

PHA Annual Conference 2015

A role for **PRIVATE HEALTH INSURANCE** in Health System Reform?

Russell McGowan

6 March 2015

The National Safety and Quality Framework

- Consumer centred care
- Organised for Safety
- Driven by information



Consumers as the Solution

“It is only by working in partnership with consumers and listening to and learning from their feedback, that it is possible for health services to truly appreciate what constitutes quality, safe health care”

From Listening and Learning Feedback Standards, ACT Health 2003



You Should Know

Consumers and Private Health Funds Working Together for Better Health Outcomes



GOALS IN COMMON

- **consumers and private health insurers want choice, value for money and high quality healthcare services;**
- **keeping private health insurance affordable; and**
- **better use of the community's healthcare dollar.**

FRIEND OR FOE OF PHI?

**DON'T MENTION
THE
'R' WORD**

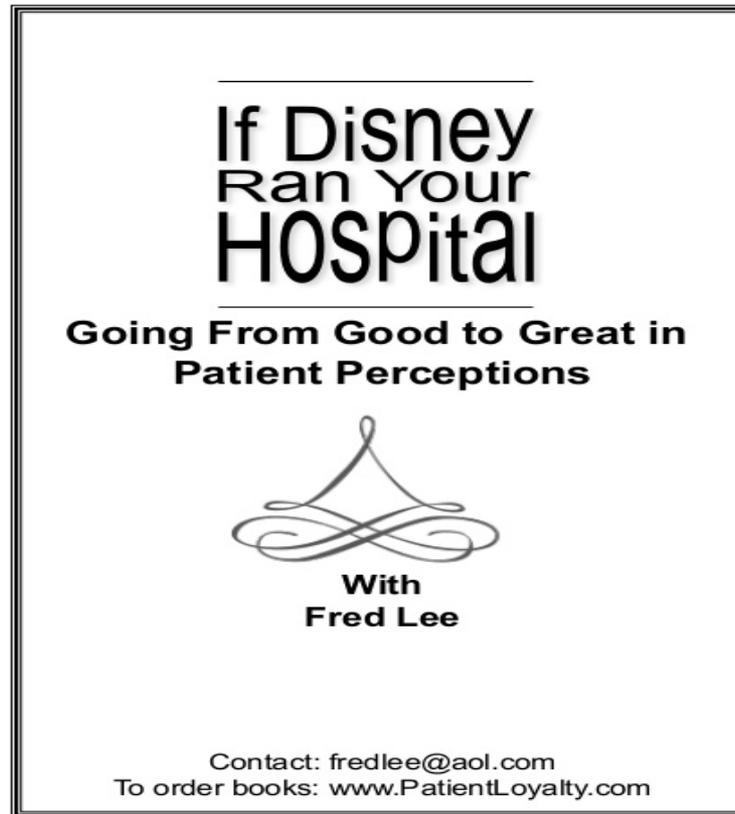
CRITICAL FRIENDS GROUPS

Tony Hobbs group in Cootamundra

PHAA role with Coalition Government

Emerging consumer roundtable at PHA

Improving Patient Perceptions



<http://www.slideshare.net/SaxInstitute/fred-lee-if-disney-ran-your-hospital-going-from-good-to-great-in-patient-expectations>

A CASE STUDY

Kaiser Permanente found that sepsis was the number one cause of death in hospitals it serviced in the US and set out to reduce them.

By identifying and applying standards they have done so by 66%.

KAISER has also REDUCED

death rate from stroke by 40%,

bone fractures by 40% and

heart attack by 50%.

pressure ulcer rates from 4% to 0%.

Formula for success?

