System level outcomes and funding universal healthcare

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Scope

What this presentation isn't largely about:

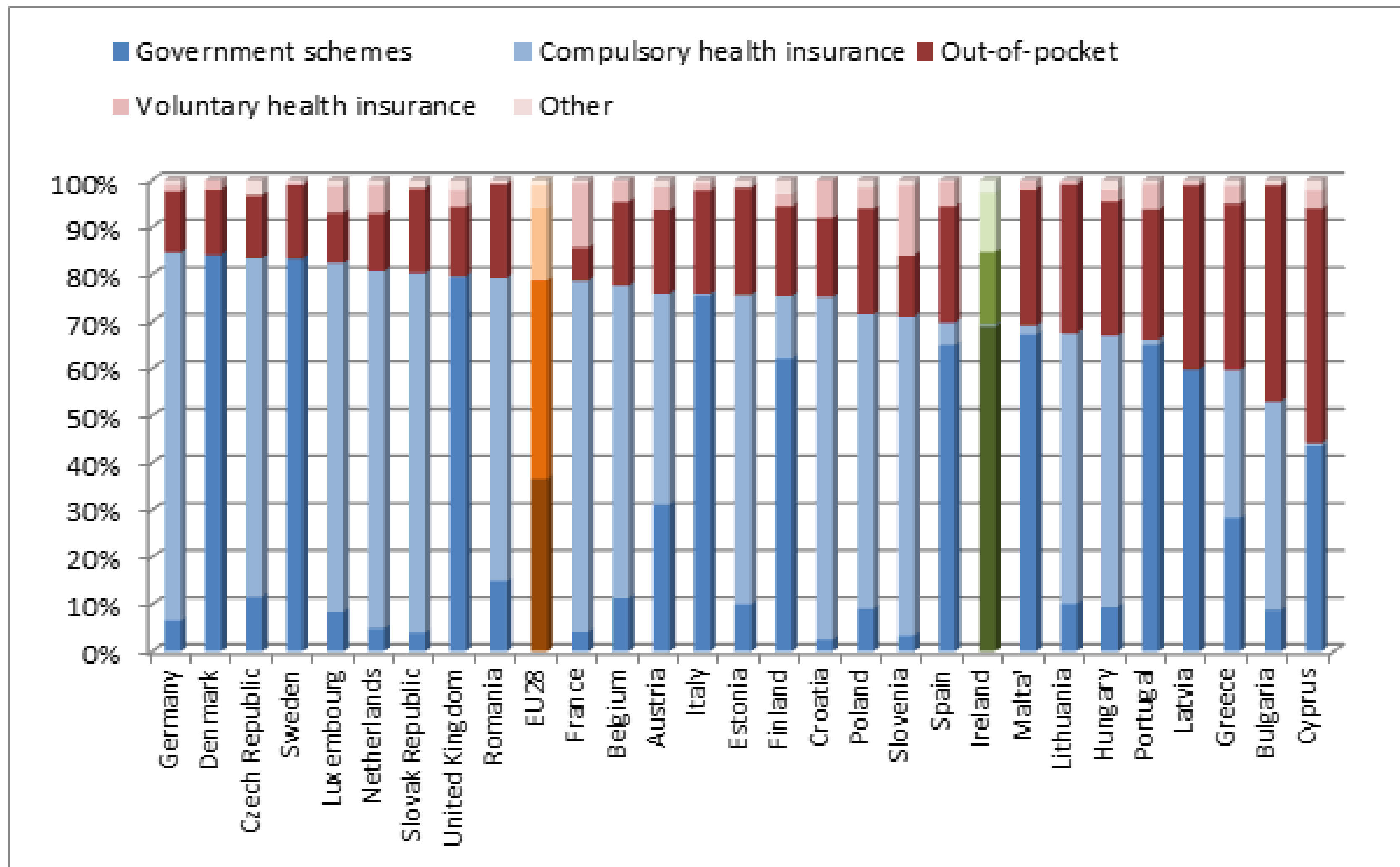
- Technical Efficiency of specific interventions or drugs
- Health Status improvements

