Connecting the Dots: Options to Accelerate Health System Transformations Across Canada

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Breakthroughs where healthcare policy and delivery meet

CHSRF  FCRSS


Collaboration for Innovation and Improvement
Education and Training
Breakthroughs where healthcare policy and delivery meet
Applied Research and Policy Analysis
Evaluation and Performance Management

Key Questions

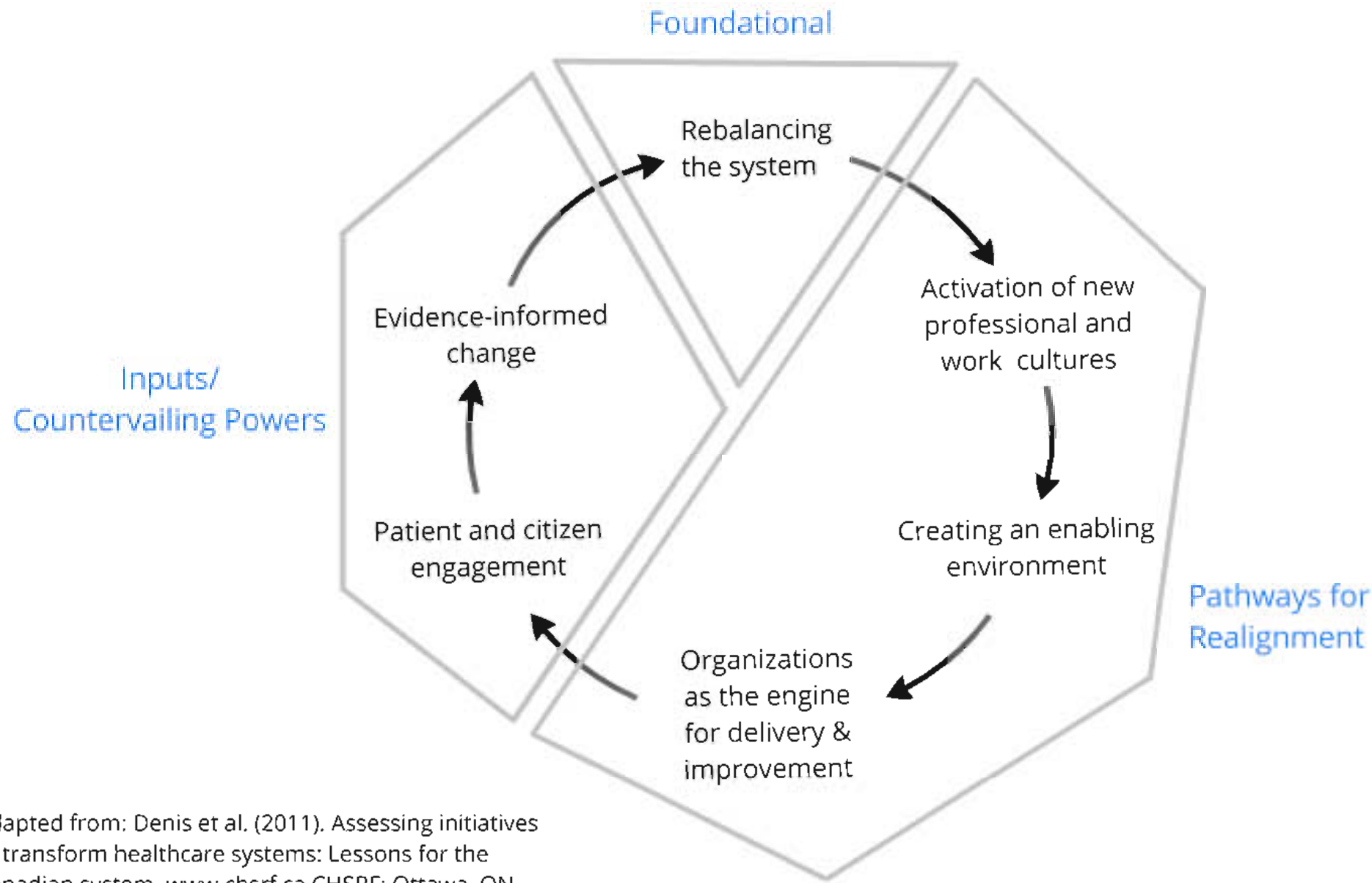
- What are the key ingredients for health system transformation?
- Can efforts to improve healthcare financial sustainability help to advance broader health system objectives?
- How does collaboration for improvement bring value (to the CEO and the healthcare system)?

Applied Research & Policy Analysis

Targeted research to inform policy-making and support system improvement.

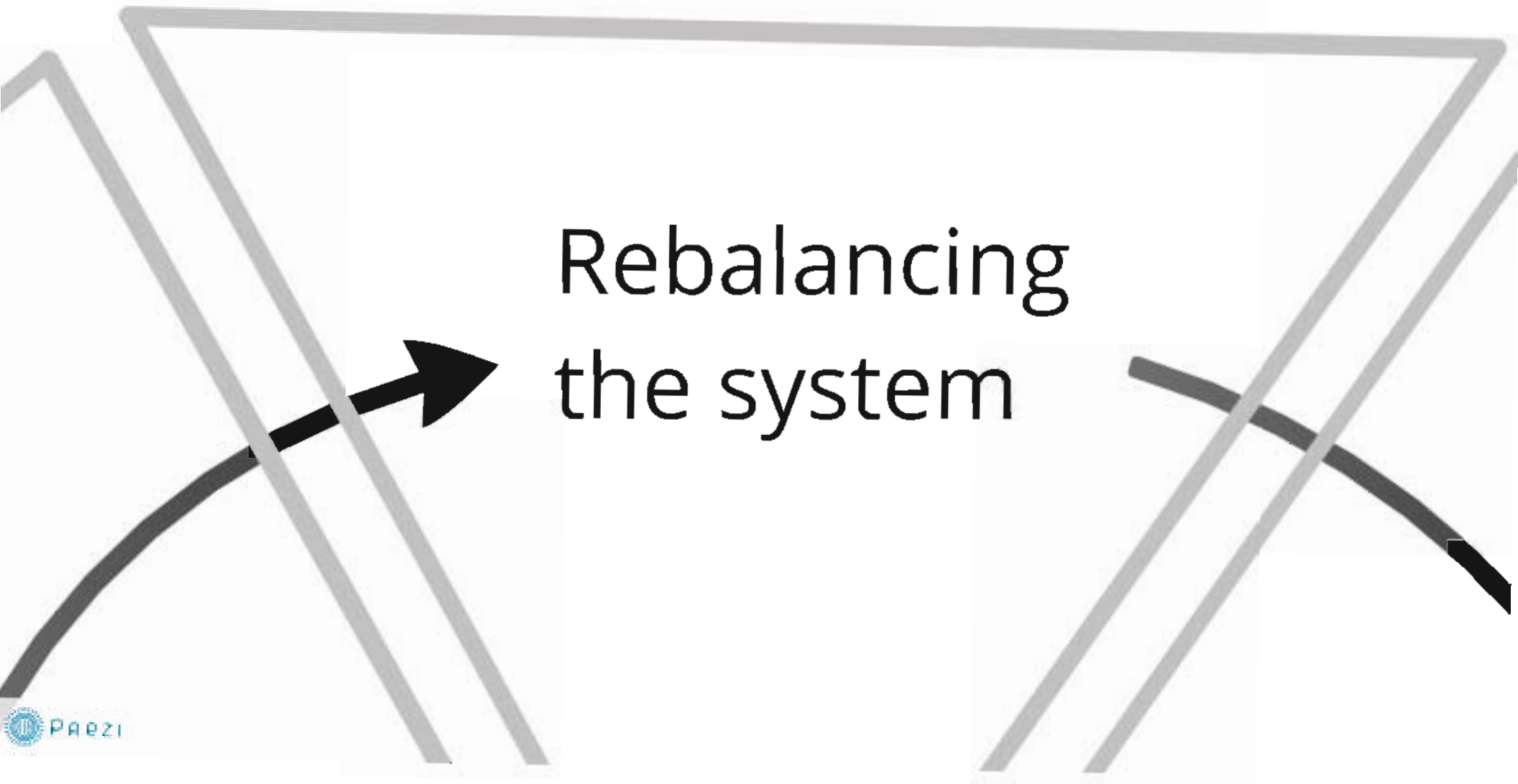
- Applied Research Partnerships:
  - with health system leaders in provinces, territories and health regions to conduct applied research to inform implementation.
- Knowledge syntheses:
  - Synthesize best evidence on priority topic areas, through peer-reviewed expert commissioned knowledge syntheses.
- Knowledge Exchange:
  - Mythbusters, CHSRF on Call, other briefs, videos
  - hosting forums for focused dialogue among health system leaders and policy stakeholders on the research findings and policy options to support implementation.

