

# ROLE OF PRIVATE HEALTH PLANS IN DRIVING THE JOURNEY TOWARDS VALUE

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HCF MANAGING DIRECTOR  
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# Hospitals Contribution Fund of Australia (HCF)

## Established for 80+ years – Australian's largest not-for-profit

- 1.5 million lives covered
- 1.3 million bed days through a contracted network of 450+ facilities
- 4 million in-patient medical services through 41,000 registered doctors
- 9 million outpatient ancillary services including 8,750 participating dentists
- \$2.1 billion dollars in health benefits paid

## \$50 million Research Foundation

- \$15 million committed to 50 projects across 30 universities
- Partnerships - RACGP, TAPPC, TGI, USyd Principal Research Fellow, and ICHOM

## HCF Catalyst

- Accelerator and scale up programs designed to take health tech business ideas and develop them into a profitable companies as fast as possible.

## KPV - Partners in Health Care Innovation

- 15 years of venture capital investing experience, \$400 million under management
- Clinical, operational and healthcare IT expertise
- Dedicated to partnering with entrepreneurs to advance clinical quality, service and affordability

# What is Value to HCF

**Value is a function of  
quality and cost**

$$V = f(Q/C)$$

**HCF's Vision:**

**Affordable  
Understandable  
High quality  
Customer-centric**



# QUALITY JOURNEY SO FAR

## ➤ **HCF Patient Experience Surveys**

- 12,000 hospital surveys per annum
- 8,000 dental centre surveys per annum

## ➤ **HCF Safety & Quality Indicator Program**

- Data collection via hospital contracting
- Feedback loop with hospitals (benchmarked)
  - relationship management
  - continuous quality improvement

## ➤ **Funding Models Supporting High Quality Patient Outcomes**

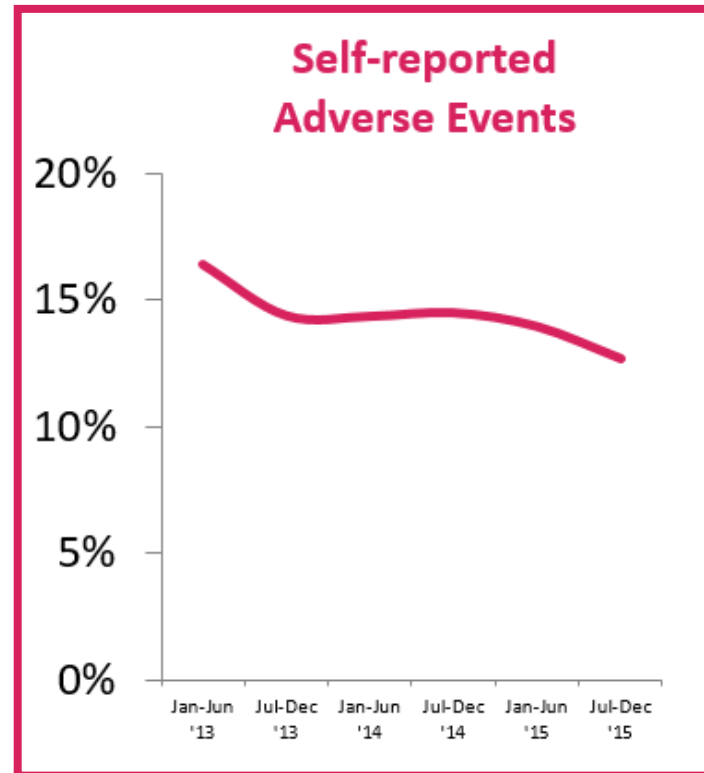
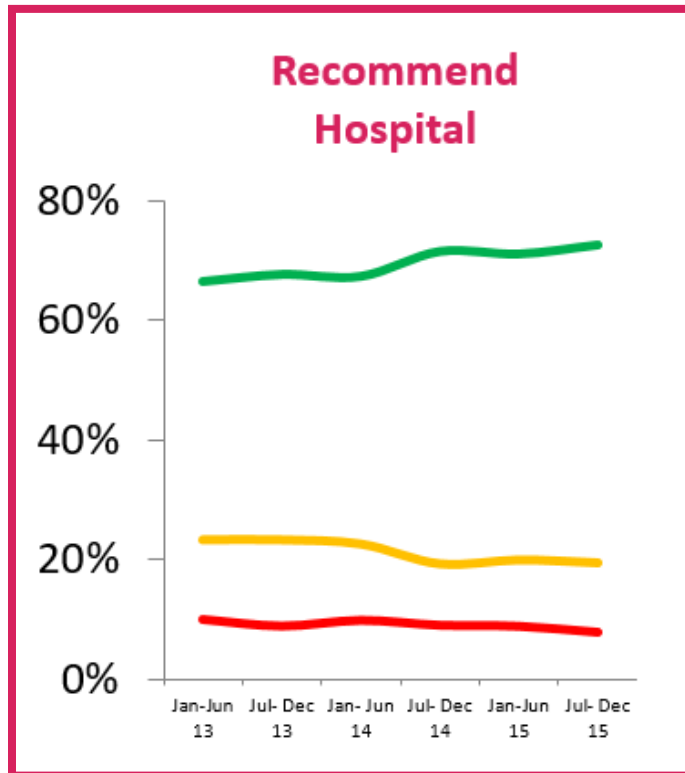
- RRHOP

