

***“Better, Sooner, More Convenient”***  
**Primary Care**

**South Link Health Conference**

21 Nov 2009

## Where are we at?

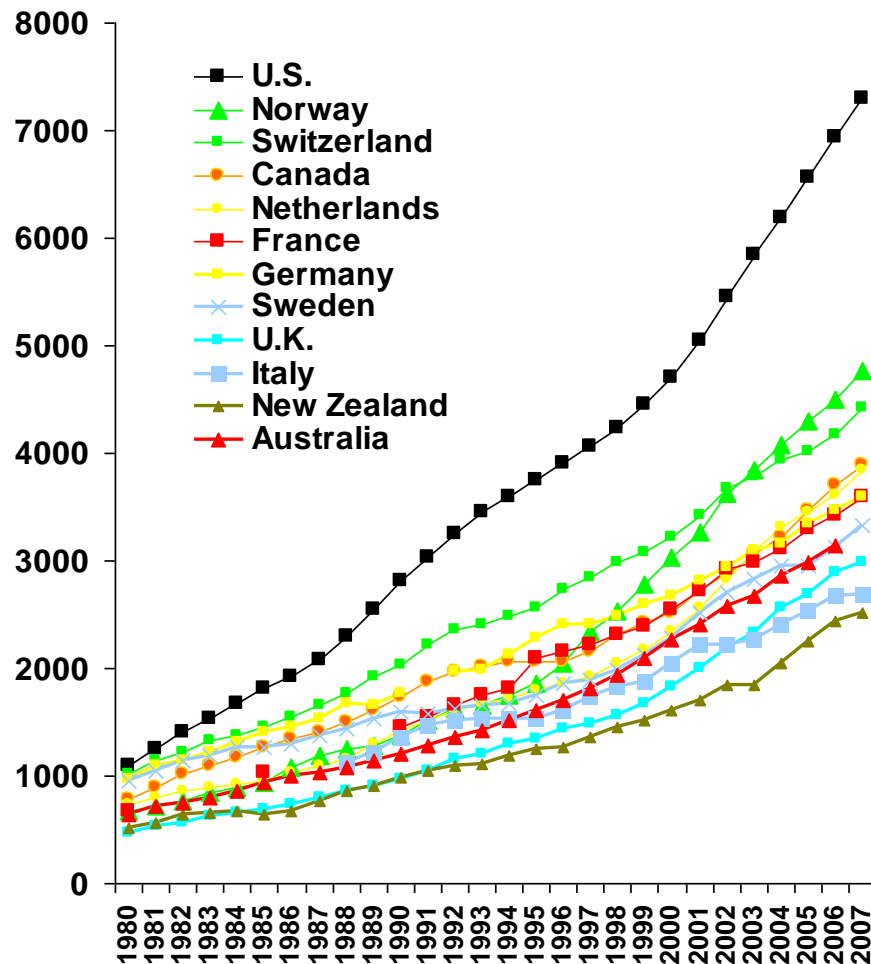
- Primary Health Care Strategy 2002
- \$2.2B investment
- 80 PHOs, 4.1M people enrolled.
- Diversity ++
- PHO Enrolled populations 3,500 – 350,000
- 50% of PHOs have <20,000 people (13% of total population)
- 20% of NZ's population enrolled with the two largest PHOs
- Significant reductions in schedule copays
- Children <6yrs – 78% free

- Reduced pharmaceutical copays
- Greater use of services
- More focus on chronic conditions
- Innovative new approaches and greater use of nurses
- Indicators show improvement but significant variation

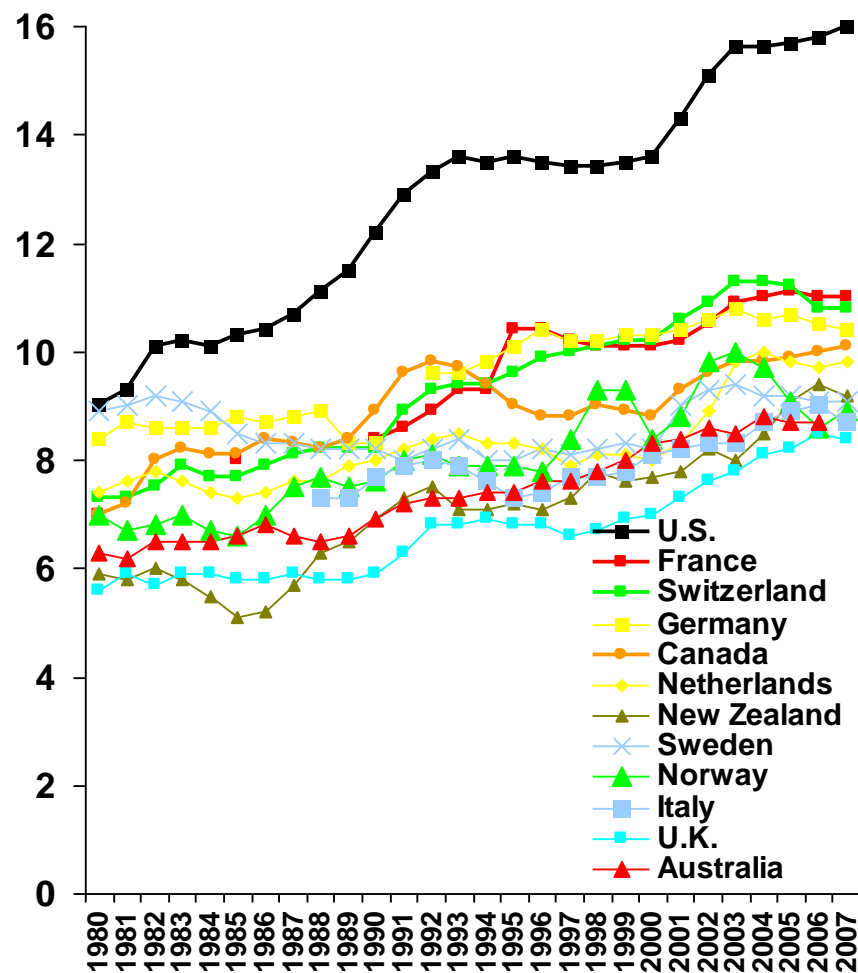
# International Comparison of Spending on Health, 1980–2007