Principle is simple:

GOOD INTENTIONS + GOOD DATA

=

GOOD OUTCOMES

Translated to Australia

Improved access, speed and accuracy of health information will ultimately deliver better health outcomes

ADDRESS THE CARE CONTINUUM

- 1. Preventive care**
- 2. Diagnosis**
- 3. Treatment**
- 4. Rehabilitation**
- 5. End of life care**

Consumer role

Consumers as people

**Consumers as participants in their own
healthcare**

Consumers as citizens



Consumers as people

Consumers come in all shapes and sizes

Three dimensions are:

- 1. Active/passive**
- 2. Informed/uninformed**
- 3. Positive/negative**

WHAT CONSUMERS WANT from Health Services

Safety

Early diagnosis

Multidisciplinary & Integrated care

Access to our own records

Minimal out of pocket costs

Defining PATIENT CENTRED CARE

Healthcare which respects my humanity
and acknowledges my individuality

*derived from: “What patient centered should mean –
confessions of an extremist”*

(Don Berwick, 2009)

ALTERNATIVE TERMS

Person centred care

Consumer centred care

Relationship centred care



Consumers as participants

**Healthcare works best when
consumers are active partners
in decision making**

▶ Consumers as participants ctd

Consumers are more likely to adopt and maintain healthy behaviours and follow care plans when they feel in control

▶ Consumers as participants ctd

**Ensure Consumer Centred Care
which respects the rights and interests
of consumers**

What we do have a right to expect

AUSTRALIAN CHARTER OF HEALTHCARE RIGHTS

The Australian Charter of Healthcare Rights describes the rights of patients and other people using the Australian health system. These rights are essential to make sure that, wherever and whenever care is provided, it is of high quality and is safe.

The Charter recognises that people receiving care and people providing care all have important parts to play in achieving healthcare rights. The Charter allows patients, consumers, families, carers and services providing health care to share an understanding of the rights of people receiving health care. This helps everyone to work together towards a safe and high quality health system. A genuine partnership between patients, consumers and providers is important so that everyone achieves the best possible outcomes.

Guiding Principles

These three principles describe how this Charter applies in the Australian health system.

1 Everyone has the right to be able to access health care and this right is essential for the Charter to be meaningful.

2 The Australian Government commits to international agreements about human rights which recognise everyone's right to have the highest possible standard of physical and mental health.

3 Australia is a society made up of people with different cultures and ways of life, and the Charter acknowledges and respects these differences.



For further information please visit www.safetyandquality.gov.au

AUSTRALIAN COMMISSION
SAFETY AND QUALITY IN HEALTHCARE

What can I expect from the Australian health system?

| MY RIGHTS | WHAT THIS MEANS |
|---|---|
| Access I have a right to health care. | I can access services to address my health care needs. |
| Safety I have a right to receive safe and high quality care. | I receive safe and high quality health services, provided with professional care, skill and competence. |
| Respect I have a right to be shown respect, dignity and consideration. | The care provided shows respect to me and my culture, beliefs, values and personal characteristics. |
| Communication I have a right to be informed about services, treatment, options and costs in a clear and open way. | I receive open, timely and appropriate communication about my health care in a way I can understand. |
| Participation I have a right to be included in decisions and choices about my care. | I may join in making decisions and choices about my care and about health service planning. |
| Privacy I have a right to privacy and confidentiality of my personal information. | My personal privacy is maintained and proper handling of my personal health and other information is assured. |
| Comment I have a right to comment on my care and to have my concerns addressed. | I can comment on or complain about my care and have my concerns dealt with properly and promptly. |