## ➤ **Publish Comparable Hospital Level Safety Data**

- Hand Hygiene
- Staphylococcus Aureus Bacteraemia

# HCF HOSPITAL EXPERIENCE SURVEY

- 100 Hospitals who provide two thirds of all in-hospital admissions
- Biannual reports to hospitals + publish Top 20 hospitals in media.



**SUE DUNLEVY**  
National Health Reporter

AUSTRALIANS can now avoid the nation's dirtiest or infection-prone public hospitals and find the best performers using a new internet tool.

Health fund HCF has developed a web-based search engine that allows patients to compare the superbug infection rate and hand-washing records of up to 10 hospitals at a time.

The search engine shows all major hospitals in Perth performed well, with low rates of superbug infections.

King Edward Memorial Hospital had the lowest golden staph infection rates and Armadale public hospital also rated well.

But staff at WA's biggest hospital, Sir Charles Gairdner, had a hand-washing rate before and after touching patients below the national benchmark of 70 per cent.

Fremantle and Armadale hospitals were also below the hand-washing rate benchmark.

Golden staph is a blood-stream infection that proves fatal in 20-35 per cent of cases

and it is used as a key measure of hospital quality and safety.

Each year about 35,000 Australians treated in public and private hospitals develop an infection after a procedure.

Last year, 1725 of these infections in public hospitals were golden staph infections.

HCF chief medical officer Andrew Cottrill said the new search engine was an attempt to make health-care information more accessible to HCF members and non-members alike.

It drew on government data from the MyHospitals website but made it user-friendly by allowing patients to compare hospitals around the country or within their region.

The search engine can be reached at [www.hcf.com.au/hospitalsafetyandquality](http://www.hcf.com.au/hospitalsafetyandquality).

The HCF data relates only to public hospitals, but Australia's second biggest private hospital group Healthscope offers more data on the performance of its 44 hospitals around the country.

"Healthscope either meets or exceeds industry standards for all 21 indicators," Healthscope medical director Michael Coglin said.

## Superbugs, hand-washing data

By **SUE DUNLEVY**

PEOPLE can now avoid the nation's dirtiest or infection-prone public hospitals and find the best performers using a new internet tool.

Health fund HCF has developed a web-based search engine that allows patients to compare the superbug infection rate and hand-washing records of up to 10 hospitals at a time.

The search engine shows the Royal Hobart Hospital is a good performer with superbug infection rates below the national benchmark of two cases per 10,000 patients treated.

Marsey Community Hospital at Latrobe and Launceston General Hospital, both with two cases per 10,000 patients treated, are also performing better than the national benchmark.

In Melbourne, the Peter MacCallum Cancer Centre has rates of superbug and golden staph infections that exceed national benchmarks of two cases per 10,000 patients treated.

Golden staph is a blood-stream infection that proves fatal in between 20-35 per cent of cases and it is used as a key measure of hospital quality and safety.

Each year about 35,000 Aust-

ralians treated in public and private hospitals develop an infection following a procedure. In 2011-2012, 1725 of these infections in public hospitals were golden staph.

Another key safety and quality measure is hand-washing rates.

The search engine shows the Royal Hobart Hospital, Marsey Community and Launceston perform well on hand washing, with rates above the national benchmark of 70 per cent.

HCF chief medical officer

Andrew Cottrill says the new search engine is an attempt to make health-care information more accessible to HCF members and non-members alike.

It draws on government data from the MyHospitals website and allows patients to easily compare hospitals.

"HCF believes strongly that patients should have access to better information so they can make a more informed choice about where to receive hospital care," he said.

