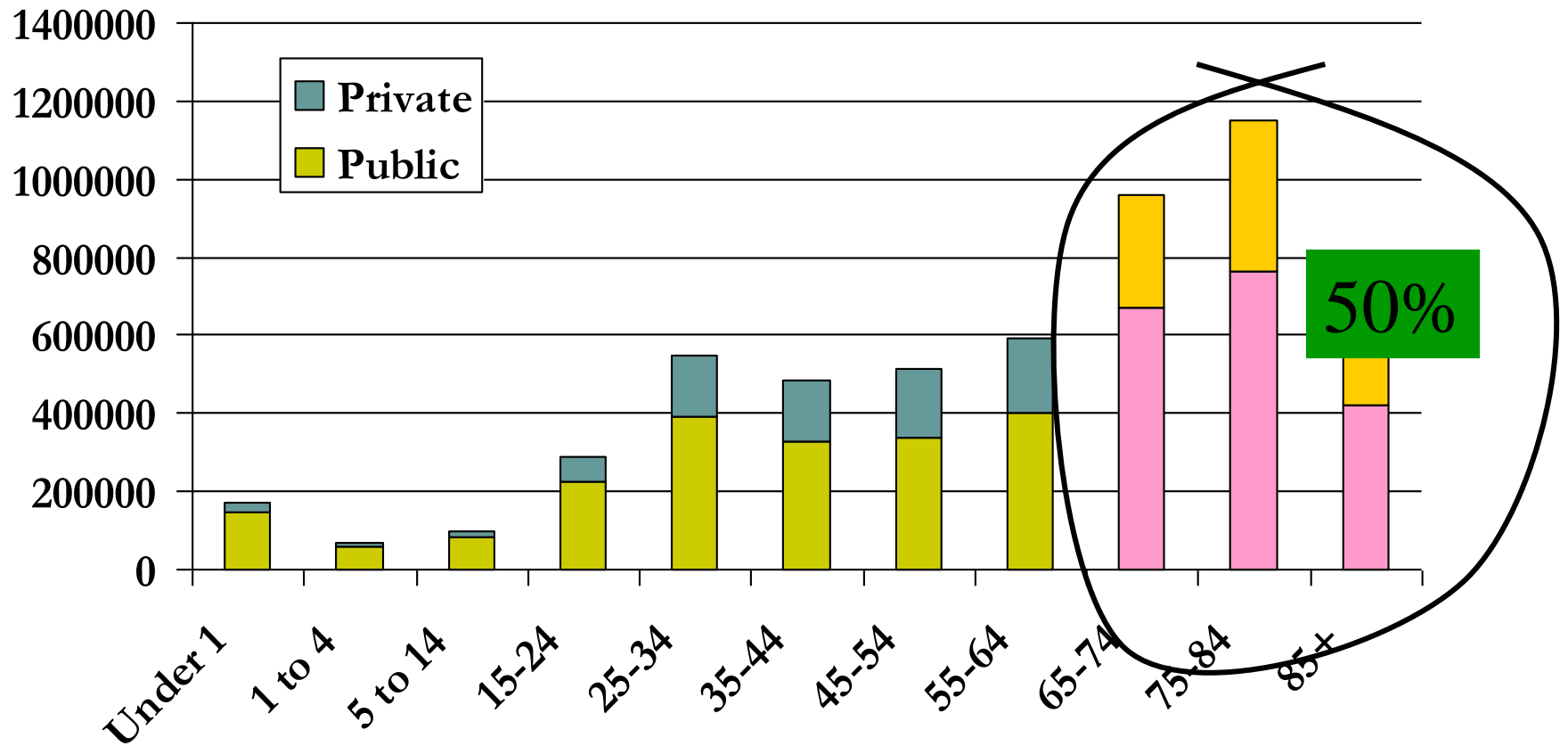
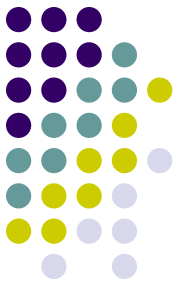
- Clinicians and Managers will attempt to maximise income (game)
- All funding systems create winners and losers distorting the system
- National efficient Price is really the national cheapest price they could get away with
- Cost vs outcomes is the missing piece

Why are we here ?