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### Average spending on health per capita (\$US PPP)



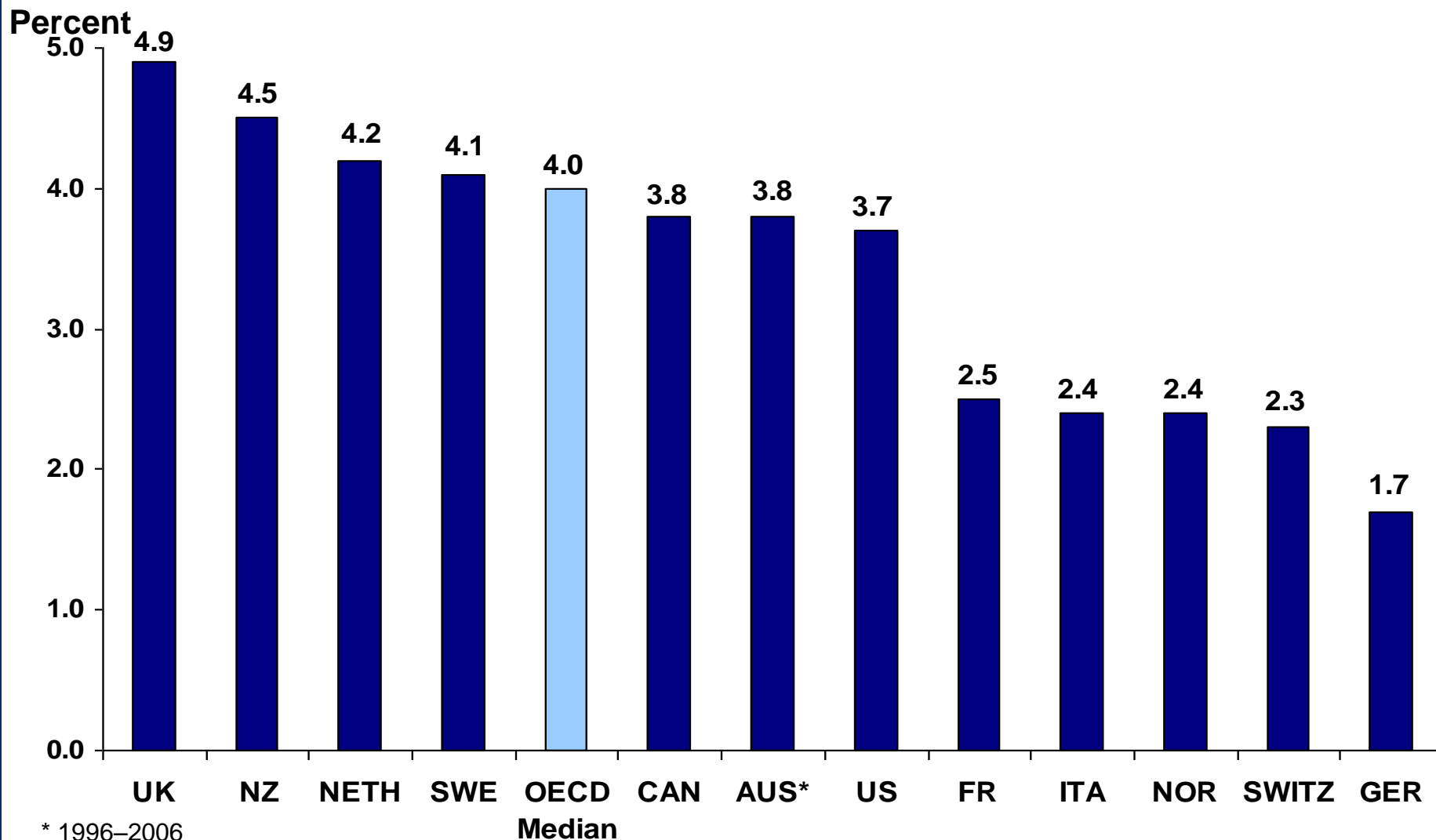
### Total expenditures on health as percent of GDP



Source: OECD Health Data 2009 (June 2009).

# Average Annual Growth Rate of Real Health Care Spending per Capita, 1997–2007

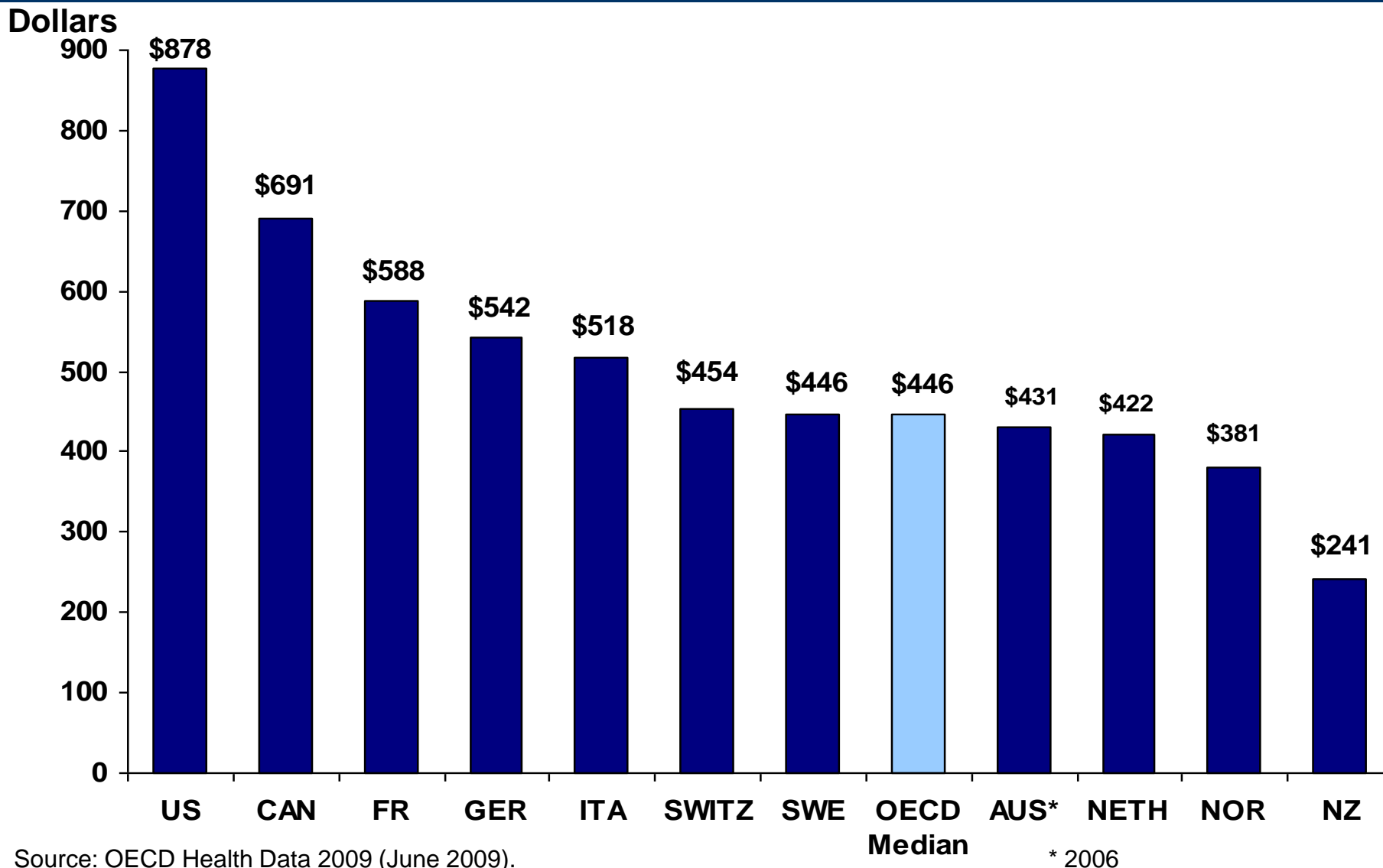
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Source: OECD Health Data 2009 (June 2009).