Elements of Patient Centred Care



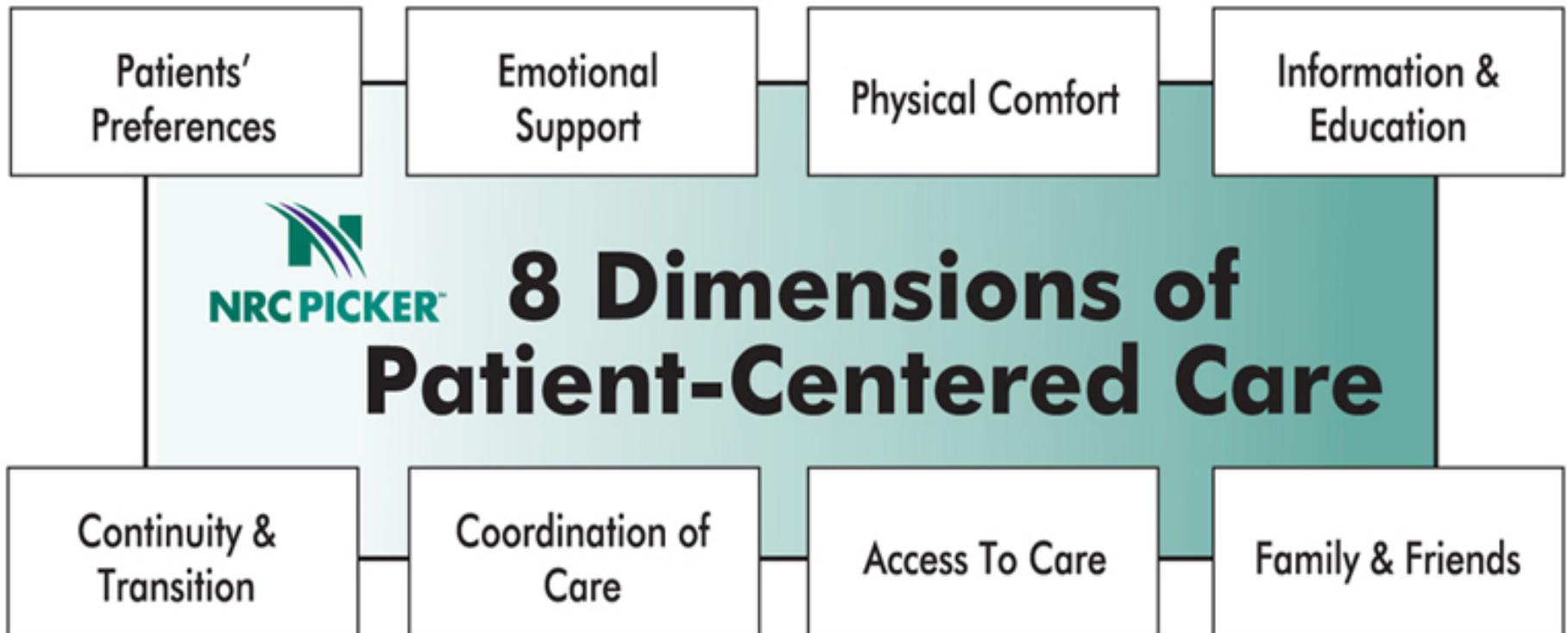
International Alliance of
Patients' Organizations