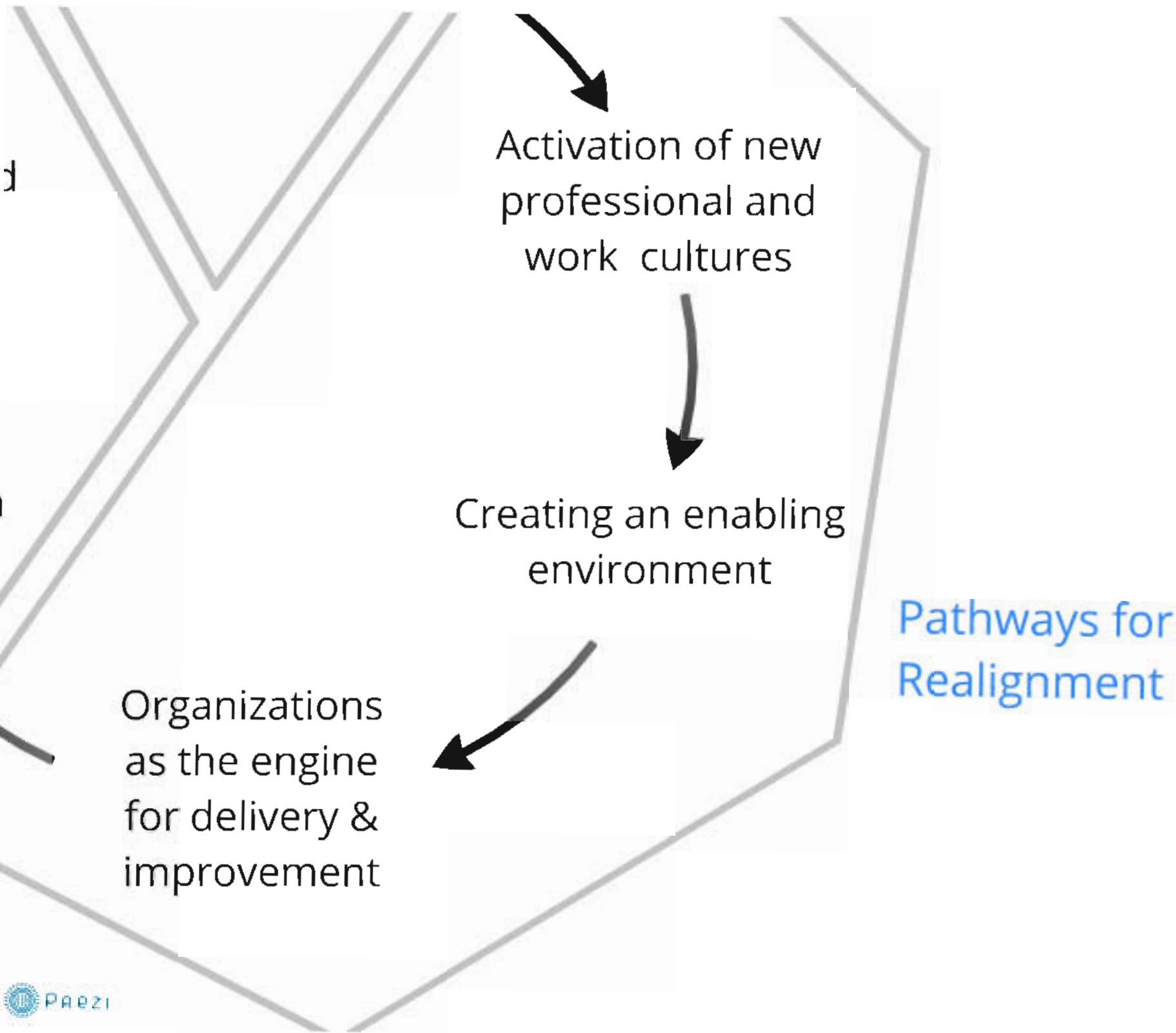
Ingredients for Health System Transformation



