

Blueprint objective **1. A nationally unified and regionally controlled health system that puts patients at the centre**

Case example **Victoria's HealthLinks trial**

What is the community need or problem being addressed? People with chronic and complex health needs often present to hospital multiple times to manage issues that could have otherwise been avoided had they been able to access more integrated services that met their needs prior to presentation.

The overlapping roles and responsibilities of ambulatory and inpatient care services, separate funding streams, including activity based funding for acute inpatient services, and separate models of care, can create barriers to integrated care.

What is the approach being implemented? The HealthLinks initiative is a funding model reform that aims to provide health services with greater funding flexibility. A portion of activity-based funding has been converted to a capitated grant that can be used by health services to design services around the needs of these highly complex patients.

HealthLinks will enable the provision of a mix of services to people with chronic and complex health needs who have a high risk of multiple unplanned hospitalisations and develop partnerships within and across different health and social services.

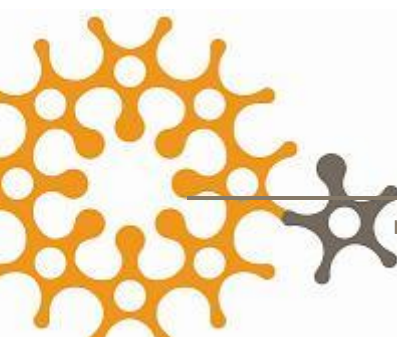
Health services are able to design their own intervention model and may choose to focus their intervention on a subset, or all, of the enrolled patients.

Over time, it is anticipated that patients with chronic and complex needs will be more accurately identified and provided with targeted active management, reducing unplanned hospitalisations and improving patient outcomes.

What have been the key enablers to the success of this approach? The key enabler that underpins the HealthLinks model is the shift from activity based funding to a capitated funding model. Health services are allocated a capitated grant that can be used flexibly to design care around the needs of enrolled patients at high risk of multiple unplanned hospital admissions. This can include services that reach beyond traditional hospital based settings, delivered by a range of providers. Health services are also able to reinvest any residual funds into improvements to the model of care.

In addition to this, other enablers that are supporting the implementation of HealthLinks include:

- Health services are able to design their own intervention model, with some services taking a continuous service improvement approach and others developing new models of care.
- The HealthLinks model has been developed in co-design with participating health services, with a clinical collaborative established to oversee implementation.





- Strong partnerships are being built by participating health services with other services, including primary and community health and social settings, which have been identified as important in developing more integrated and holistic services.

What have been some of the challenges to the success of this approach?

Key challenges for the Victorian government include:

- Building a sophisticated risk adjusted funding model requires a sophisticated understanding of patient cohorts and costs of care for these patients, including the unpredictable variation inherent in patient cohorts.
- Ensuring the model balances incentives to reduce costs and incentives to provide high-quality care, and the development of mechanisms to ensure that health services continue to deliver high quality services in the context of a capped funding arrangement.
- Results are not immediate—it is well known that shifting behaviours with this complex patient group can be difficult.
- Key challenges for health services include:
 - Developing the data systems and processes upon which to make sound resourcing decisions
 - Health service concerns that the funding arrangements may not cover the costs of a complex patient mix.
 - Clinician engagement, in particular if there is a perspective that funding decisions are driving models of care.

What is needed to scale-up the successes?

HealthLinks is currently a trial program and the Victorian Department of Health is conducting an evaluation of HealthLinks: Chronic Care in partnership with the Commonwealth Scientific and Industrial Research Organisation (CSIRO).

The Department is keenly awaiting the results of the evaluation to determine the success of the model, which is essential prior to any scaling up of the model.

More information

<https://www2.health.vic.gov.au/hospitals-and-health-services/patient-care/healthlinks>