Bed days by age group

Australian public & private hospitals 99-2000



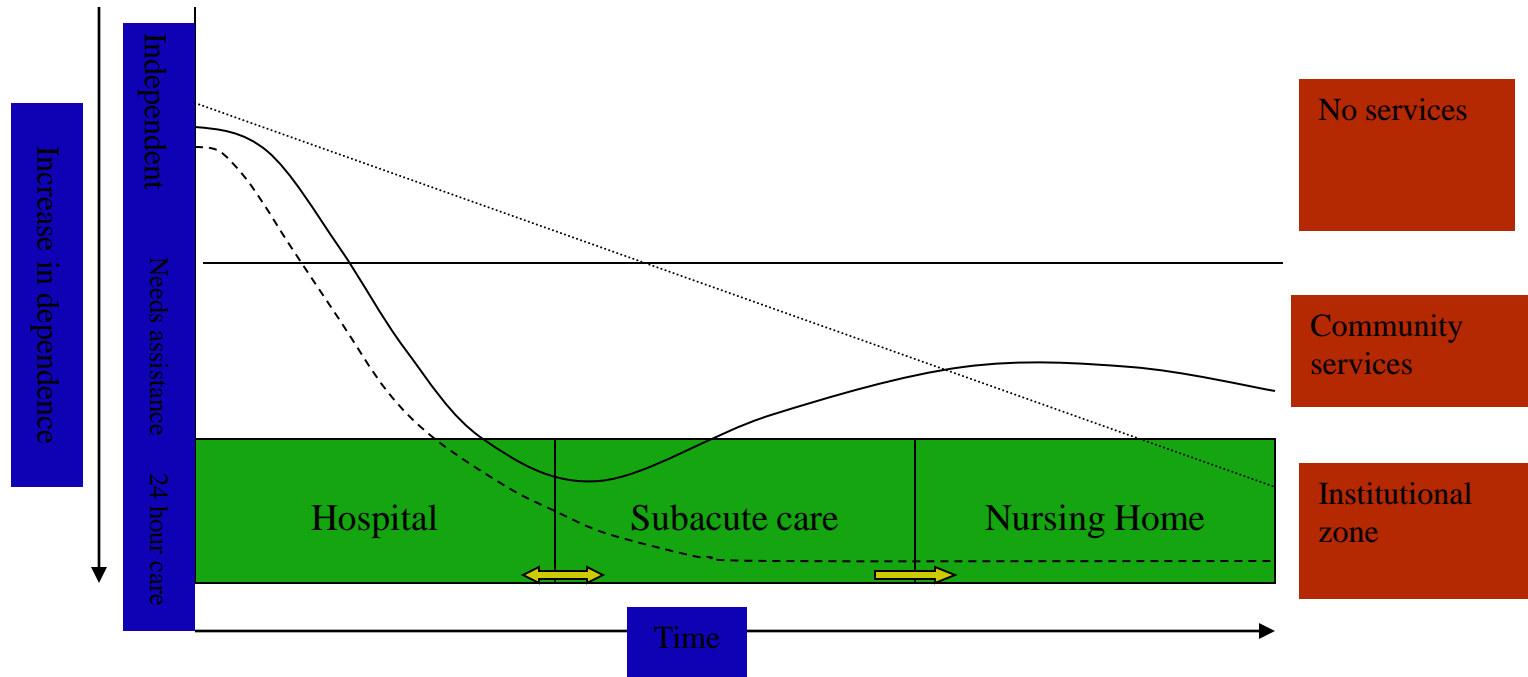
Source: AIHW Australian Hospital Statistics 1999-2000