Broader Approach to "Value Based Funding" and Outcomes

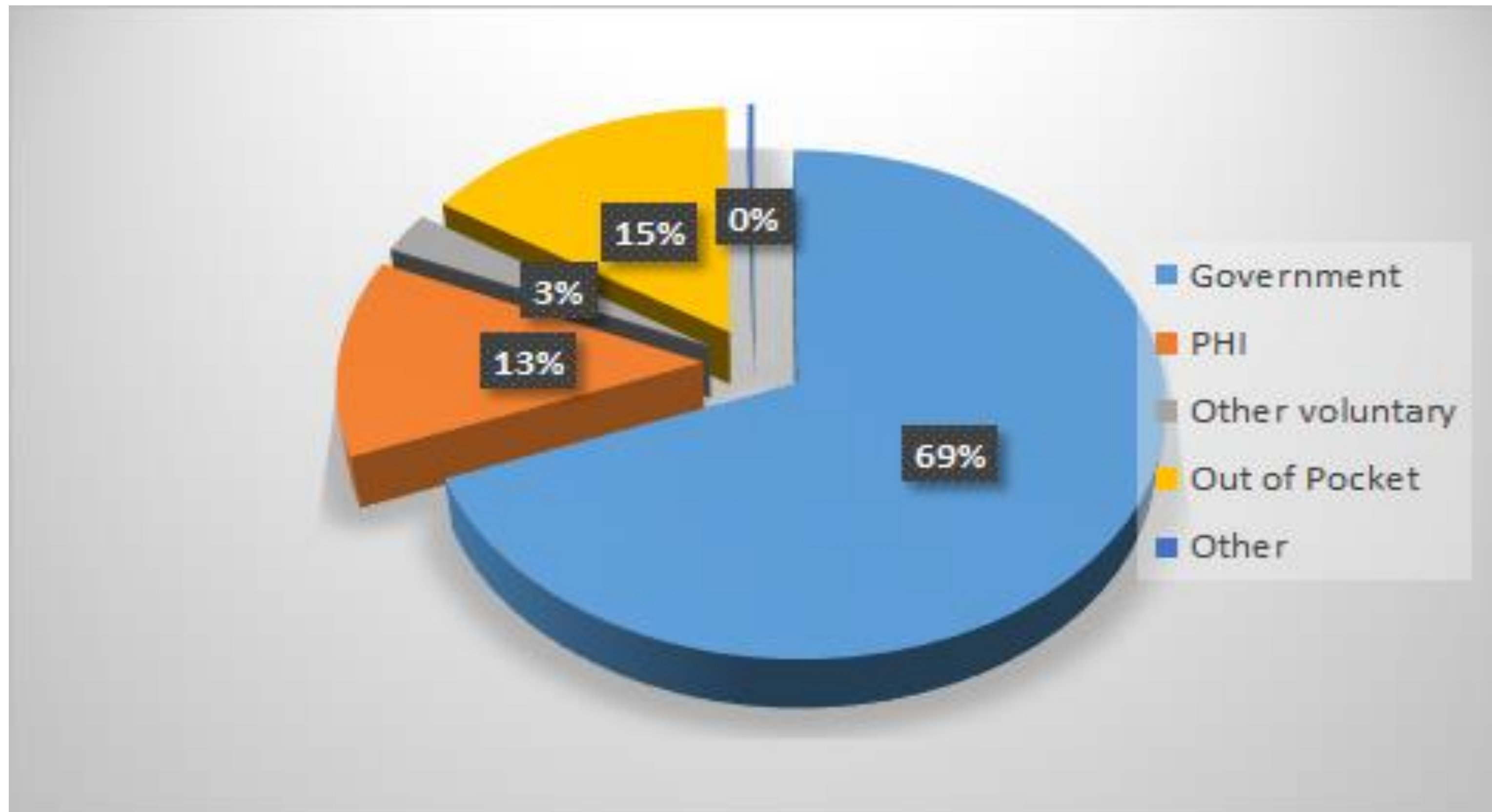
- System perspective
- System outcomes
- Reform for Universal Healthcare (Funding, Value, Outcomes and Integration)

