System level outcomes and funding universal healthcare

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Scope

What this presentation isn’t largely about:

• Technical Efficiency of specific interventions or drugs

• Health Status improvements

Broader Approach to “Value Based Funding” and Outcomes

• System perspective

• System outcomes

• Reform for Universal Healthcare (Funding, Value, Outcomes and Integration)

If we only have better outcomes for the better off we have missed the big picture
Ireland and Solidarity Funding in EU 28 (OECD 2017)
Current Funding 2014 (CSO 2016)
Cost shifting from State to people 2008-14

- Reduced Medical Card Coverage
- New Prescription charges
- Increased IP charges
- Higher threshold for drug reimbursement
- Higher ED charges
Private healthcare payments, 2009-10 & 2015-16

- Household Budget Survey 2009-10 & 2015-16
  - Central Statistics Office

- Private health expenditure
  - Out-of-pocket payments
  - Social care: home help, nursing home fees
  - Private health insurance

- Policy changes during this period
  - Drug charges; lifetime community rating; in-patient fees
  - 9.2% increase between 2009 & 2015

9.2% increase between 2009 & 2015

[Diagram showing percentage contributions to private healthcare payments for 2009-10 and 2015-16, with labels for different categories such as Insurance, Home Help, Nursing Home, Inpatient, etc. The diagram illustrates the percentage contributions for each category in both years.]
## Changes in PHE patterns between 2009-10 & 2015-16

<table>
<thead>
<tr>
<th>Item</th>
<th>2009 – 2010</th>
<th>2015 - 2016</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prescribed drugs</td>
<td>4.68%</td>
<td>8.46%</td>
<td>80.8%</td>
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<tr>
<td>OTC drugs</td>
<td>13.31%</td>
<td>7.04%</td>
<td>-47.1%</td>
</tr>
<tr>
<td>Other goods and services</td>
<td>4.06%</td>
<td>3.12%</td>
<td>-23.2%</td>
</tr>
<tr>
<td>GP fees</td>
<td>7.70%</td>
<td>4.77%</td>
<td>-38.05%</td>
</tr>
<tr>
<td>Private specialist and auxiliary services</td>
<td>12.89%</td>
<td>10.89%</td>
<td>-15.5%</td>
</tr>
<tr>
<td>Dental</td>
<td>9.74%</td>
<td>3.71%</td>
<td>-61.9%</td>
</tr>
<tr>
<td>Lab services</td>
<td>0.16%</td>
<td>0.76%</td>
<td>375%</td>
</tr>
<tr>
<td>Inpatient fees</td>
<td>3.46%</td>
<td>4.19%</td>
<td>21.1%</td>
</tr>
<tr>
<td>Nursing home</td>
<td>3.02%</td>
<td>2.93%</td>
<td>-3%</td>
</tr>
<tr>
<td>Home help</td>
<td>0.49%</td>
<td>0.46%</td>
<td>-6.1%</td>
</tr>
<tr>
<td>Insurance</td>
<td>40.49%</td>
<td>54.23%</td>
<td>33.9%</td>
</tr>
</tbody>
</table>
Nos of adults waiting for IP and day-case hospital treatment (2008-2017)
Nos waiting for first outpatient appointment (2012-2017)
Useful System Level Outcomes

• **Affordability**
  • without catastrophic or impoverishing payments

• **Progressivity of Funding**
  • Richer pay proportionately more
  • Solidarity based funding

• **Accessibility**
  • Care accessed when needed
  • Differentials and waiting times
Universal healthcare

The goals of universal health coverage are to ensure that all people can access quality health services, to safeguard all people from public health risk, and to protect all people from impoverishment due to illness, whether from out-of-pocket payments for healthcare or loss of income when a household member falls sick...

UHC consists of three inter-related components: i) the full spectrum of quality health services according to need; ii) financial protection from direct payment for health services when consumed; and iii) coverage for the entire population

(WHO/World Bank, 2013: 1/10)
But UHC also means better health outcomes

- Evidence: Moreno-Serra and Smith (2015, 2013)
  - Expanded coverage through higher public funding and lower OOP results in better health outcomes
- Reduce co-payments
- Increase solidarity financing mechanisms
How should we go about Value Based Funding for UHC?

Jurisdictions

Local Health system geographies

– Integration of hospital and primary and community care
  • Facilities (and activities within) too narrow a focus
– Outcomes and performance metrics for these local systems
– Accountability

Health outcomes - System sensitive conditions

Pooled Funding to cover Integrated Care

– Activity Based Funding plus population based funding
Getting there - Sláintecare

1. Expanding Activity based Funding to cover all elements of acute care
2. Establish Population based resource allocation formula for primary and community care
3. Coterminous - Hospital Groups and Community Health Organisations
4. Pool Funding
5. Local System governance for using pooled funding to resource integrated care
6. Identify and measure local system sensitive outcomes
Messages

Value based funding is no excuse to miss the bigger picture

Affordability, progressivity of financing, equity of access - all important system outcomes

- And yes health status too

UHC and local health system outcomes are also important

Pooled funding will allow integrated care and improved efficiency

But requirements and challenges – not least information systems and resourcing
Thank You

#TCDpathways
#slaintecare