Role of Hospitals



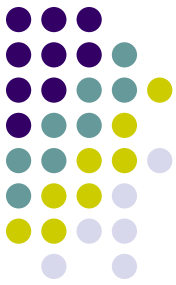
- the management of life threatening and severe illness
- management of disability in the community
- elective surgical and medical procedures
- investigative and diagnostic procedures
- A Social Safety net

Disability Management



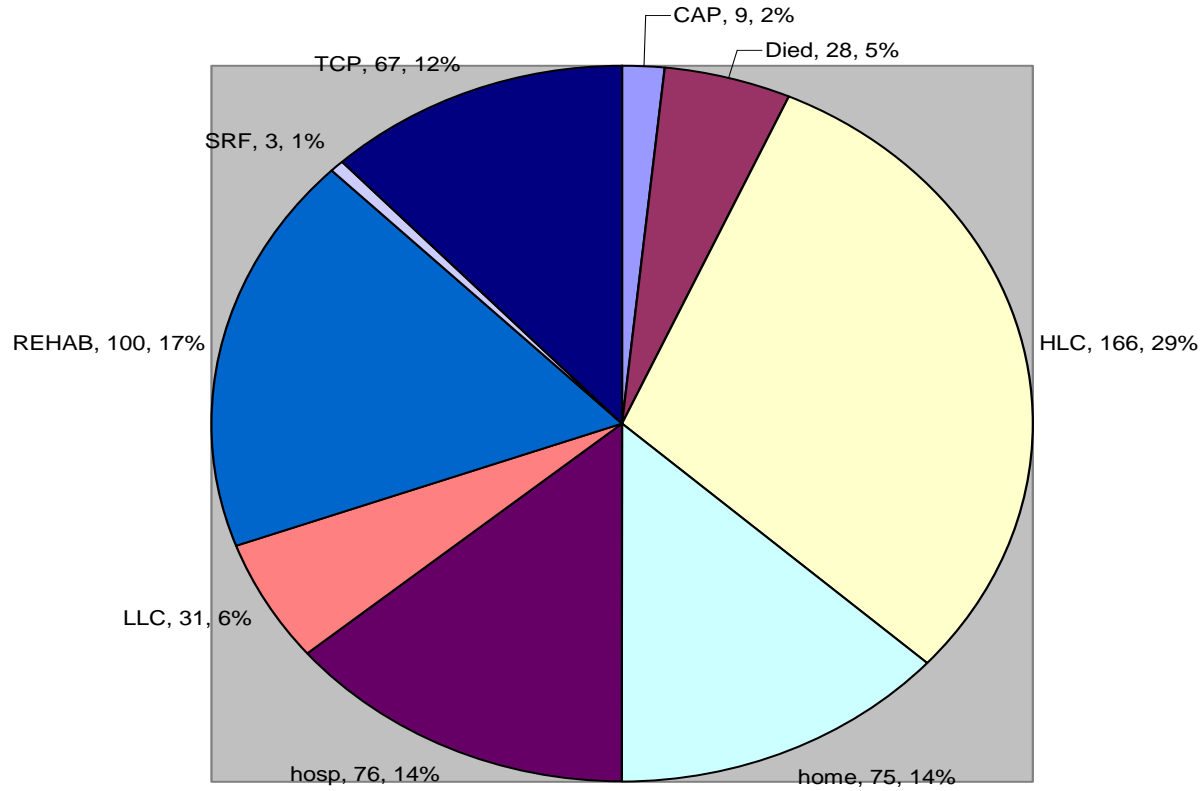
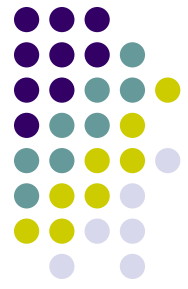
Summary of Blue Dot Patients Discharged May to August 2010