If we only have better outcomes for the better off we have missed the big picture

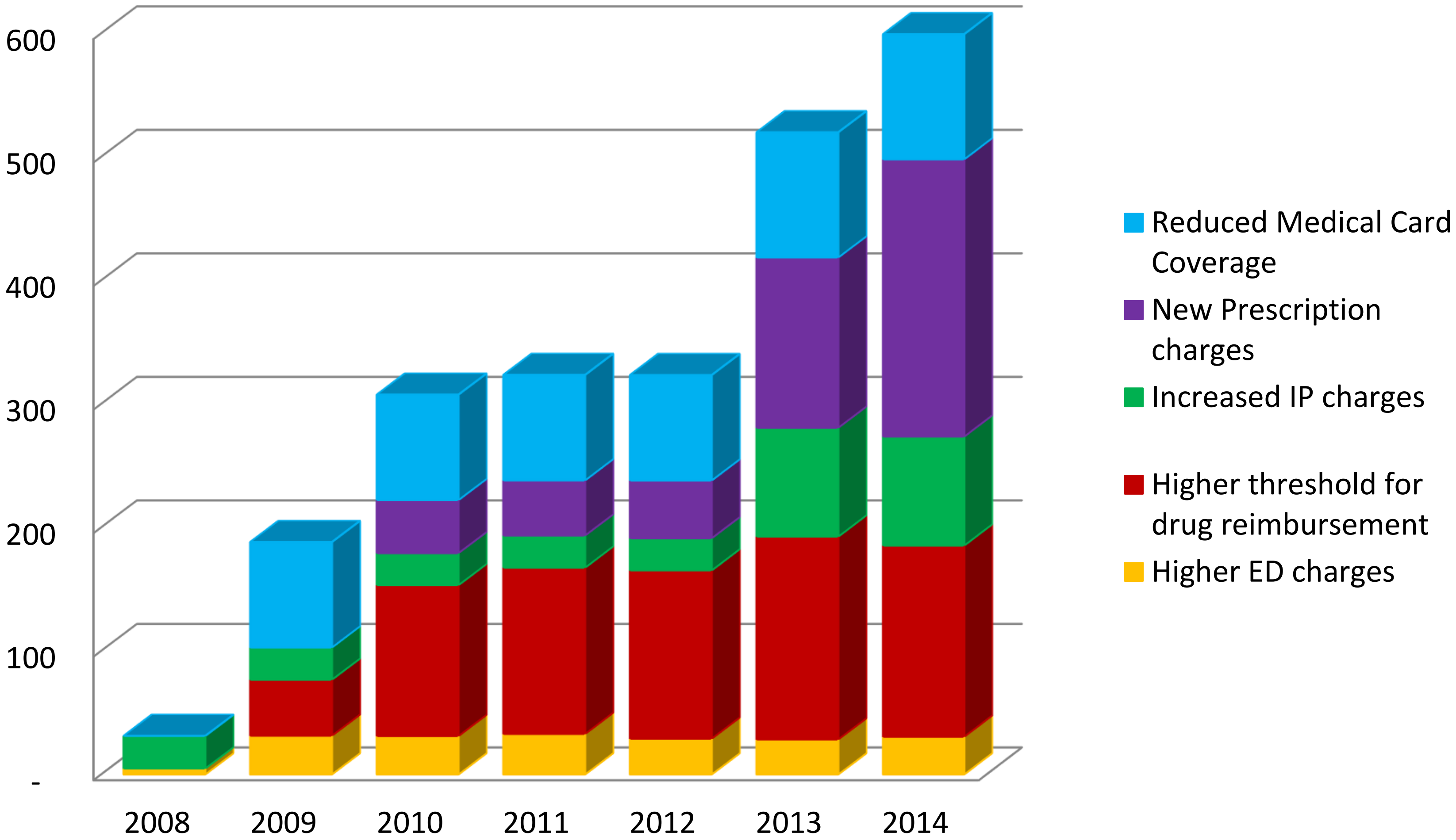
Ireland and Solidarity Funding in EU 28 (OECD 2017)