The search engine can be reached at [www.hcf.com.au/hospitalsafetyandquality](http://www.hcf.com.au/hospitalsafetyandquality).

The HCF data relates only to public hospitals but Australia's second largest private hospital group Healthscope is providing even more comprehensive data

on the performance of its 44 hospitals around the country.

Healthscope hospitals treat more than 365,000 patients a year and the group provides data on 21 quality and safety benchmarks including patient falls and pressure injuries, unplanned readmissions, apgar scores in babies and mental health and rehabilitation outcomes.



**DELAYS:** Page 5 in yesterday's *Mercury*.



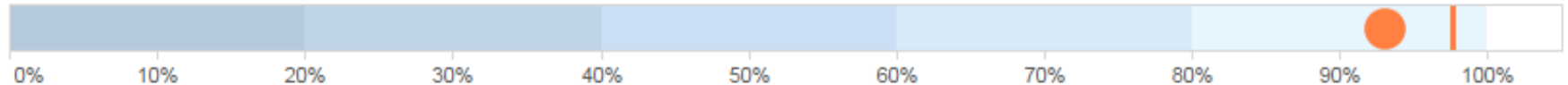
# HCF DCN Patient Experience Survey Report

**SYDNEY**

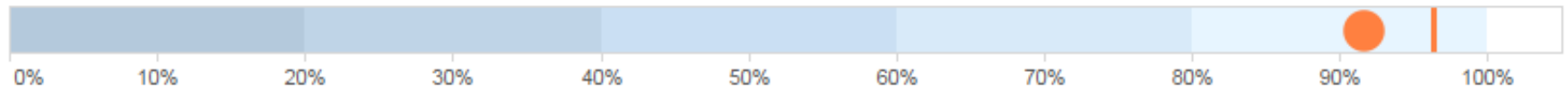
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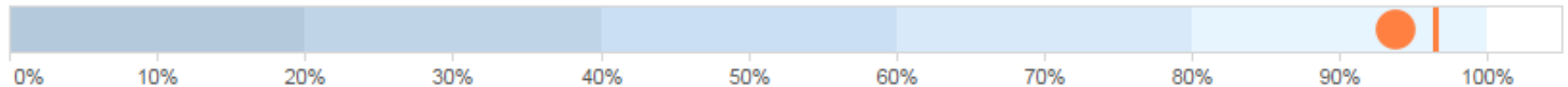
How often Dentist/Hygienist treated with **courtesy and respect?** (Usually + Always)



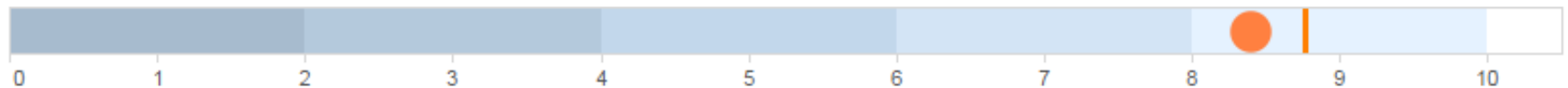
How often Dentist/Hygienist **listened?** (Usually + Always)



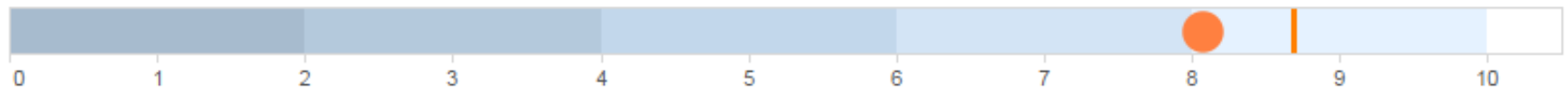
How often Dentist/Hygienist **explained things in an understandable way?** (Usually + Always)



Average recommendation score for **Overall Treatment provided** (0-10)



Average Recommendation Score for **Dentist/Hygienist** (0-10)



# HCF SAFETY & QUALITY INDICATORS

## ACSQHC Outcome Based Indicators

- Hospital Standardised Mortality Ratio
- Low mortality DRG's
- Risk adjusted in-hospital mortality:
  - AMI
  - stroke
  - fractured neck of femur
  - pneumonia
- Unplanned same hospital readmission
  - AMI
  - Knee Replacements
  - Hip Replacements
  - Paediatric Tonsillectomy/Adenoidectomy
- Staphylococcus aureus bacteraemia
- Clostridium difficile infection