# Pharmaceutical Spending per Capita, 2007 Adjusted for Differences in Cost of Living

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# Cost-Related Access Problems in Past Two Years

Base: Adults with any chronic condition

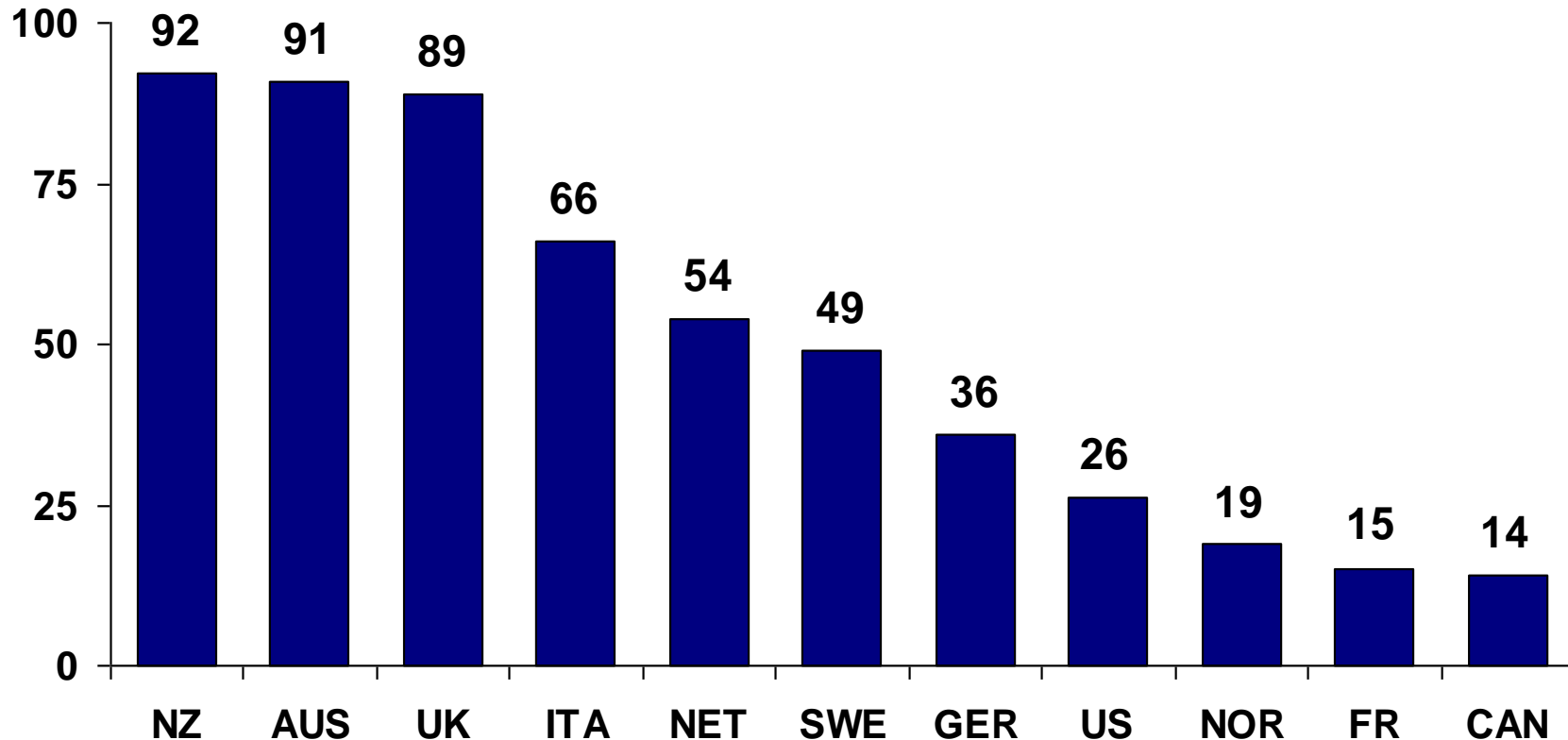
Percent	AUS	CAN	FR	GER	NETH	NZ	UK	US
Did <i>not</i> fill Rx or skipped doses	20	18	13	12	3	18	7	43
Did <i>not</i> visit a doctor when had a medical problem	21	9	11	15	3	22	4	36
Did <i>not</i> get recommended test, treatment, or follow-up	25	11	13	13	3	18	6	38
<i>Any of the above access problems because of cost</i>	36	25	23	26	7	31	13	54

Data collection: Harris Interactive, Inc.