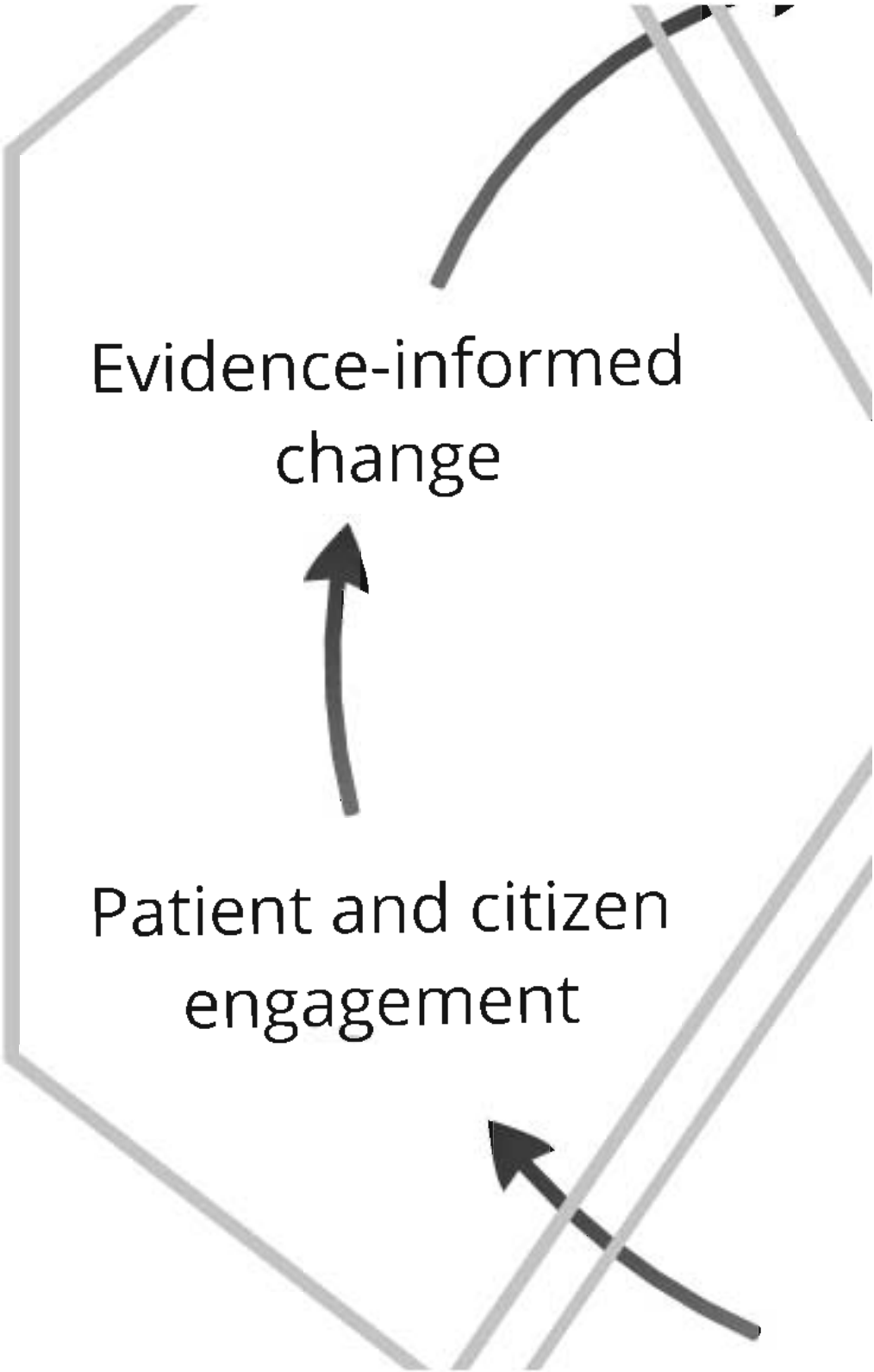
Adapted from: Denis et al. (2011). Assessing initiatives to transform healthcare systems: Lessons for the Canadian system. www.chsrf.ca CHSRF: Ottawa, ON

Foundational

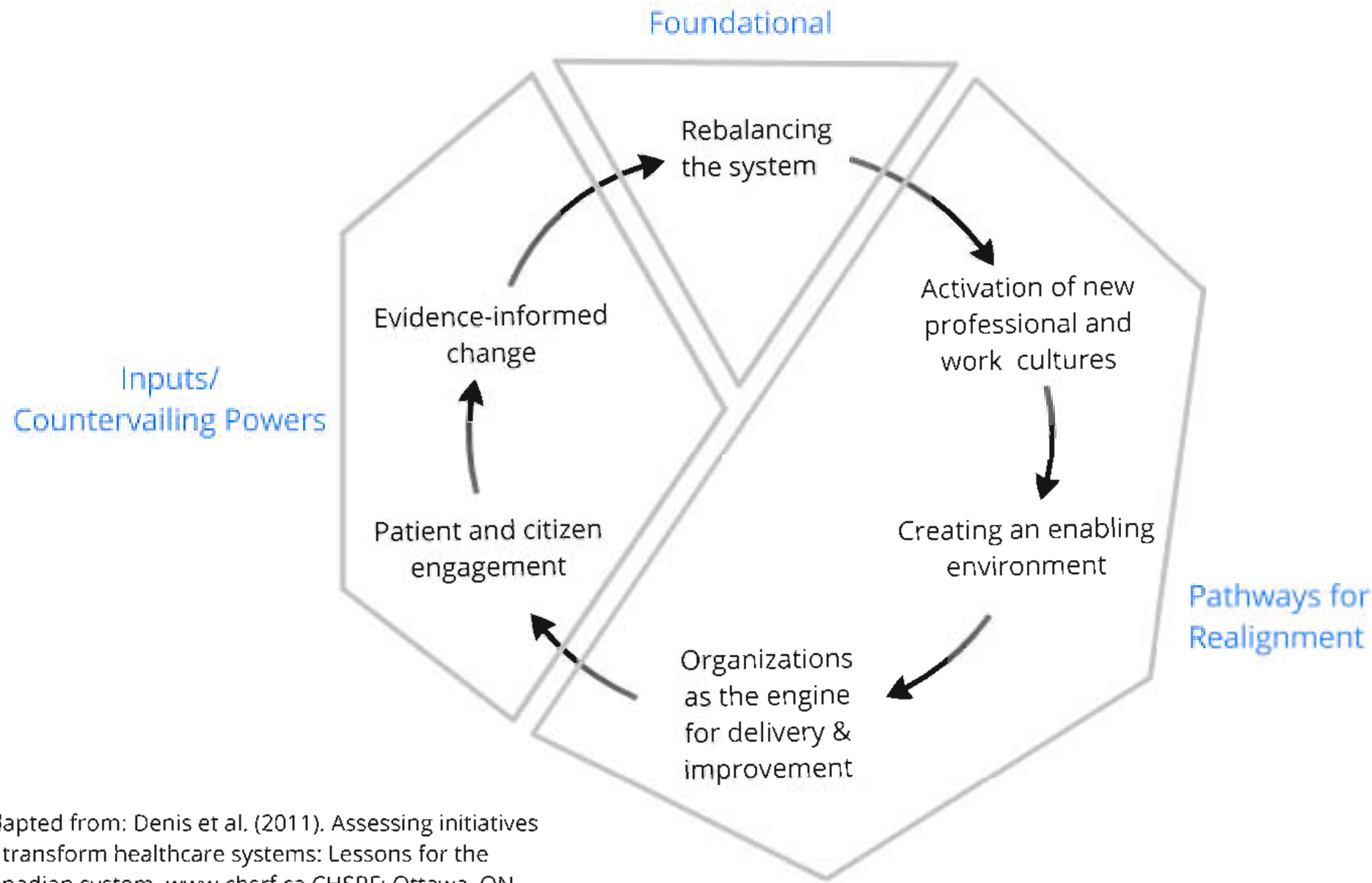



Activation of new professional and work cultures
Creating an enabling environment
Organizations as the engine for delivery & improvement
Pathways for Realignment