*excludes mental health

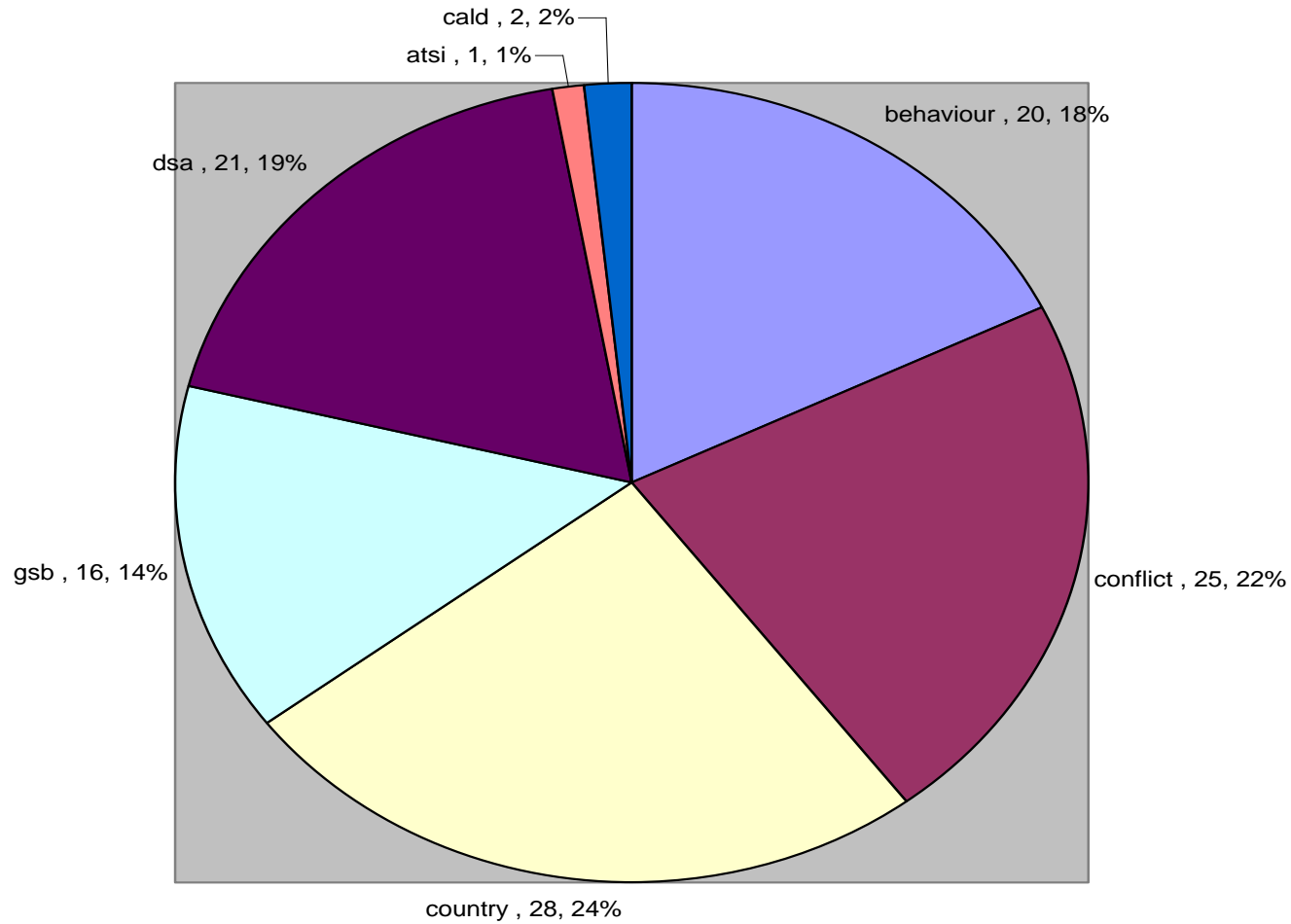


Site	Blue Dot Progressing		Blue Dot with Barrier		Site Total Blue Dots	
	#	ALOS ²	#	ALOS ²	#	ALOS ²
FMC	257	34	30	85 ¹	287	40
NHS	37	22	10	42	47	26
RGH	136	38	65	43	201	42
RGH REHAB	23	56	5	104 ¹	28	45
Total	453		110		563	

Pathways for Transition to Community:
data excluding subpathways
FMC, NHS, RGH, RGHRehab
May - Aug 2010



Sub-pathways
FMC, NHS, RGH, RGHRehab
May - Aug 2010





Outcomes Measurement

- Could the IHPA be flying blind ?
- Is the NHPA measuring the right things ?
- What outcomes are purchasing with the National Efficient Price ?
- How will we measure outcomes ?
- How will we get adequate linked data across sectors to get even simple cost benefit studies ?