Source: 2008 Commonwealth Fund International Health Policy Survey of Sicker Adults.

# Practices with Advanced Electronic Health Information Capacity

Percent reporting at least 9 of 14 clinical IT functions\*



\* Count of 14 functions includes: electronic medical record; electronic prescribing and ordering of tests; electronic access test results, Rx alerts, clinical notes; computerized system for tracking lab tests, guidelines, alerts to provide patients with test results, preventive/follow-up care reminders; and computerized list of patients by diagnosis, medications, due for tests or preventive care.

Source: 2009 Commonwealth Fund International Health Policy Survey of Primary Care Physicians.

# Doctors' Perception of Patient Access Barriers

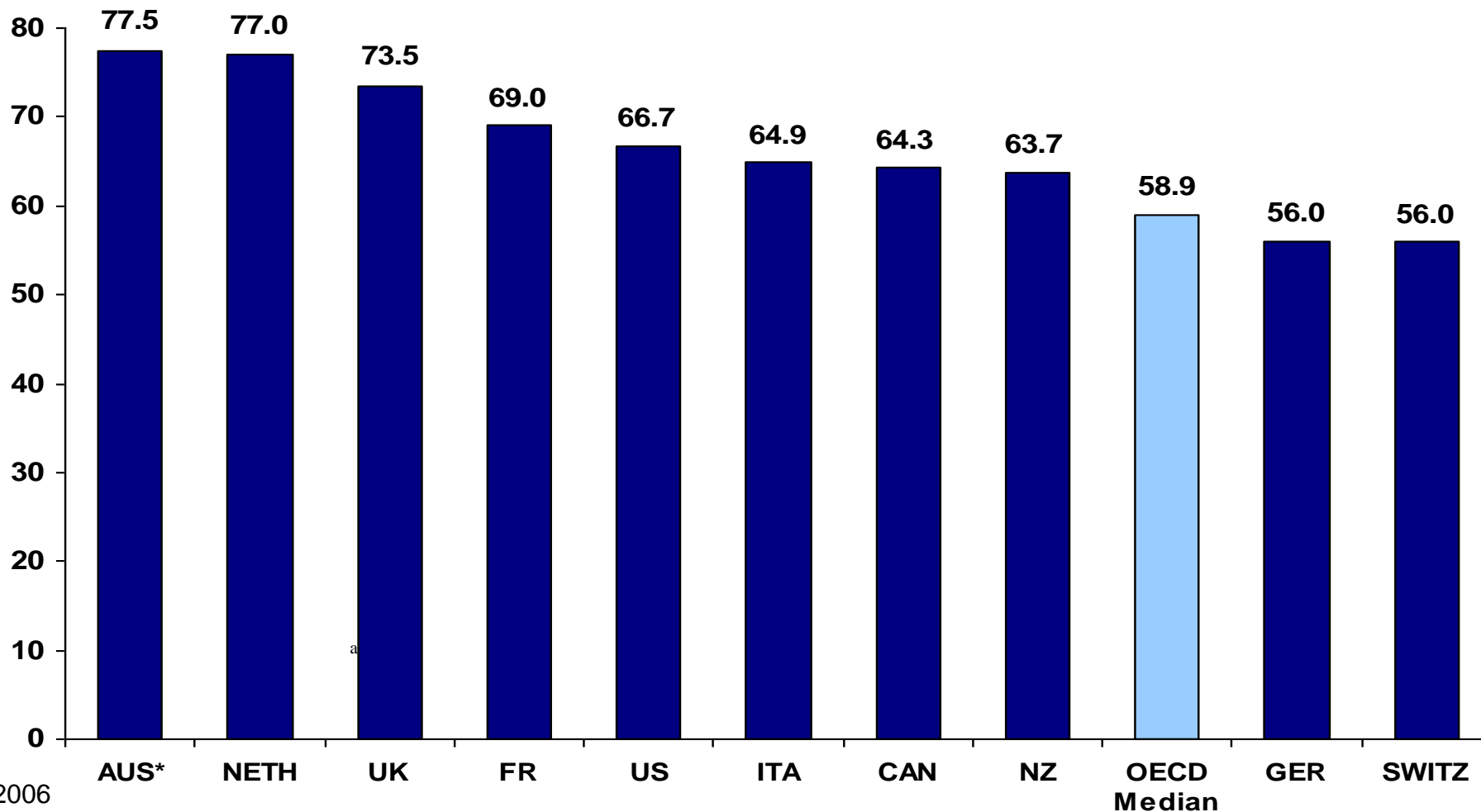
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Percent reporting patients <u>OFTEN</u> :	AUS	CAN	FR	GER	ITA	NET	NZ	NOR	SWE	UK	US
Have difficulty paying for medications or other care	23	27	17	28	37	33	25	5	6	14	58
Have difficulty getting specialized diagnostic tests	21	47	42	26	52	15	60	11	22	16	24
Experience long waiting times to see a specialist	34	75	53	66	75	36	45	55	63	22	28