A global voice for patients

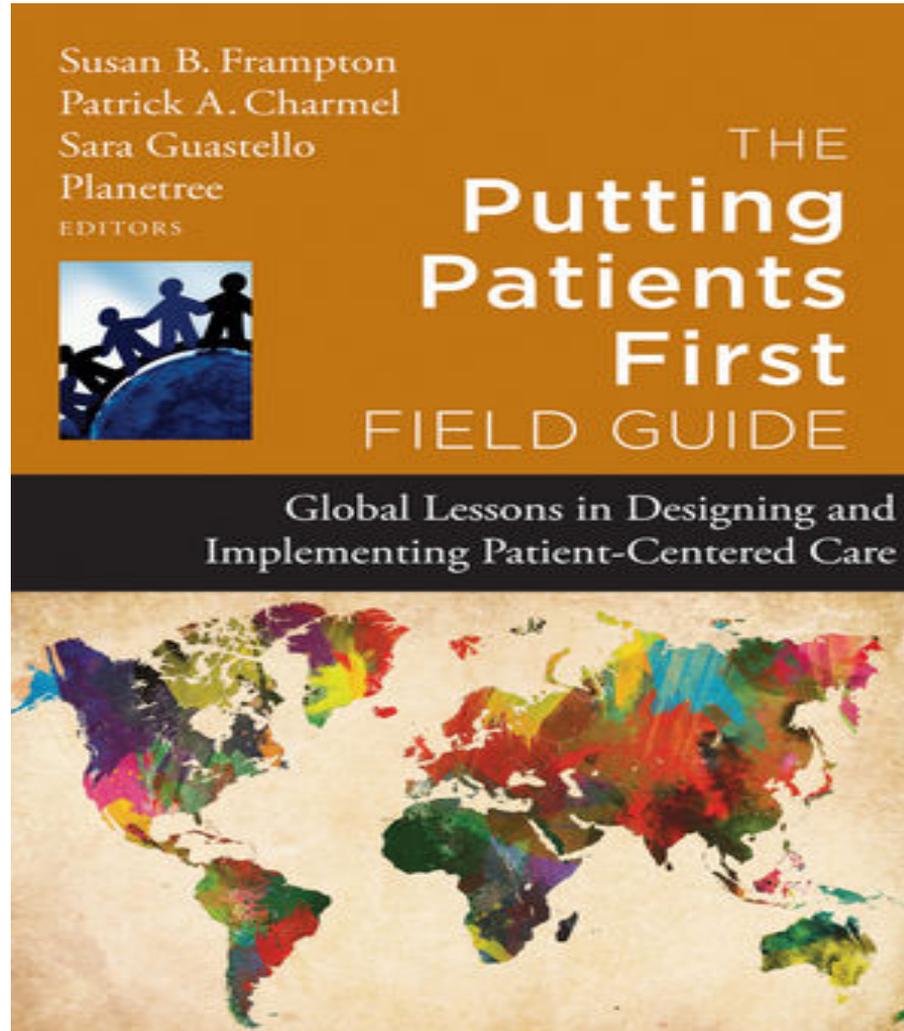
Patient Centred Care

- 1. Respect**
- 2. Choice and empowerment**
- 3. Patient involvement in health policy**
- 4. Access and support**
- 5. Information**

Picker Institute Europe



Planetree Field Guide



Consumers as citizens

How we can help make reform happen



WHAT CITIZENS EXPECT from the Health System

Commitment to high quality, safe healthcare

Good quality healthcare information

Integration and monitoring of services

Cost effective solutions

Minimisation of duplicated tests

**More comprehensive review of adverse
incidents**

WHAT IS BEING DELIVERED

PATCHY HEALTH OUTCOMES

RISING HEALTH COSTS

CHANGING PUBLIC/PRIVATE MIX

OVER RELIANCE ON ACUTE CARE

WASTE

ASPECTS OF EQUITY

Michael Marmot's 9 principles:

1. **Fairness and social justice**
2. **Social gradient in health**
3. **Health inequalities from social ones**
4. **Proportionate Universalism**

▶ Equity (ctd)