Current Funding 2014 (CSO 2016)

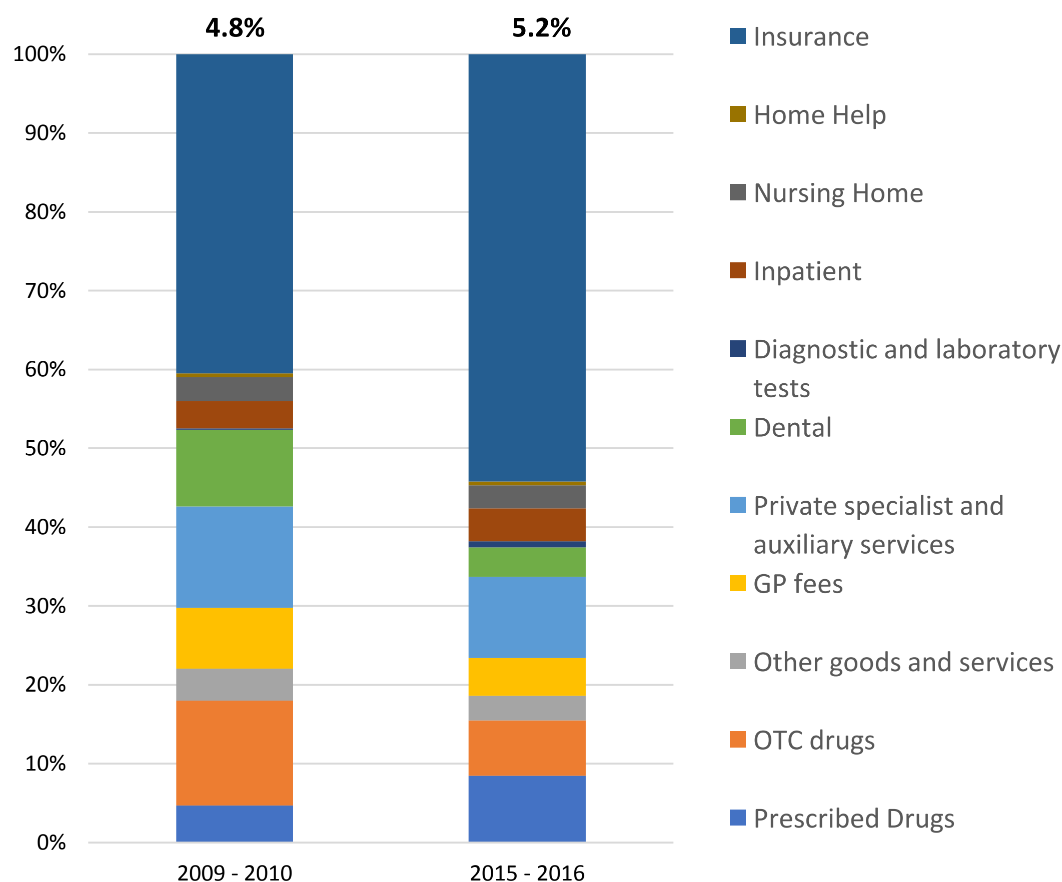


Cost shifting from State to people 2008-14



Private healthcare payments, 2009-10 & 2015-16

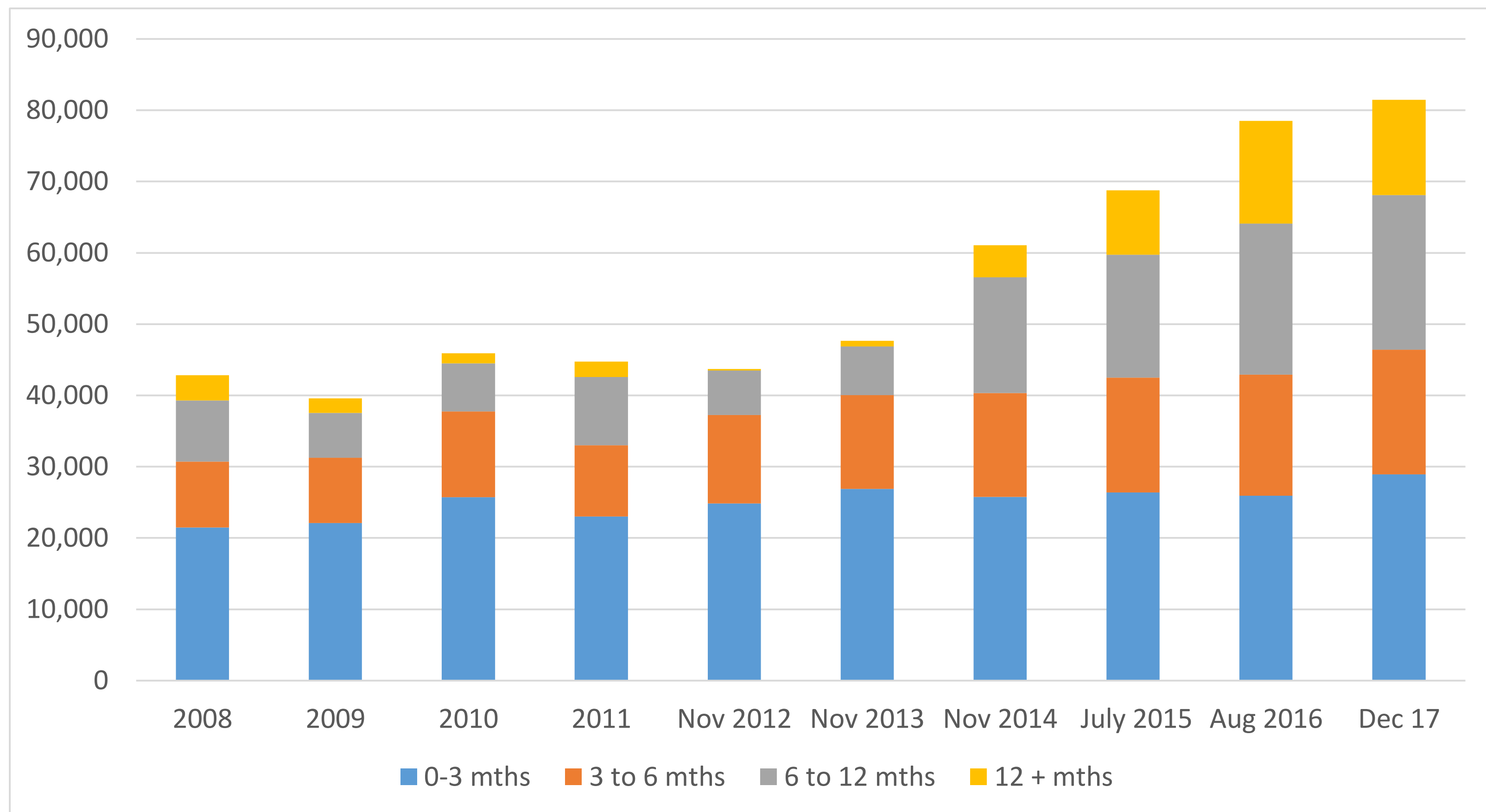
- **Household Budget Survey 2009-10 & 2015-16**
  - Central Statistics Office
- **Private health expenditure**
  - Out-of-pocket payments
  - Social care: home help, nursing home fees
  - Private health insurance
- **Policy changes during this period**
  - Drug charges; lifetime community rating; in-patient fees
  - 9.2% increase between 2009 & 2015



Changes in PHE patterns between 2009-10 & 2015-16

Item	2009 – 2010	2015 - 2016	% change
Prescribed drugs	4.68%	8.46%	80.8%
OTC drugs	13.31%	7.04%	-47.1%
Other goods and services	4.06%	3.12%	-23.2%
GP fees	7.70%	4.77%	-38.05%
Private specialist and auxiliary services	12.89%	10.89%	-15.5%
Dental	9.74%	3.71%	-61.9%
Lab services	0.16%	0.76%	375%
Inpatient fees	3.46%	4.19%	21.1%
Nursing home	3.02%	2.93%	-3%
Home help	0.49%	0.46%	-6.1%
Insurance	40.49%	54.23%	33.9%