# Percentage of Population over Age 65 with Influenza Immunization, 2007

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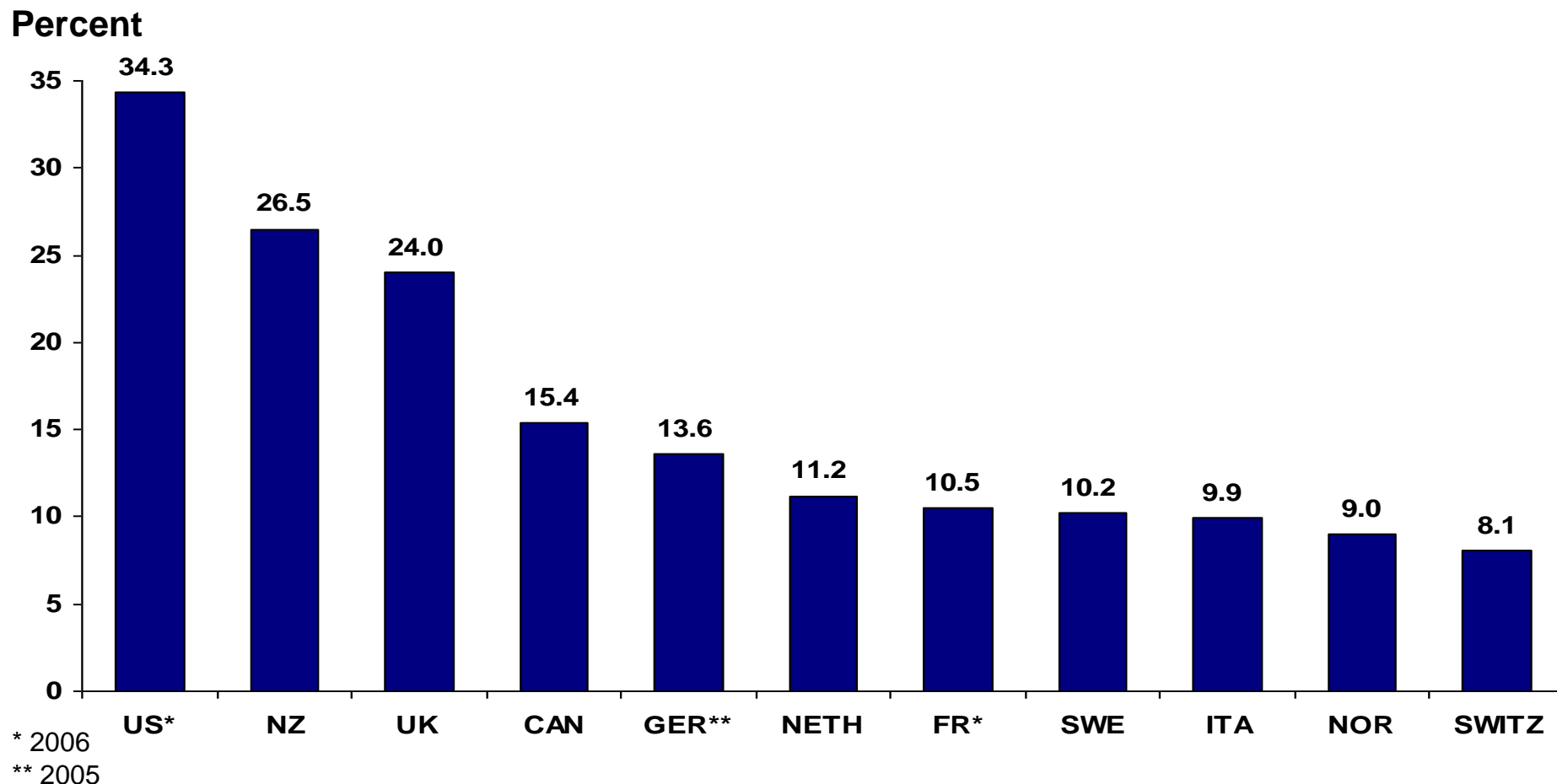
Percent



\* 2006

Source: OECD Health Data 2009 (June 2009).

# Obesity (BMI>30) Prevalence Among Adult Population, 2007

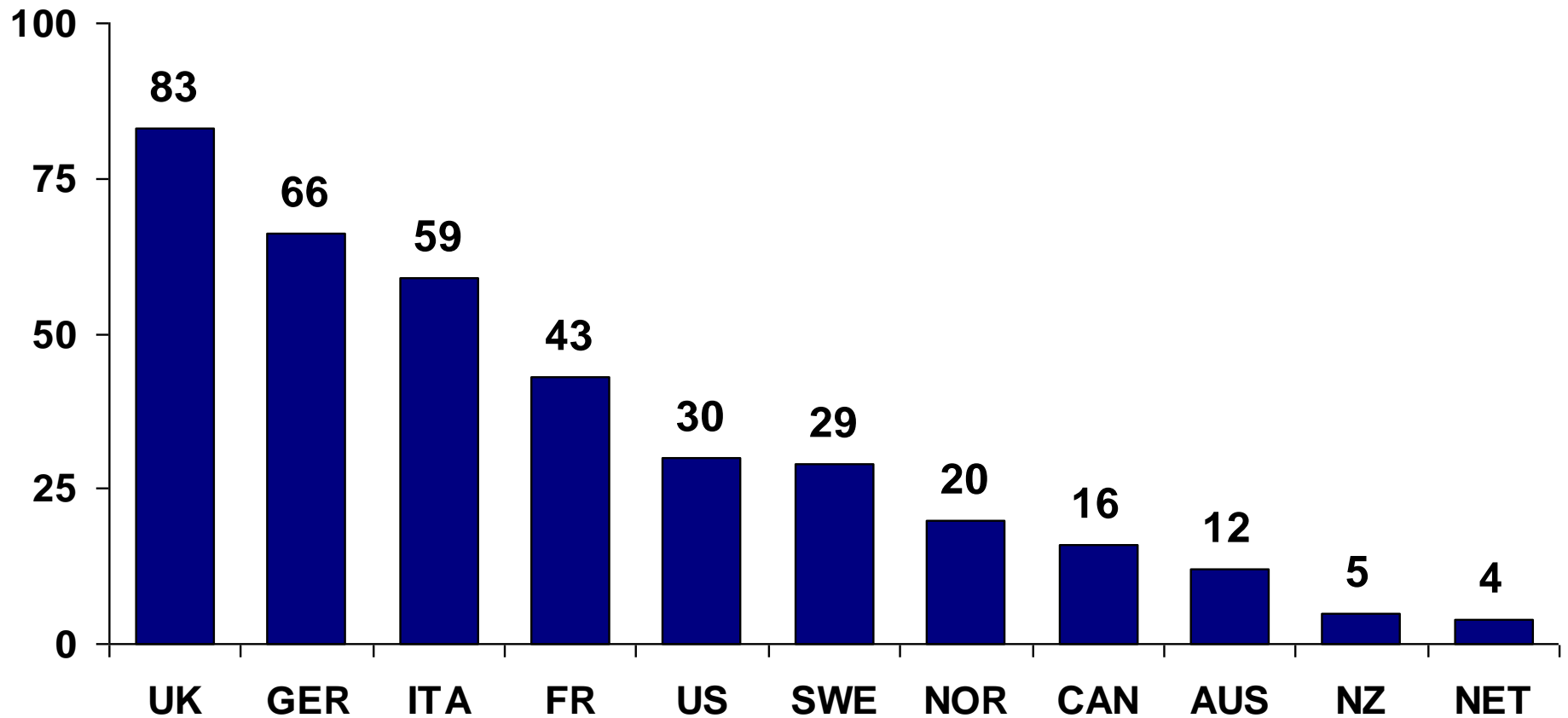


Note: BMI = body mass index. For most countries, BMI estimates are based on national health interview surveys (self-reported data). However, the estimates for the US, UK, and New Zealand are based on actual measurements of weight and height, and estimates based on actual measurements are usually significantly higher than those based on self-report.