Inputs/
Countervailing Powers



Ingredients for Health System Transformation



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Underlying Assumptions

A1: While improvement can and does occur at many levels of a health system, the need exists for more synchrony and connections between the policy, organizational and clinical/front-line levels of a health system in order to achieve improvement and transformation.

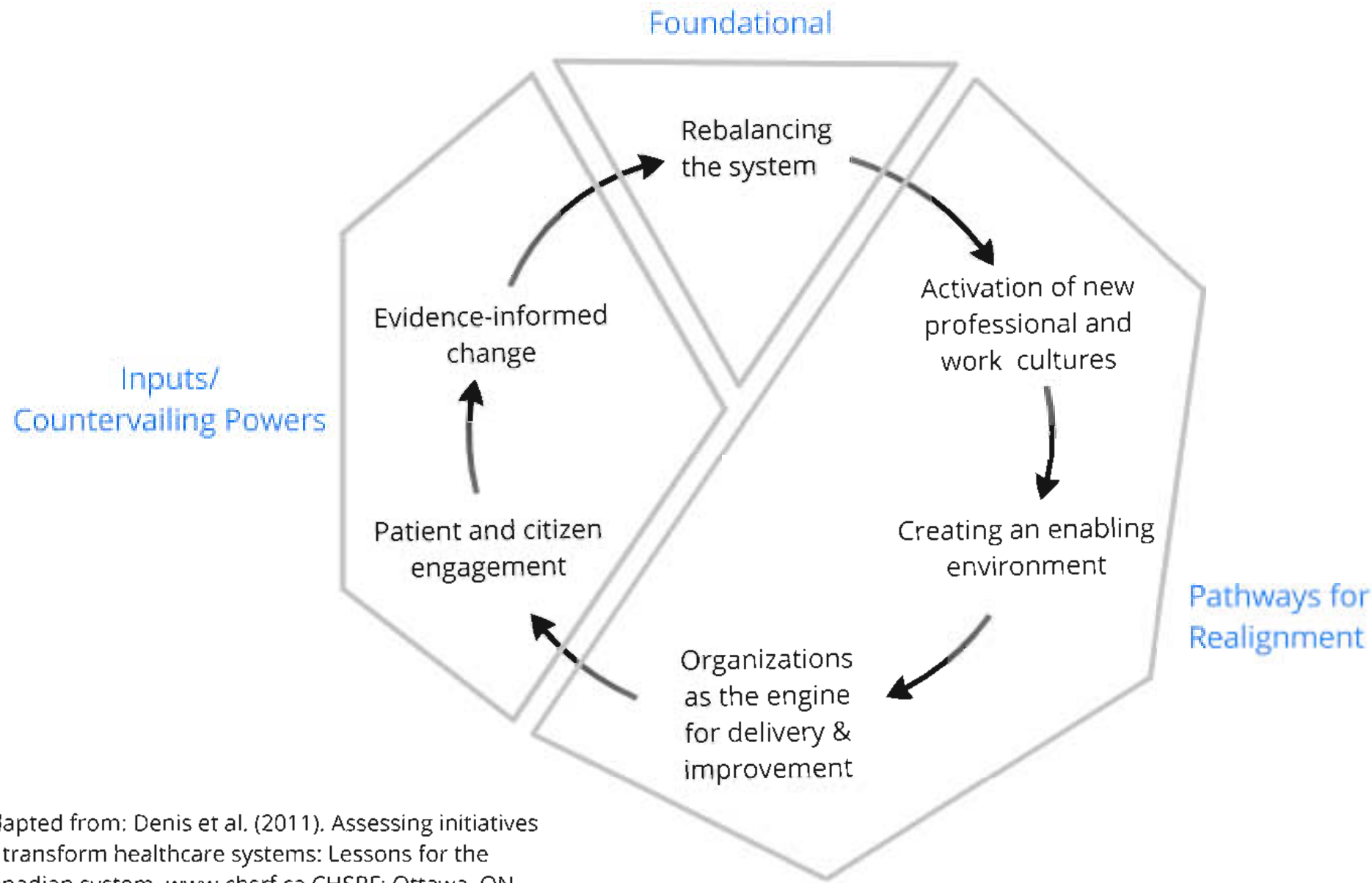
A2: Despite political and structural limitations inherent in any health system, organizations and front-line workers can significantly compensate for these challenges and in doing so, achieve improvements.

A3: Dollars alone neither buy all types of desirable change nor translate easily into improvements.

A4: Real changes taken at any level of a health system are those that translate into improvements at the delivery/clinical level, including behavioral changes of providers and practice, with the end goal of improving health outcomes.

A5: While there are times when real and substantive change may result from necessary and significant policy shifts, overall stability rather than constant reorganizing is necessary for organizations and the front-line level to perform and achieve improvements.

Ingredients for Health System Transformation



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Can efforts to improve healthcare financial sustainability help to advance broader health system objectives?

Suggestions from CHSRF work on Health System Financial Sustainability and Transformation

Introduction

- In Canada and around the world, heath expenditures are rising at a faster rate than GDP growth
  - From 1999 to 2009: real per capita public-sector health spending in Canada increased at 4.1% per year, while GDP growth was 1.5% over the same period (Constant et al., 2011)

- Anticipating policy discourse in light of upcoming termination of Health Accord, CHSRF's HCFiT initiative in 2011 synthesized best evidence and options to address:
  - health system cost drivers, efficiency, financing and transformation objectives.

Question:

How can efforts to improve financial sustainability at the same time address health system improvement and transformation objectives?