5. Productivity losses from health inequalities

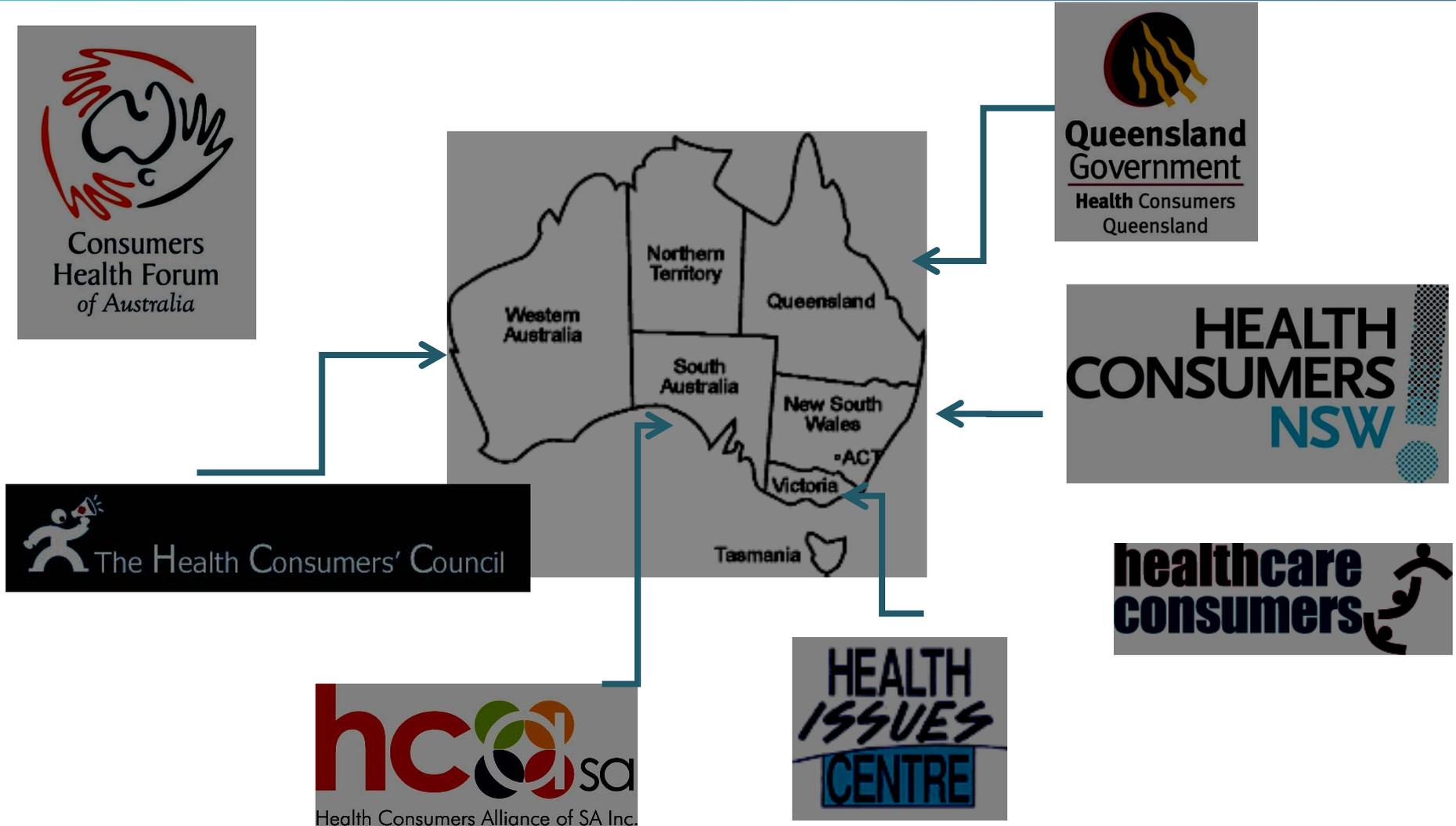
6. Economic growth and climate change

7. Action on six policy objectives

8. HEALTH IN ALL POLICIES

9. Effective participatory decision making

Consumer organisations in Australia



▶ The GOOD NEWS

**Politics and protest aren't the only ways
to change the future**

Good Super (seeking to build a better Australia)