# Practice Routinely Gives Patients Written List of All Medications

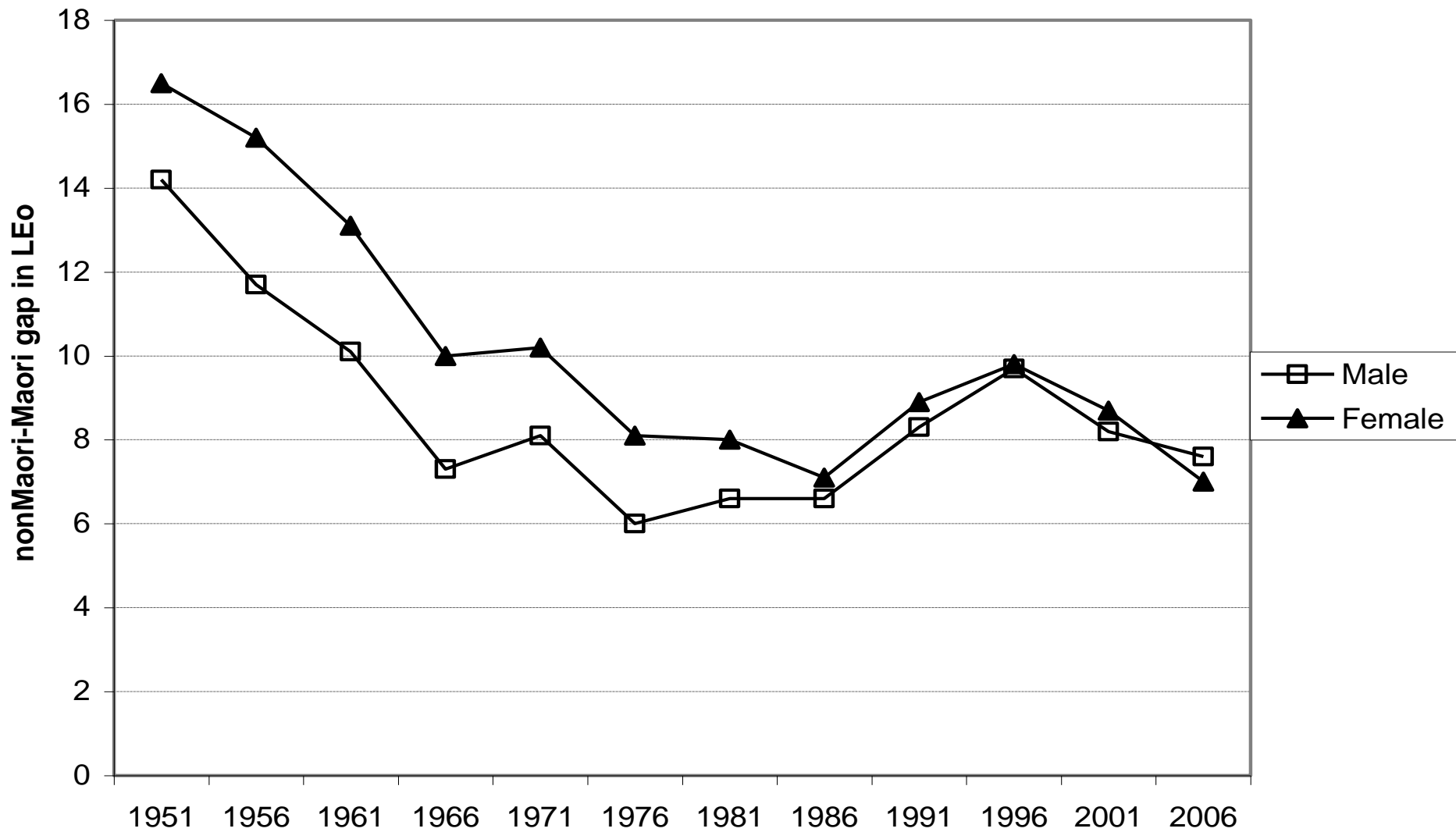
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Percent saying yes, ROUTINELY gives list of all medications



# Life expectancy gap between Māori and non-Māori (1951 – 2006)

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## PHOs have reached something of a watershed.

We now have a primary health care infrastructure in place that's achieved some of the aims of the PHCS

- an enrolled population
- with improved access to services
- more focus on chronic disease
- and on health inequalities,
- as well as community engagement

.....but they seem constrained in their ability to bring about significant change to the model of service delivery in primary care

# But, how to transition to a different primary **health care** model?

## **Needs**

- Development of multi-disciplinary teams
- Horizontal integration with other community providers
- Vertical integration with hospital services
- Prevention models grounded in local communities, including linkage with allied health professionals and NGOs
- Integrated health information
- New approaches to workforce training