## ACHS Clinical Indicators

- Unplanned and unexpected readmissions
- Unplanned patient admission to an ICU
- Rate of unplanned return to the operating room
- Inpatients who develop one or more pressure ulcers
- Inpatients falls/Inpatients falls requiring intervention resulting in fracture or closed head injury.
- Adverse events related to a blood transfusion
- Patients appropriately treated for VTE prophylaxis
- Patient deaths addressed via clinical audit process
- Medication errors requiring intervention

## WHO Surgical Safety Checklist

- Statement of adherence to WHOSSC, provision audit examples.
- Annual auditing arrangements in place, and response system to identified issues

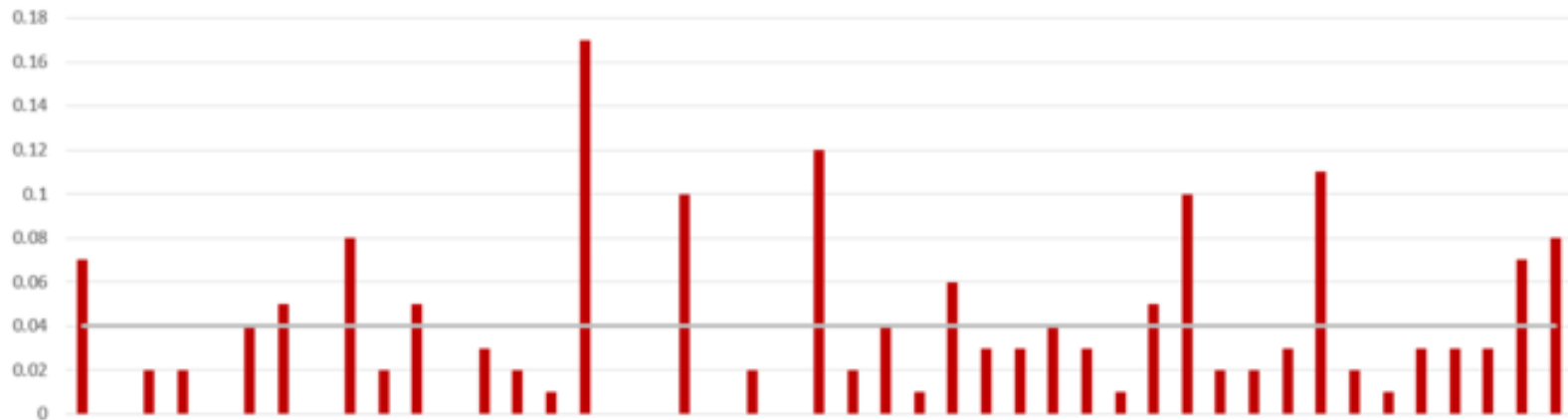


# VARIATION IS READILY APPARENT

Inpatient Falls (rate per 100 bed days)



Pressure Ulcers acquired in Hospital (rate per 100 bed days)