Approach

- Narrative synthesis approach
  - Helps to generate new insights by systematically and transparently bringing together research findings (Pope and Mays, 2006)
- Three stages:
  - First: identified broad health system objectives:
    - content analysis of "Assessing initiatives to transform healthcare systems: lessons for the Canadian healthcare system" by Denis (2011) to identify themes broad health system objectives
  - Second: policy options from "cost drivers and efficiency" reports were analysed to determine the extent to which they could address overall improvement and transformation objectives while addressing financial sustainability of the healthcare system
  - Third: findings compared against stakeholders' perspectives on the proposed options

Health system objectives

- Six broad health system objectives identified from Denis (2011)
- Long-standing:
  - Efficiency
  - Access
  - Evidence-informed decision making
- Transformative:
  - Coordination and collaboration of care across organizations
  - Coordination and collaboration of care across providers
  - Patient-centered care

"A transformation occurs when changes in the mindset of key actors occur in tandem with changes in the architecture of the system. From a policy perspective, significant changes within the system will only occur if there are changes in the governing coalition and policy framework used to approach problems and solutions" (Denis, 2001, p.1)

Features of current health system design

- Physician spending
  - 20% of public healthcare expenditures in 2011 (Constant et al., 2011)
  - increasing faster than wage of other health and social service workers (CIHI, 2011)
  - FFS: retrospective, rewards exclusively for volume of care; no incentives for cost management;
- Hospital spending
  - 29% of public healthcare expenditures in 2011 (Constant et al., 2011)
  - Global budget: retrospective, provides hospitals with pre-determined fixed lump-sum amount of money per year
  - provides no incentive to improve access, quality or efficiency;
  - may contribute to higher alternative care utilization

Features of current health system design

- Drug expenditures
  - Fastest growing, represented 9% of public healthcare expenditures in 2011 (Constant et al., 2011)
  - fragmentation of pricing and reimbursement for drugs by jurisdiction
  - reduces access to drugs for certain individuals,
  - undermines the efforts of others to negotiate lower prices and results in higher prices for everyone (Grootendorst, 2011; Husereau, 2011);
- Financing: tax-financed
  - Limits on coverage for Non-CHA services (e.g. pharmaceuticals and non-physician services outside hospital) may impose barriers to access to required care
  - Inequities in access across provinces
  - Examine social insurance as a complementary way of raising revenue to increase coverage for non-CHA service (Mallory, 2011, Allin 2011)

Policy Options

Physician Payment

- Objectives: efficiency, patient-centredness, collaboration across providers
  - Blend FFS with capitation:
  - encourages care that is unobservable (time and effort), reward services not traditionally covered by FFS (Leger, 2011)
  - provides incentives for quality and cost control leads to efficiency gains and better health outcomes (Kralj et al., 2012)
  - Use Health Technology Assessment to modify fees to reflect value of service (Husereau, 2011)
  - Pay for performance approaches

"the difficulty is that if you are not paying for what you really want to buy you end up with perverse incentive[s] of one sort or another...the fundamental issue that we really haven't addressed is how difficult it is to define what we really want to pay for."

Hospital Funding

- Objectives: efficiency and access
  - Blend Activity Based Funding (ABF) with global budgets
  - creates incentives for timely and equitable access, appropriate volume of care and efficient care (Sutherland, 2011)
  - Key for success: collect and track information about lengths of stay, use of funds and similar (Sutherland, 2011)
  - Add in P4P to move toward understanding appropriateness rather than only paying for more activity

"What you are paying for is a set of actions that will make the patient better and the institution in receipt of that payment can work out where that is most efficiently and effectively done."

Combining approaches to physician payment and hospital funding

- Group-based profit sharing (efficiency, coordination)
  - aligns incentives of physicians with hospitals and policymakers to consider cost of care; may lead to volume discounts through standardization of drugs and devices
  - regulatory framework is a barrier (Leger, 2011)

"Hospital services that you pay the physician separately from the rest of the hospital...if you then have to design incentives on how the physicians and hospital can get closer together, why not simply abolish this division and pay only once."

- Fundholding (efficiency, patient-centred, coordination, collaboration)
  - Lump sum per patient enrolled and covers prescription medication, specialty care and hospitalizations
  - ties physician's income to patients' health (Leger, 2011); need for risk adjustment

"I think for many chronic diseases, a bundled payment in which we are paying to keep that patient healthy, to keep them out of hospital, to minimize adverse incidents and to maximize their healthy life would be much more preferable than just paying for any incidents that happened along the way."

Drug Pricing

- Objectives: Efficiency and Access (Grootendorst & Hollis, 2011)
- Generics:
  - Sliding scale, tendering
- Brand Name:
  - Bulk purchasing, coordination across jurisdictions
  - Reference pricing: limits reimbursement of higher priced drugs but not lower-priced
  - Health Impact Fund to reward best outcomes
  - Essential to balance efficiency and access objectives with sufficient reward for R&D
- Use of HTA and Value Based Pricing
  - in coordinating pricing across provinces/terriorities (Husereau, 2011)

"provinces need to collaborate ....to effectively deal with national and international corporations..."

"we can talk all we want about cooperation...buy just saying that things to be national is just a head in the clouds."

Financing Coverage Gaps

- Objectives: Efficiency, access, patient-centred
  - Social Insurance:
    - a way to finance universal prescription drug coverage in addition to existing tax-financed health insurance
    - Encouraged earlier treatment
    - Implementation concerns, will impact corporate profits (Allin, 2011)
    - Design must minimize negative consequences for jobs, and income growth
    - Overall net benefit for economic growth expected (McCracken, 2012)

"If social insurance was implemented, why not combine that with a Health Impact Fund? The tax revenue can be used to pay for innovation while social insurance can pay for the drugs themselves..."

Concluding Remarks

- Many possible approaches to improve financial sustainability while advancing improvement objectives.
  - Can occur at many different levels of the healthcare system
  - Select those most appropriate alone or in combination for a given jurisdiction.
- Canada is not alone:

"I think all health systems are struggling with this issue, how we incentivize good quality, coordinated and integrated care for people. The questions to ask are: who is paid, how is the payment made (on what basis), and what is bundled together in any payment (are we paying for the activity, the episode, the patient, the disease, or the patient – like a year of care), these are fundamental questions and a lot of work needs to be done on that."

"It's not about who we pay, not where we are paying them, it's what we're paying them for, it's got to be oriented around the patient, got to be oriented towards better health, ...in a way that brings people to work together around the patient rather than in a hospital or a clinic."

But...

Organizations face several challenges in spreading good ideas . . .

