Make what we have work

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Make what we have work

- Australia is comparably healthy, and our health expenditure is comparably reasonable.
- Governments diagnose health system problems differently to consumers and NGOs.
- These government vs consumer/NGO diagnostic differences could be bridged by adoption of a genuine insurance principles; failing that, lets simply make what we have work better.

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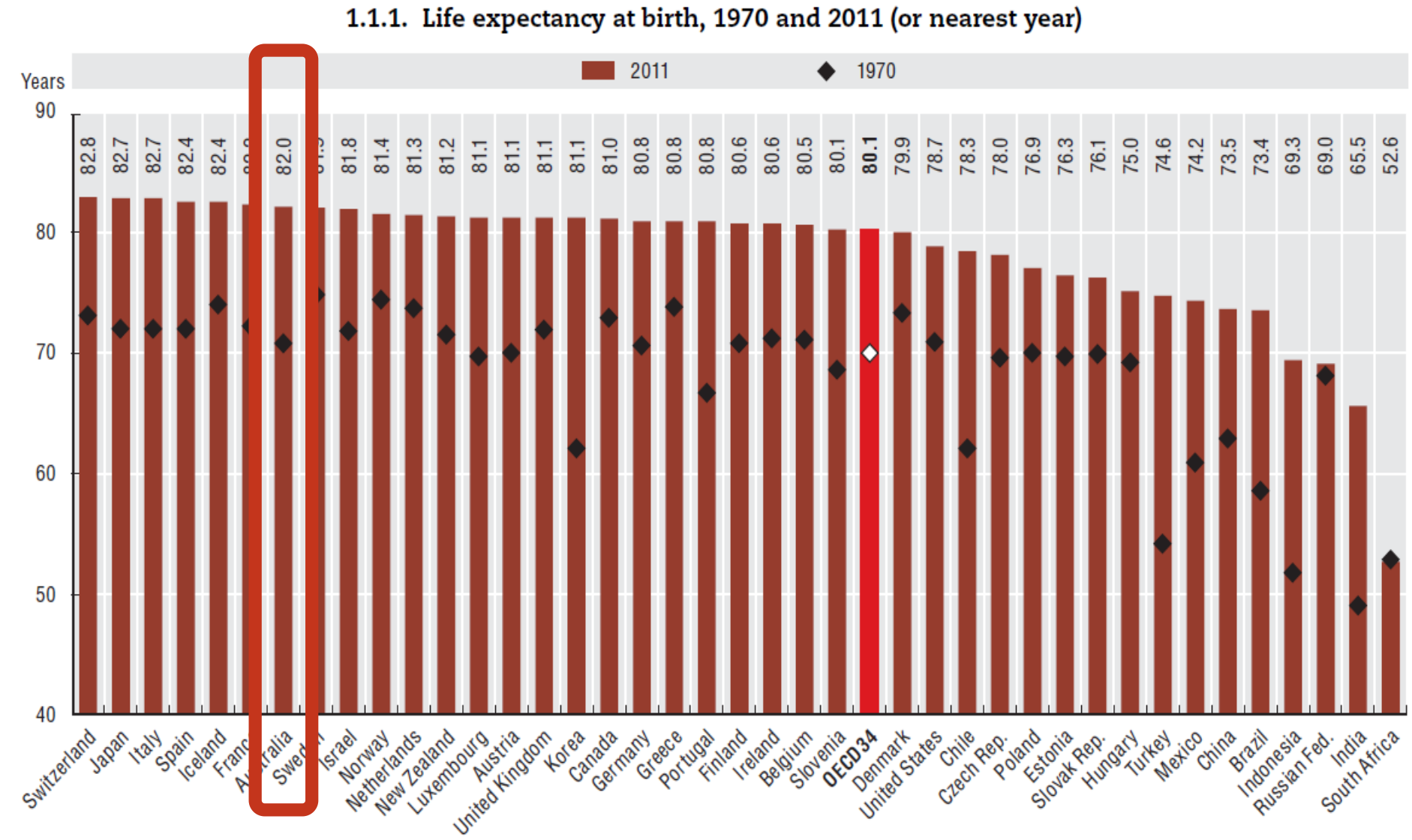
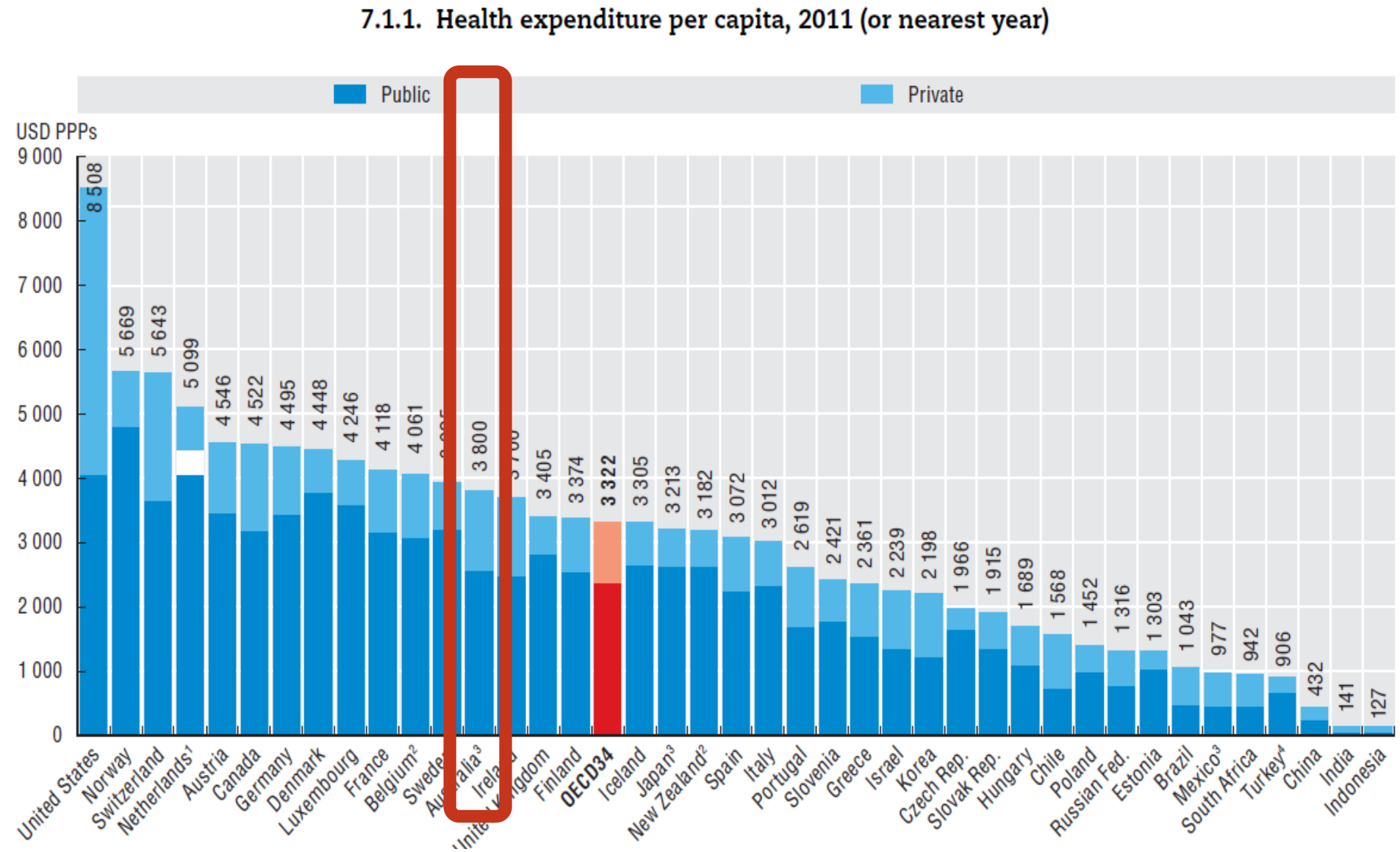
By international comparison, we're healthy



Source: OECD Health Statistics 2013, http://dx.doi.org/10.1787/health-data-en; World Bank for non-OECD countries.