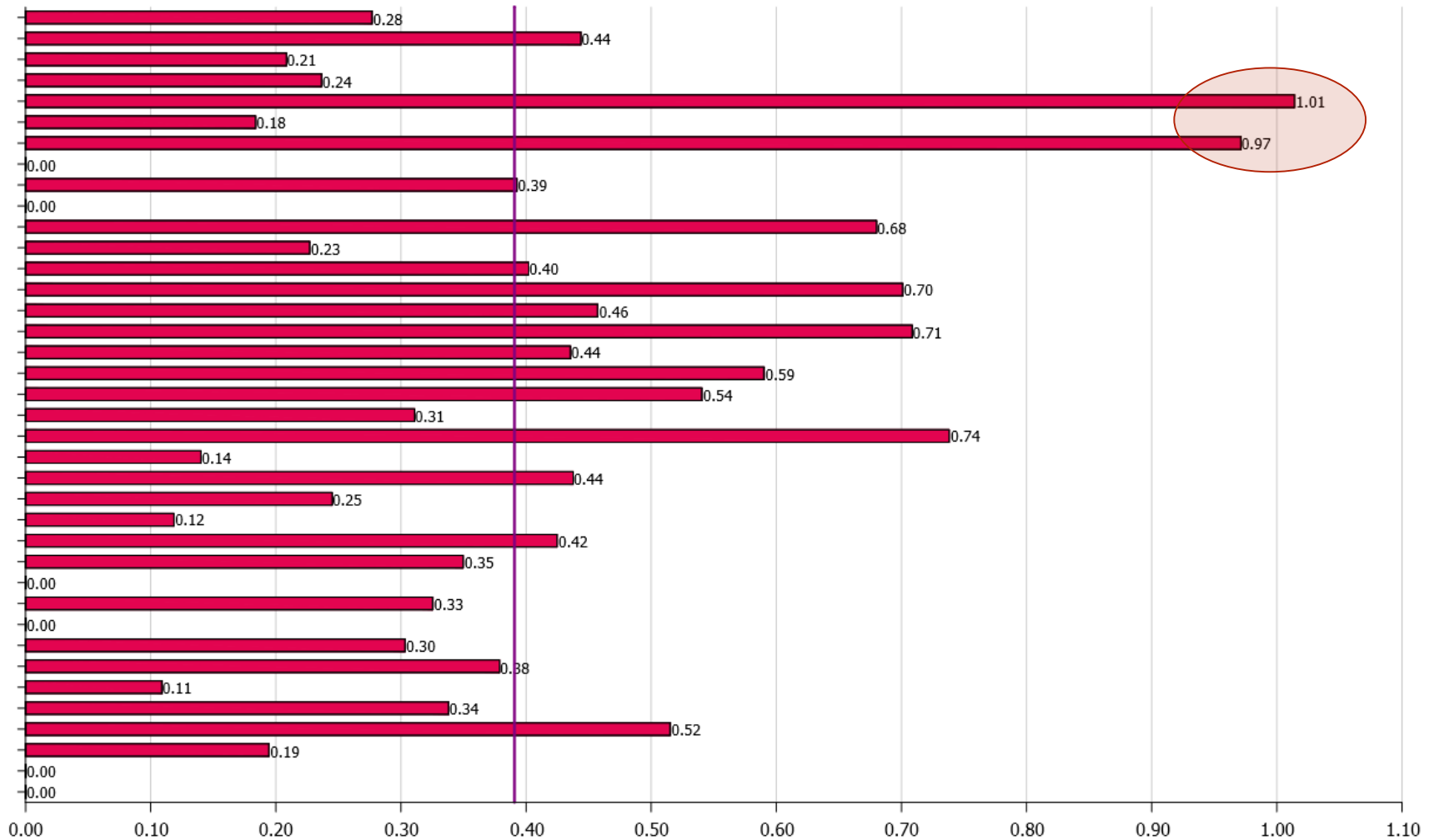
Small Hospitals (50+ beds)



Large Hospitals (100+ beds plus ED's)



# Rate of Unplanned and Unexpected Re-admissions within 28 days, (per 100 separations)



**Rate of Unplanned and Unexpected Re-admissions within 28 days, (per 100 separations)**

	July to December 2013	January to June 2014	July to December 2014
Rate	<b>1.38</b>	<b>1.26</b>	<b>0.78</b>
Benchmark	<b>0.99</b>	<b>1.15</b>	<b>1.18</b>



# MISSING LINK → OUTCOMES

**HCF is now focussed on outcome measurement at the condition level.**



**Strategic partnership with ICHOM.**

**Development of two ICHOM standards sets:**

- Pregnancy and Childbirth
- Oral Health Care



**The HCF Research Foundation is funding ICHOM implementation research:**

- Hip and Knee Osteoarthritis

# FUTURE VALUE DIRECTION

**We will use ICHOM standards set specifications to collect and measure patient outcomes at the condition level.**

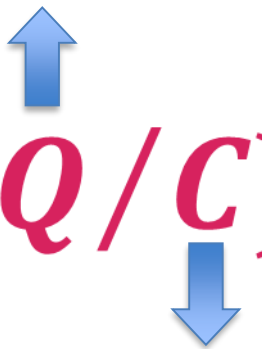
**We will use this information to:**

- Deliver Value Based Contracting (VBC) with providers of health care services;
- Achieve improvements in health care outcomes for members;
- Empower HCF members with outcome information at the hospital and medical level to assist them through the health care maze;
- Improve outcomes for our own clinicians (i.e. Integrate the ICHOM Oral Health standard set in our Dental Centres).

# DEFINITION OF SUCCESS

## Improve Quality

- Safer and higher quality health care
- Improve patient outcomes for all health care conditions
- Reduce variation and more appropriate health care

$$V^+ = f(Q/C)$$


## Reduce Costs

- Less variation and reduction in inappropriate health care driven by funding models that support high quality patient outcomes

# KEY POINTS

- **Use existing data sources**
- **Collect complete datasets**
- **Time series not stand-alone events**
- **Engage with integrity:**
  - discuss and understand the data before publishing
  - practice what you preach
- **Media management**
- **"Dr Larkin's 'vision' for change"**