## Better Sooner More Convenient Primary Care

### Goals:

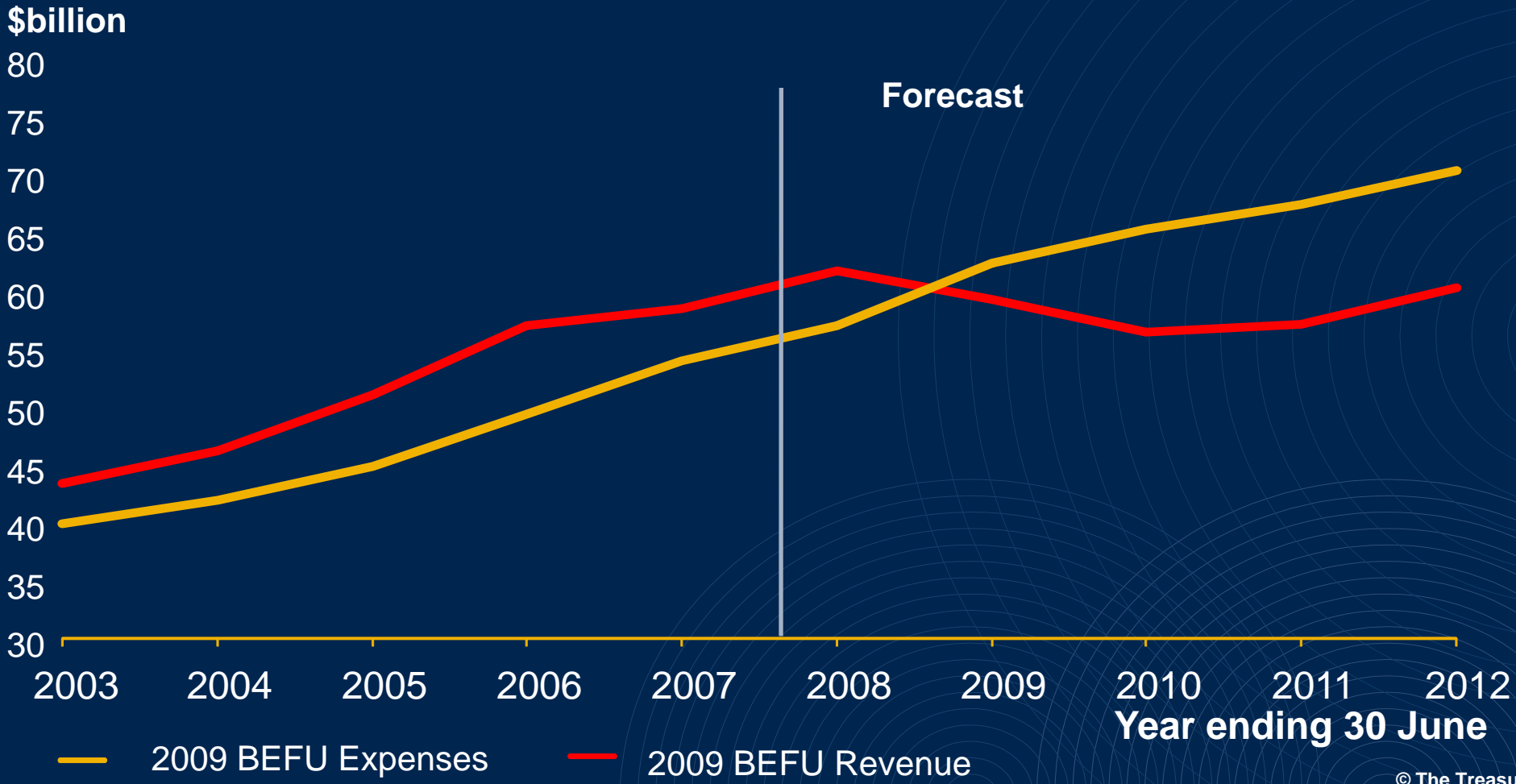
- Develop a more personalised primary care system
- Provide services closer to home
- Make Kiwis healthier
- Reduce pressure on hospitals

## Includes

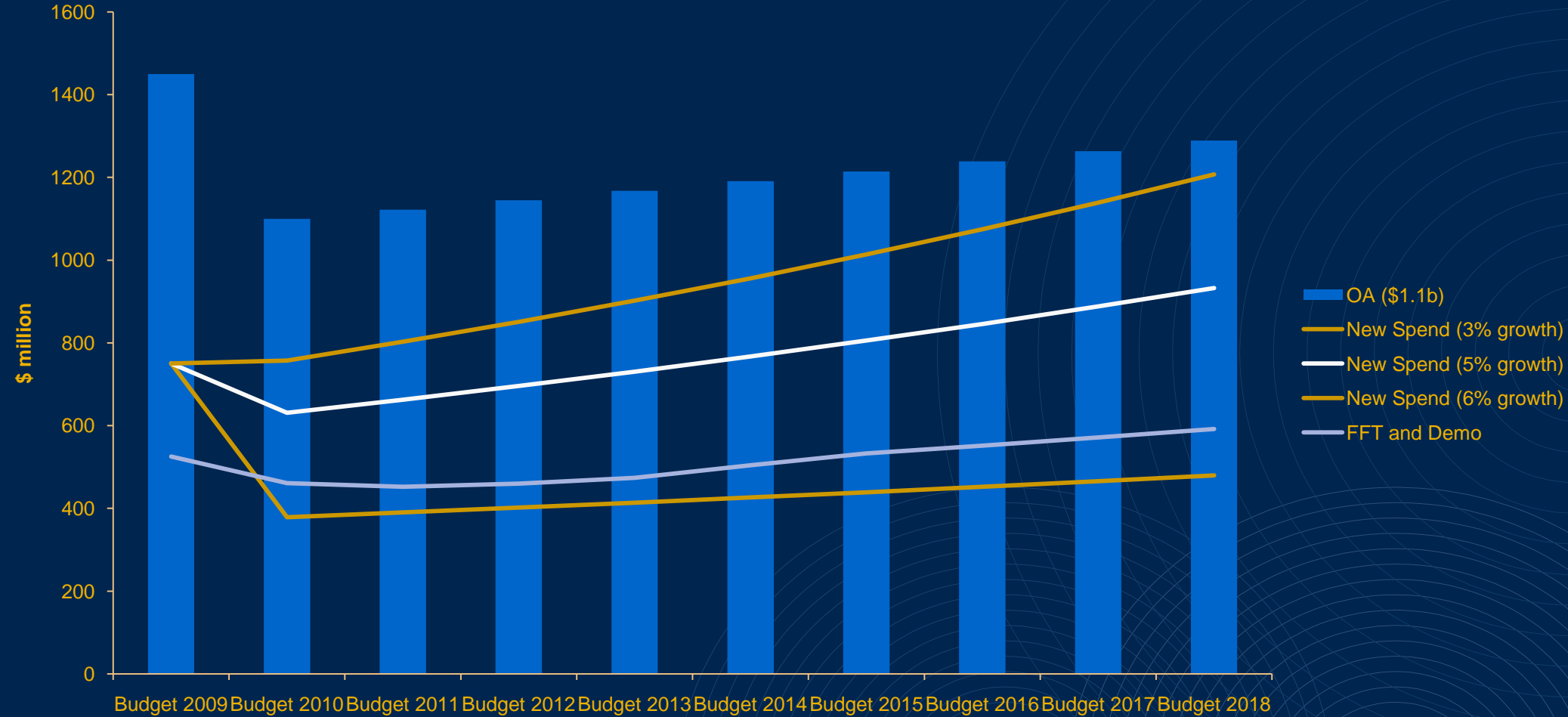
- A focus on clinical engagement and leadership
- Shifting more services into local communities e.g diagnostics, first specialist assessments, allied health services
- Enhanced access e.g walk-ins, nurse-led clinics
- PHOs and general practice to have a greater role coordinating care
- Enhanced role for nurses e.g as case managers for at-risk families
- Establishment of Integrated Family Health Centres
- And more focus on consolidation – PHOs and practices