Nos of adults waiting for IP and day-case hospital treatment (2008-2017)



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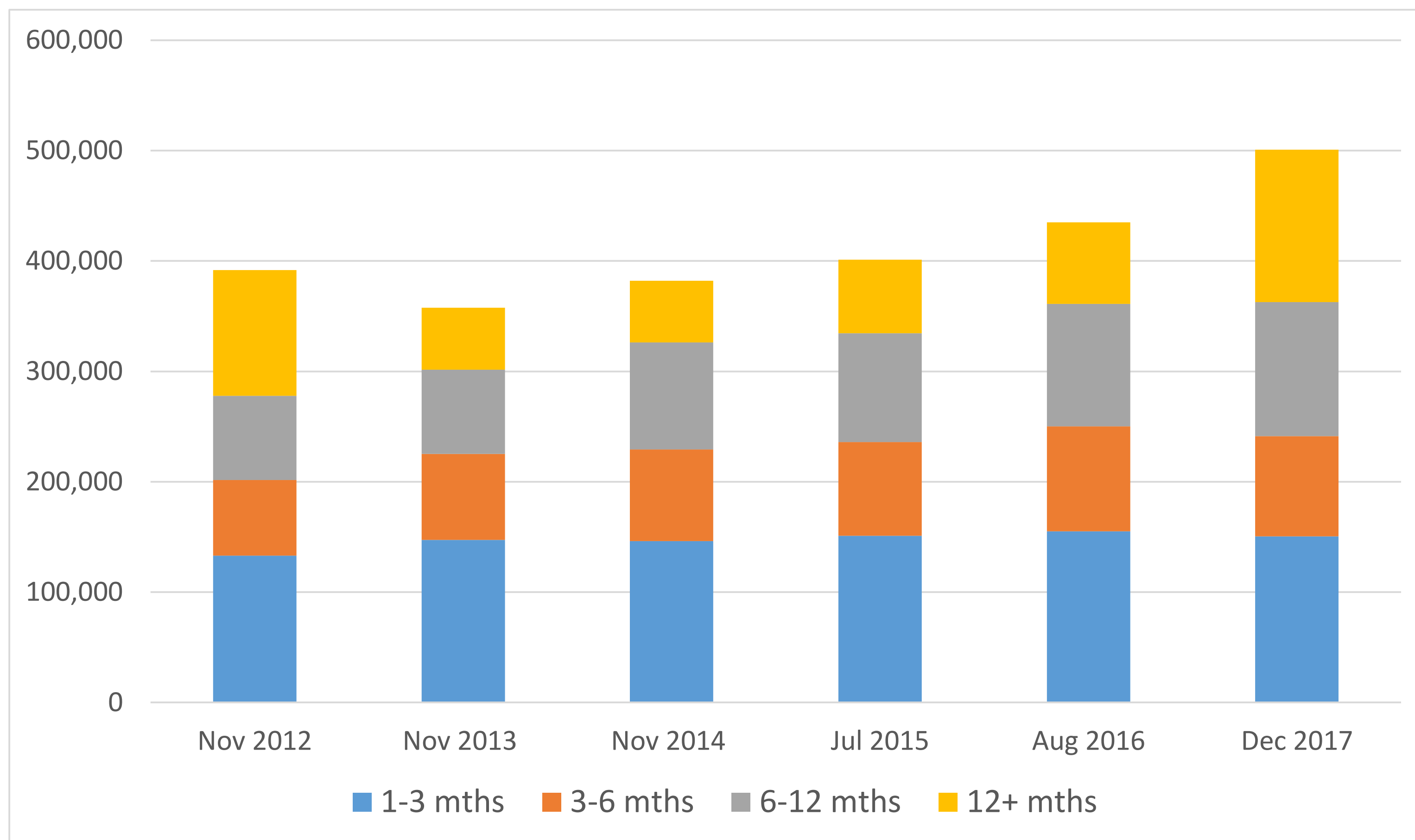
Nos waiting for first outpatient appointment (2012-2017)



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Useful System Level Outcomes