WHAT CAN WE DO ABOUT IT

A SIMPLE SWOT ANALYSIS

**BETTER HEALTH MAINTENANCE
OPTIONS**

**ADDRESS THE SOCIAL DETERMINANTS
OF HEALTH**

COLLABORATE

HEALTH & HOSPITALS REFORM

HEALTH EQUITY

Hospital Funding

Primary Healthcare

Health maintenance

Mental Health

Aged Care

Universal Insurance

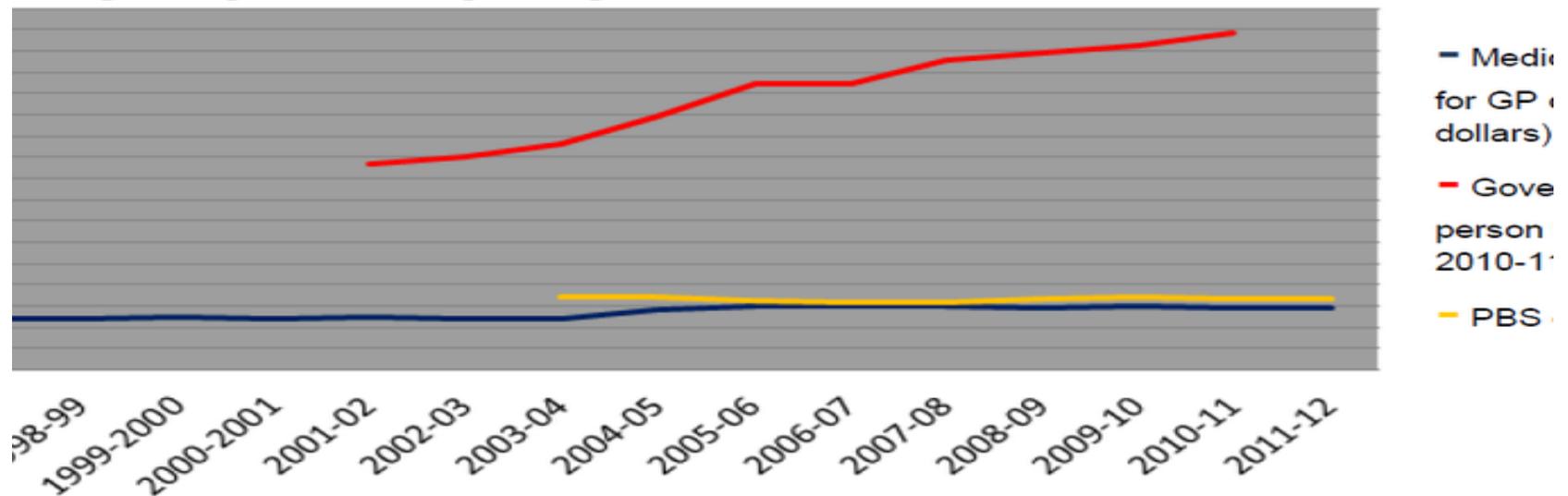
DOCTOR WILL SEE YOU NOW...



David Pope's view

Comparative Health Costs per person per year 2011-12¹

Comparative Health Costs per person per year 2011-12 \$



Tim Senior @timsenior

It's hospital costs causing rising health spend. GP spend constant. Copayment will only put people in hospital. [#QandA pic.twitter.com/dAweNA1COm](#)

Priority Improvements

Safer clinical handover

Better decision support

Improved medication management

Minimisation of duplicated tests

Better integration of care

Less out of pocket costs

WHO PAYS FOR HEALTHCARE?

CONSUMERS AND CITIZENS DO

- through income taxes
- through state taxes
- through PHI premiums
- personal OOP costs

By Tony Lopes



Open wider

OUT OF POCKET COSTS

**Senate Community Affairs Committee
says**

\$29B (17%)

**“Empty Pockets –
Why co-payments are not
the solution”**

J Doggett, CHF 2014

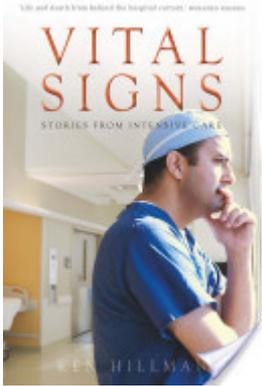
OPPORTUNITY COST OF PHI

Annual premium around \$4k

Trip to health conference

Two crowns

WHAT WE ACTUALLY GET IS:



Care of people aged 65 years and over in their last year of life accounted for 8.9% of all hospital inpatient costs. Hospital costs fell with age, with people aged 95 years or over incurring less than half the average costs per person of those who died aged 65–74 years (\$7028 versus \$17 927).

Average inpatient costs increased greatly in the 6 months before death, from \$646 per person in the sixth month to \$5545 in the last month before death.