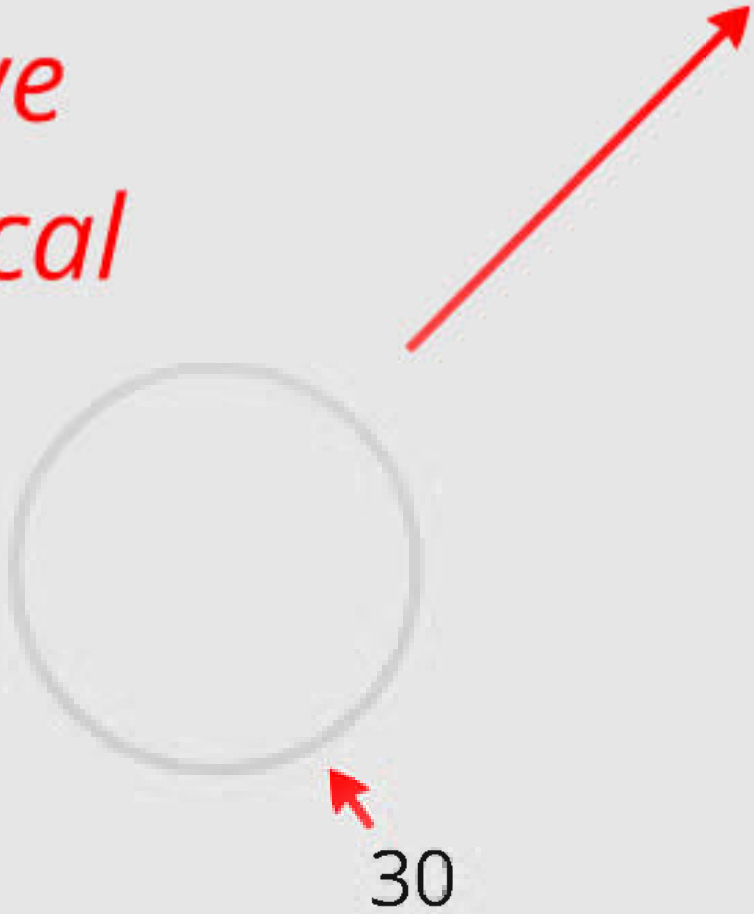
- *The characteristics of the innovation.*
- *The willingness or ability of those making the adoption to try the new ideas.*
- *And characterstics of the culture or infrastructure of the organization to support change.*

But...

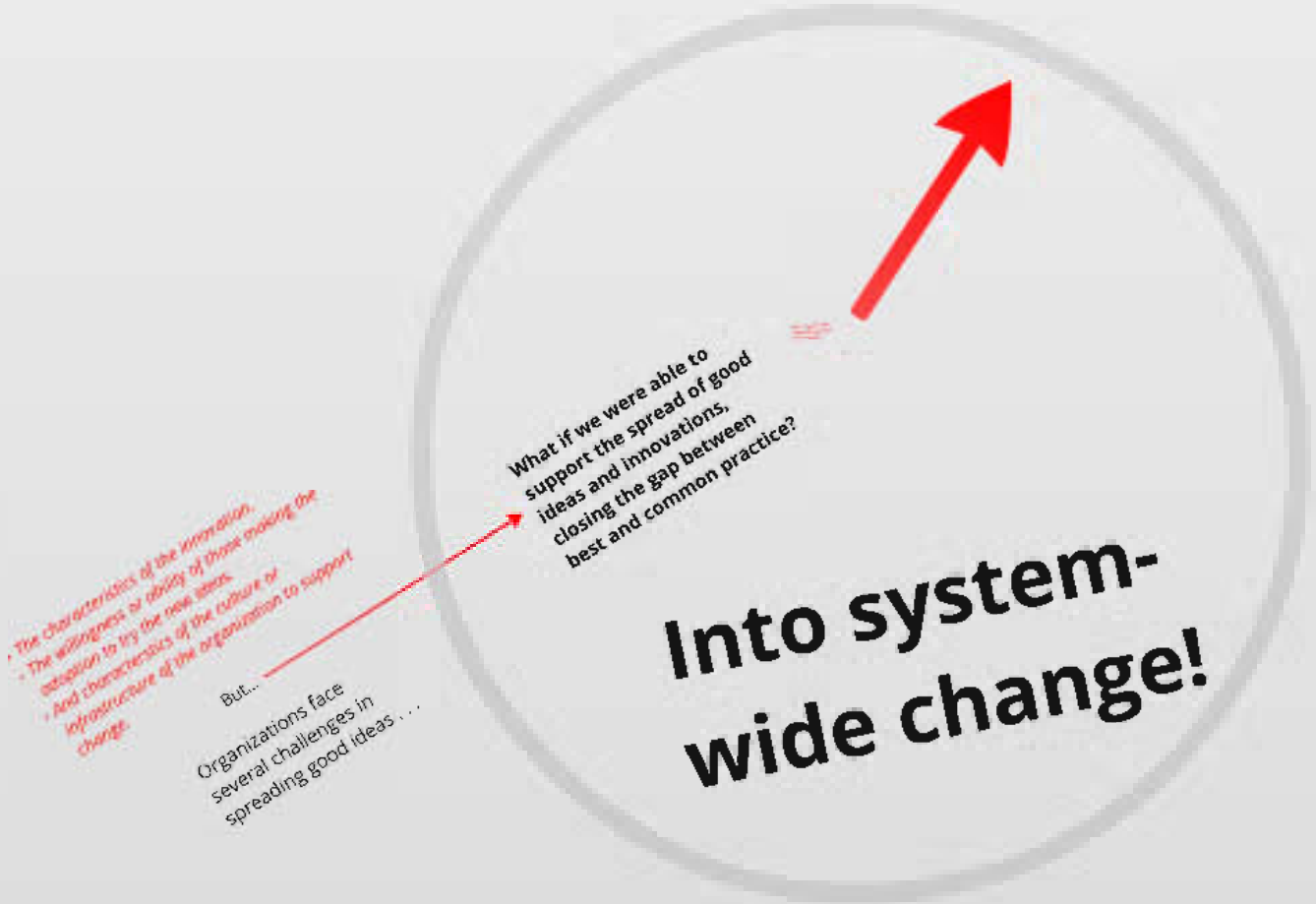
Organizations face several challenges in spreading good ideas . . .

What if we were able to support the spread of good ideas and innovations, closing the gap between best and common practice?

And… Imagine if we could help turn local improvements…



We can...


What if we were able to support the spread of good ideas and innovations, closing the gap between best and common practice?
Into system-wide change!
But...
Organizations face several challenges in spreading good ideas . . .

Collaboration for Innovation & Improvement

Each collaboration is responsive to regional/provincial/territorial health priorities, and aims to develop and mobilize capacity to redesign and improve healthcare.

- Improvement or system redesign achieved by deploying implementation teams
- Supporting change teams through tailored education and shared learning with access to learning coordinators, faculty, coaches and mentors
- Sharing and spreading of evidence-informed, effective and sustainable solutions across organizations, regions and systems

Executive Training for Research Application (EXTRA)

- Team-based 14-month program.
- Targets health service professionals in senior management positions.
- Develops capacity and leadership to optimize the use of research evidence in managing healthcare organizations.
- Participants apply what is learned from the program to respond to challenges within their home organizations.