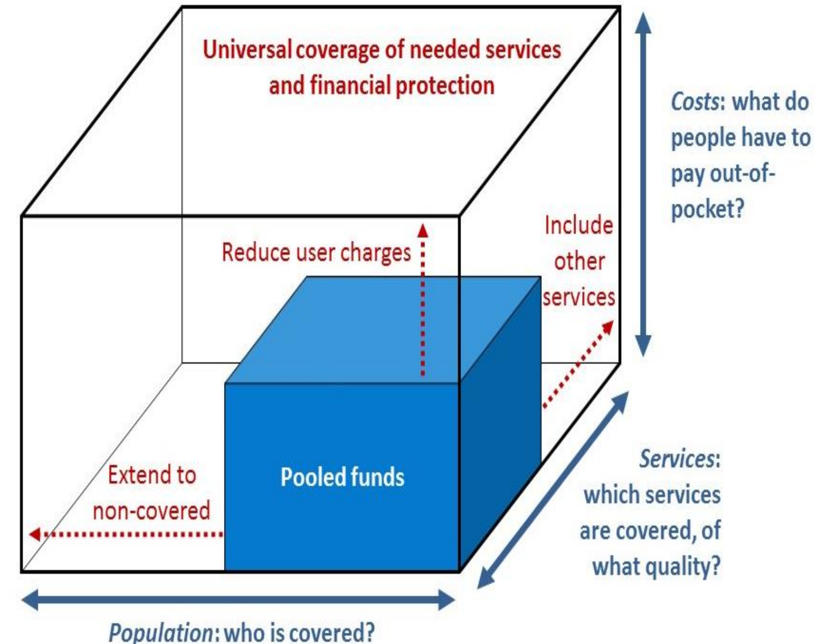
- **Affordability**
  - without catastrophic or impoverishing payments
- **Progressivity of Funding**
  - Richer pay proportionately more
  - Solidarity based funding
- **Accessibility**
  - Care accessed when needed
  - Differentials and waiting times

Universal healthcare

the goals of universal health coverage are to ensure that all people can access quality health services, to safe guard 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…

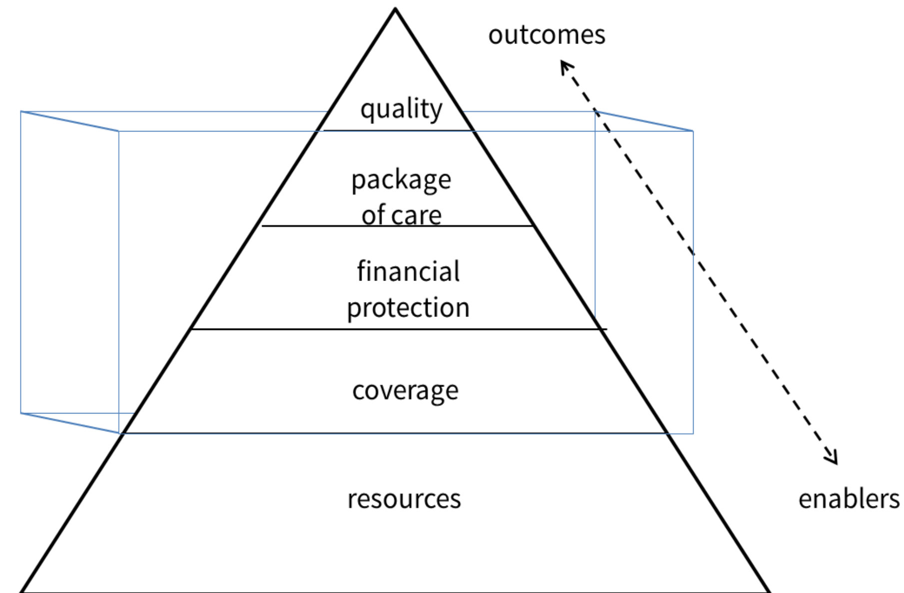
UHC consists of three inter-related components: i) the full spectrum of quality health services according to need; ii) financial protection from direct payment for health services when consumed; and iii) coverage for the entire population

(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

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Thank You

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#slaintecare