By international comparison, expenditure is near average



Source: OECD Health Statistics 2013, http://dx.doi.org/10.1787/health-data-en; WHO Global Health Expenditure Database.

Government diagnoses for reform

Rudd/Gillard worthwhile reform architecture

- National hospital pricing
- Hospital performance publication
- Local area initiatives through Medicare Locals

Abbott government reform direction

- Role of government in health generally
- Commonwealth/State governance accountability
- Cost efficiencies

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Health consumer & NGO diagnoses for reform

System is hard to navigate

"Many patients feel that they are not given enough information about their management, treatment, care, and service provider options. For example, one patient noted that he was not told about a complication he was currently experiencing before consenting to the treatment, and an 85-year-old patient did not feel listened to by the medical staff. For many, asking for more detailed information was not an option they believed was available to them."

Cordingley, A. Western Australia Health Consumers' Council: Patient First Ambassador Project. *Health Issues*, No. 98, Autumn 2009: 12-15.

Disparities in access to "universal" healthcare

Median annual GP access is 9.7 visits in the city and 5.4 in remote areas.

AIHW 2014. Australia's health 2014. Australia's health series no. 14. Cat. no. AUS 178. Canberra: AIHW

Health outcome disparities

Life expectancy in outer regional to remote areas is 2.5 years lower for males and 1.3 years lower for females

ABS 2013. 3302.0.55.001 - Life Tables, States, Territories and Australia, 2011-2013. Canberra: ABS

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A big idea to bridge Government and Consumer interests

Insurance principles

1. Choice and control for individual consumer
2. Reasonable and necessary care funded
3. Efficient allocation of resources based on managing the long-term costs
4. Consistent application of eligibility criteria
5. Early intervention and prevention part of service plan
6. Actuarial modelling used to estimate and manage costs of care across the life-course of individuals
7. Monitor, evaluate and report on the overall system performance

COAG: High-level Principles for a National Disability Insurance Scheme, 2012

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Bridging Government and Consumer interests

Insurance Principle	Program implication	Meeting government interests	Meeting consumer interests
Choice and control	Local Doctor incentivised as patient service purchaser	Individual doctor accountable for care and costs	Doctor empowered as consumer advocate
Reasonable and necessary	Every health consumer to access necessary care, regardless of circumstance	More timely care should reduce future health care cost and individual's social and economic exclusion	Equitable access to care for those who currently face exclusion
Long term costs	Notional health care fund holder account for every Medicare card holder	Incentive for more efficient management and care coordination	Equitable access to care for those who currently face exclusion
Consistent eligibility	All health consumers to access heath services through same GP entry	Equitable resource allocation, with cost able to be monitored by eligibility provisions	Barriers in access to health services removed
Early intervention	Social determinants and health prevention play greater role in health policy and planning	Modest early investment prevents expensive subsequent health costs	Better overall health, and avoided illness and premature death
Actuarial modelling	Assessment of different consumer groups health costs informs health resource allocation	Detailed financial and system analysis of health expenditure	Assurance that health resources directed to areas of most efficient need
Monitor system performance	Public reporting of population health outcomes against service delivery and expenditure	Public awareness of health service expenditure	Accountability of those governments with responsibility for health service delivery

If insurance is to big, just make what we have work?


Commonwealth of Australia Constitution Act.

AN ACT

TO

Constitute the Commonwealth of Australia.

Cap. 12 9th July 1900

Just one of many possible illustrations to make what we have work

S51(xxiiA)The Parliament shall…have power to make laws for…dental services.

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