- 27 Intervention Projects (IP) from 2004-2011
- Involving 33 EXTRA Fellows
- Representing an investment > $3M

EXTRA in Atlantic Canada

• Representing an investment > $3M

EXTRA in Atlantic Canada

An Evidence-Based Functional Plan for the Integration of Institutional-Based Pharmacy Services into a Regional Health Care System

Advancing Realignment of Primary and Secondary Health Services in a Rural Canadian Context

Increasing Organizational Performance by Cultivating Stronger Employment Relationships: How Human Resource Management Strategies Can Increase Quality of Care

Developing Baselines and Evaluating Outcomes for an Early Intervention Program

Development of Governance Assessment Tools to Promote Patient Safety

An Evidence-based Approach to Improving Orthopedic Patient Flow and Wait Times

Organizational Management and Culture Centred on Quality and Safety

Implement a Decision-Making Model that Integrates Evidence

An Evaluation of Diagnostic Imaging Appropriateness Through Electronic Decision Support

Enhancing the Use of Evidence for Health Human Resource Allocation

Development and Implementation of a Succession Plan for Nursing Leadership

Physician Engagement in Organizations

Advancing Employee Engagement through the Implementation of a Healthy Workplace Strategy

Hospitalization for Ambulatory Care Sensitive Conditions: Reduction in Admissions Through Chronic Disease Prevention and Management

Prevention: Building Provider and Community Capacity for Change

Determining and Implementing Components of an Electronic Data Management System to Enhance Management of Chronic Kidney Disease in Nova Scotia

To Investigate and Correct Obstacles to the Transition of Patients from the Care of Caregivers in the Community to those in Secondary and Tertiary Health Care Institutions

Developing a Predictive Model to Improve Patient Flow in a Tertiary Care Setting, with a Focus on Predicting and Responding to Variability in Volumes in the Emergency Department

Identifying and Utilizing a Core Set of Community Health Indicators to Guide Healthcare Decision-Making

Improving Organizational Effectiveness Through Informed Decision-Making

Using Evidence to Identify Shared Community Resources to Support Effective Chronic Disease Prevention and Management

Tools, Guidelines and Protocols for Geriatric Palliative End of Life Care in Continuing Care

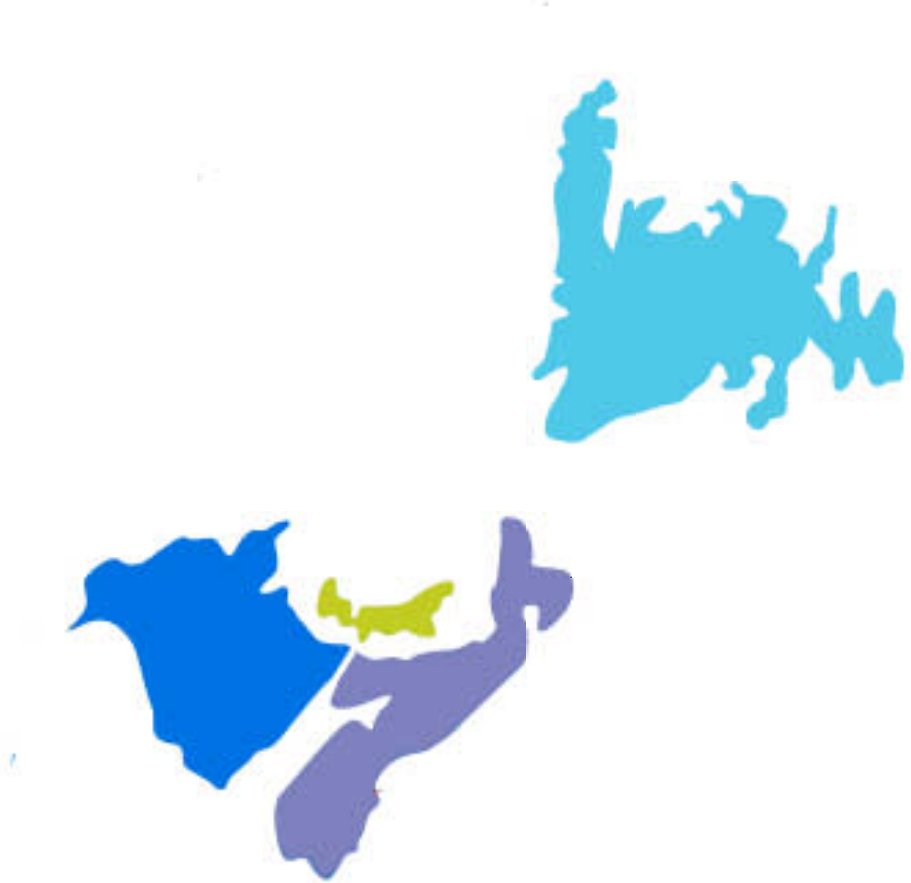
Building Community-based Networks of Primary Healthcare Providers and Services