**And then there's the funding pressures .....**

# Core Crown revenue and expenses



# Some scenarios....



# Implementation of Better Sooner More Convenient Primary Care

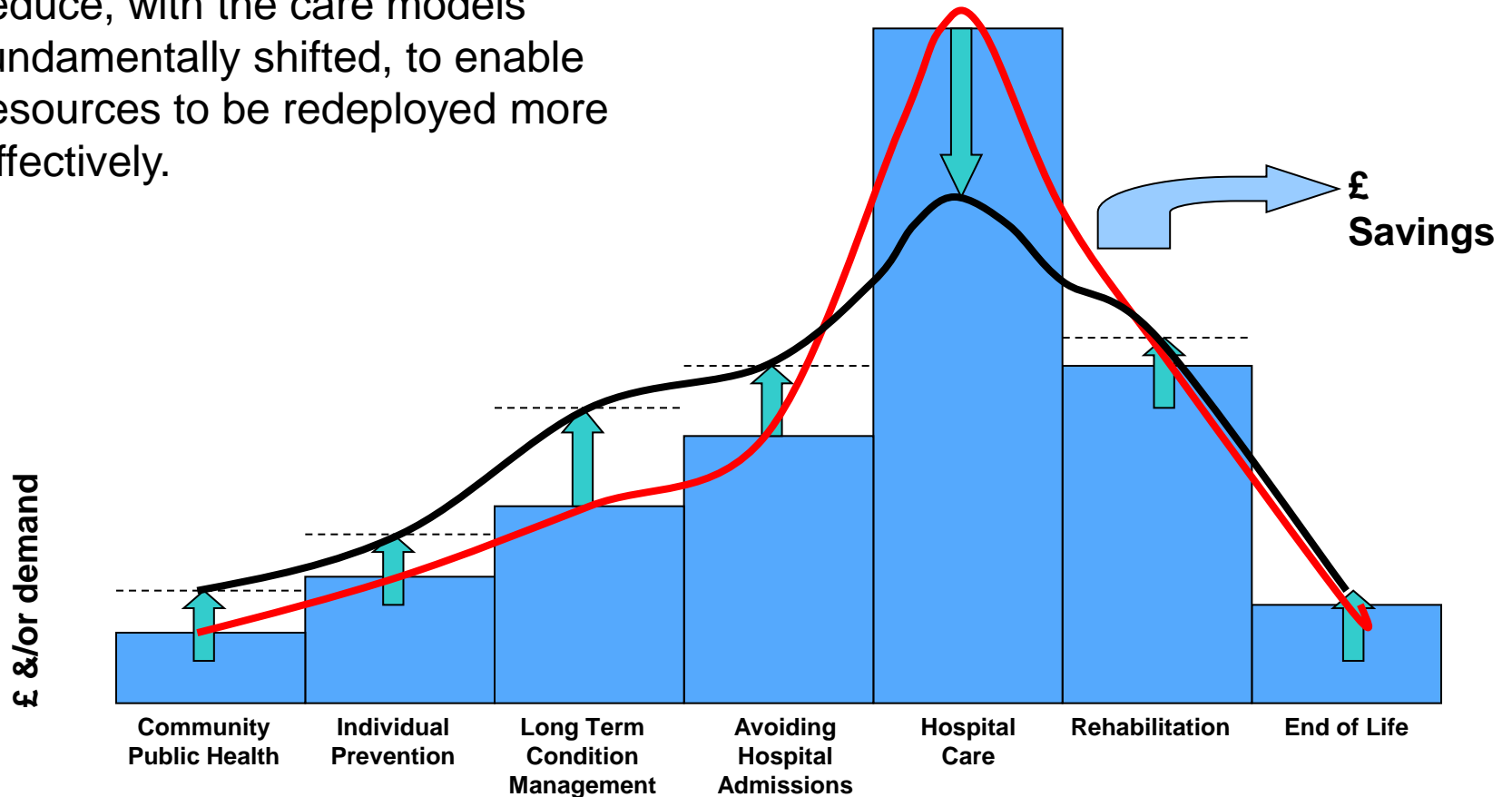
- Transformational change process
- Expressions of Interest - focus on Health Targets
- 2 step process – Selection & business case development
- 77 applicants
- 9 selected to develop business cases
  - Highly motivated sector, different relationships
  - District/regional approaches
  - Integration across disciplines
  - Establishment of IFHCs
  - Shifts in service models and delivery
  - Shift funds to front line services
- Not selected groups continue to work with DHBs

## Challenges

- Reduced variability through improved quality = reduced costs and improved efficiency
- Transformational change capability and capacity in primary care
- Fiscal environment and DHB deficits
- Shifted services and stranded costs in hospitals
- Clinical leadership and engagement
- Need to reduce expenditure growth with urgency

# Improvement in quality while reducing costs

The area under the curve is likely to reduce, with the care models fundamentally shifted, to enable resources to be redeployed more effectively.



Source: NHS Institute for Innovation & Improvement

“Often change need not be cajoled or coerced.  
Instead it can be unleashed”

Kalman, S (2005)

*Unleashing Change. A study of organisational renewal in government.* Brookings Institution Press

“People change what they do less because  
they are given analysis that shifts their  
thinking than because they are shown a truth  
that influences their feelings.”

Kotter, J (2002)

*The Heart of Change*