The Healthcare of Tomorrow

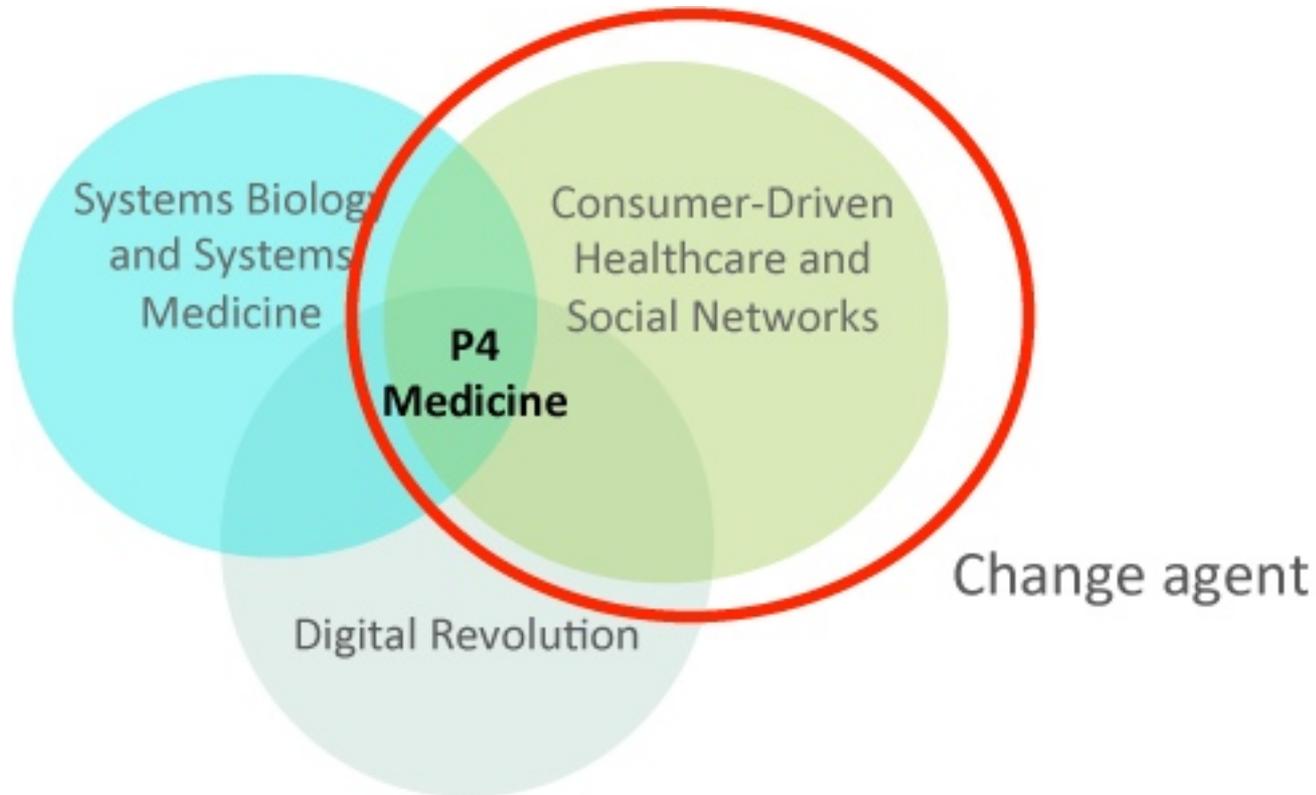
Prevention and wellness focuses

Treat causes and not symptoms

Consumer Driven

Utilization of big data

How to effect change in Health Outcomes



<http://p4mi.org/p4medicine>

The will include P4 Medicine

- **Predictive**
- **Preventive**
- **Personalised**
- **Participatory**

P4 Medicine Institute

Seattle, WA 98109

WHAT PHI COULD DO BETTER

CONSUMER ENGAGEMENT

INTEGRATED PHC

TELEHEALTH CONSULTATIONS

**NUDGING CONSUMERS TOWARDS
HEALTH PROTECTIVE BEHAVIOURS**

WHAT PHI COULD DO BETTER

BETTER END OF LIFE CARE

**HEALTH LITERACY & INFORMED
DECISION MAKING**

NO MORE GAPS

MEMBER SERVICING

Healthcare Quality Improvement

Organise for safety

Monitor performance, provide feedback

Relationship centred healthcare –

Doing it with us not for us

Contact details

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LIVE LONG AND PROSPER