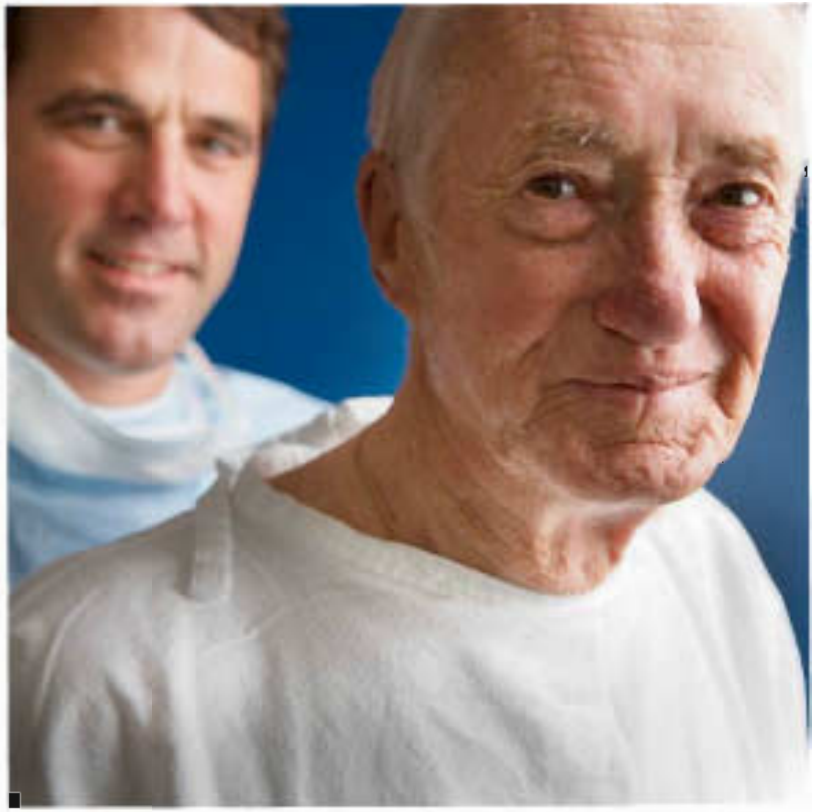
Halifax

Capital Health

- Determining and Implementing Components of an Electronic Data Management System to Enhance Management of Chronic Kidney Disease in Nova Scotia
- Tools, Guidelines and Protocols for Geriatric Palliative End of Life Care in Continuing Care
- Building Community-based Networks of Primary Healthcare Providers and Services
- Quality Transitions Across Inpatient Settings and to the Community
- Building Community-based Networks of Primary Healthcare Providers and Services
- Creating Conditions to Promote Person-Centred Integration in Capital District Health Authority
- Development of Community Health Indicators and a Community-Wide Physical Activity Strategy
- Patient Flow in an Academic Emergency Department: Assessment and Plan
- Impact Assessment: An Essential Component of Physician Resource Planning

Atlantic Healthcare Collaboration for Innovation and Improvement





Goal

To improve the health of people living with chronic diseases in Atlantic Canada.

Objectives

- To develop a patient- and family-centred approach to chronic disease management;
- To promote the sustainability of the health system; and
- To help build a network of organizational, regional and provincial teams, which will share evidence-informed, effective, sustainable and systems-level solutions and work together to develop and implement improvement projects.

Activities

Activities will include:

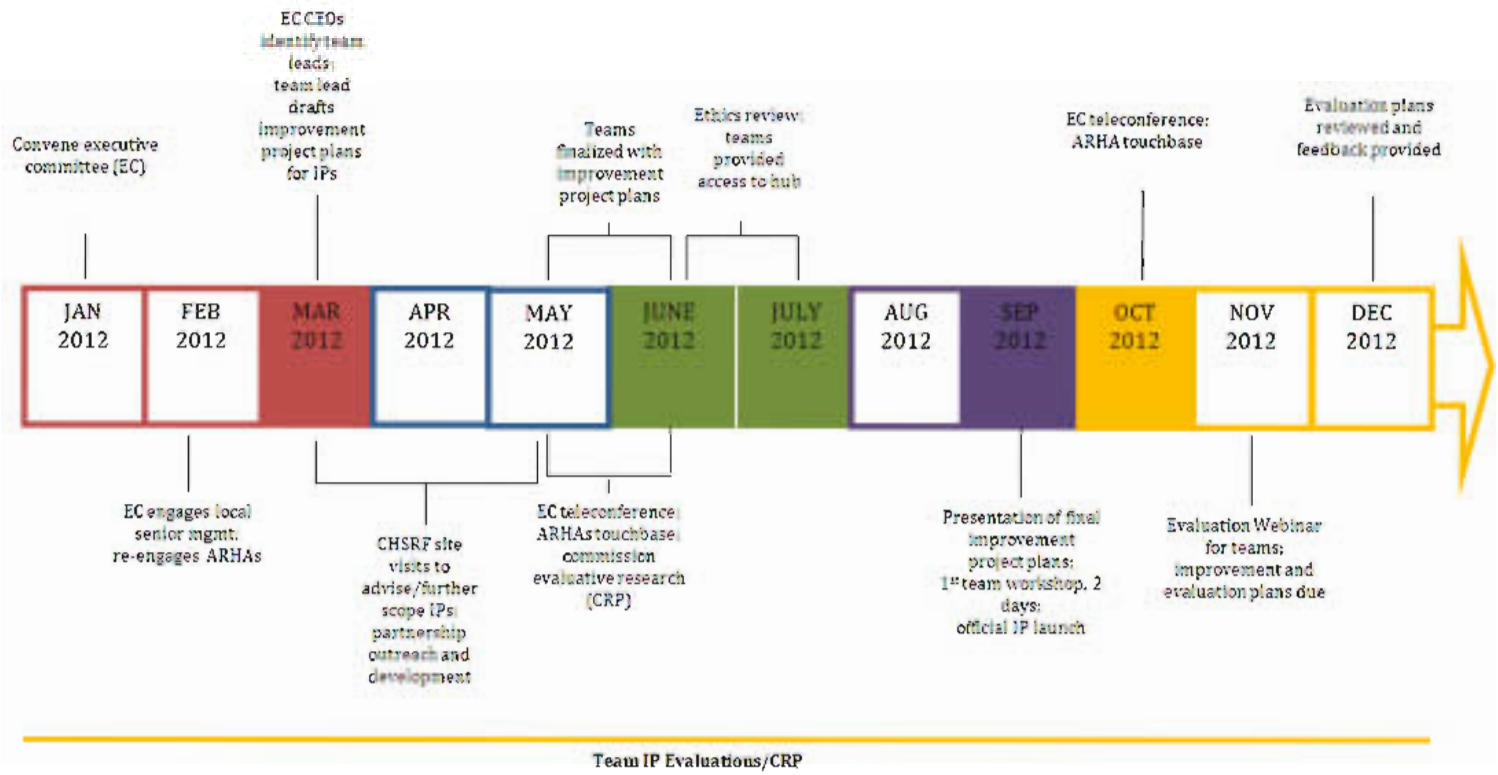
- Establishing a network of chief executives to work together to identify health priorities and set outcome and systems improvement targets for their regions;
- Building capacity in organizations and across all the regions and provinces to research, develop, share and sustain evidence-informed and systems solutions;
- Increasing the availability of timely, relevant and evidence-informed policy analysis to clarify issues and guide decisions and planning;
- Creating and training teams to lead improvement projects to achieve those outcomes and targets;
- Promoting development of local channels to keep the exchange of evidence, innovation and ideas going;
- Introducing integrated evaluation and monitoring plans to track progress and outcomes; and
- Using detailed case study analysis and other comparative learning strategies to empower approaches and outcomes that have impact.

Improvement Project Criteria

Improvement projects will demonstrate the following:

- Responsiveness to health system priorities, as set by the collaboration, to improve the health of people living with chronic diseases in Atlantic Canada;
- Mission- and results-driven, committed to systems improvement and transformation;
- Informed by evidence demonstrating its suitability, effectiveness and sustainability as systems solutions;
- Linked to a specific delivery system and the broader policy (management and financial) context;
- Agility in the political environment;
- Backing of organizational leadership with resources (financial, organizational infrastructure and functions);
- Commitment to harnessing the power of a collective effort and building capacity in regions; and
- Provide opportunities/channels to spread or scale up improvements.

2012 Timeline



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