Death and Adverse events

- Death is still important as a measure
- Ideally we should be able to link hospital adverse events to efficient price
- Is there a nationally consistent relationship between nursing staffing ratios and death and adverse events ?
- Death may not be the best measure in older populations at the end of their lives ?

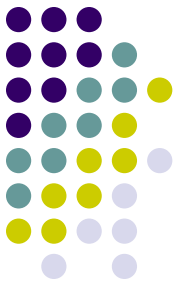
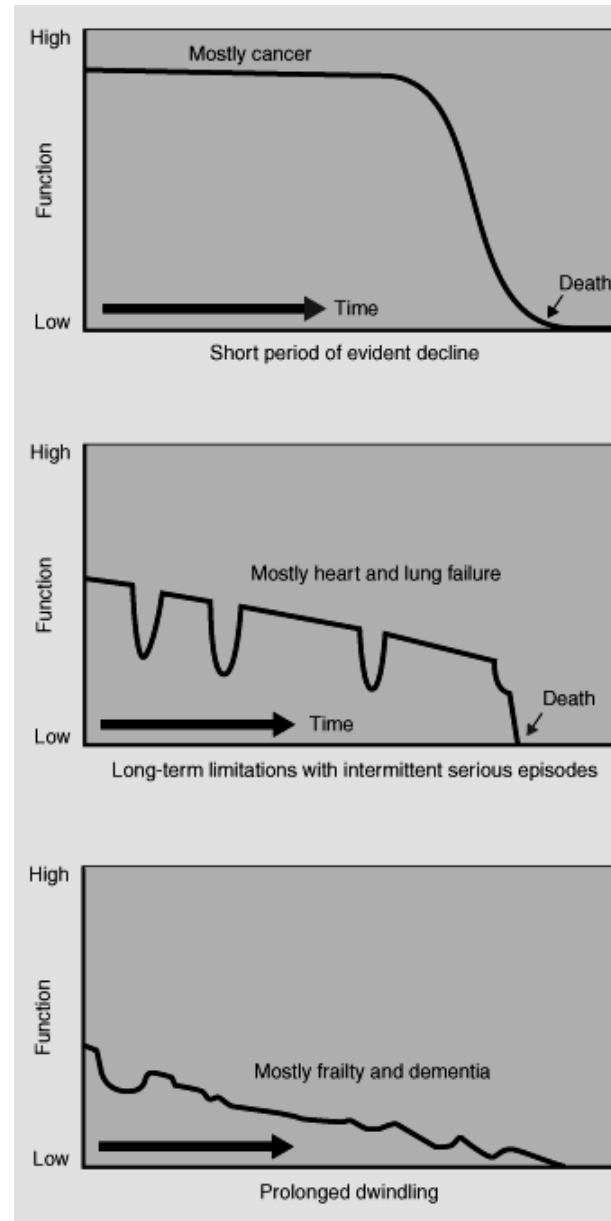
Functional Status as an outcome



- New entry to residential aged care should be an outcome measure for hospitalisation
 - Not consistently recorded
 - Linking Commonwealth and state data sets
- Current reform in residential aged care and hospital funding may have unpredictable effect on hospital populations
- Routine collection of functional status in all admissions to acute and subacute care would be ideal (INTERAI, Electronic medical record)

The QALY

How do we measure quality in an intervention when it is all downhill ?





Summary

- Reform is not a bad thing
- Risk is in creating the care of older people as the loser in the new arrangements
- Real challenge in linking pricing to the desired outcome
- More research is needed about the best systems of outcome management for the Australian Hospital system