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## CONFERENCE ABSTRACT

### Impact of Bundled Care in Ontario

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**Introduction:** Jurisdictions across the world are increasingly recognizing the importance of funding models that align the financial incentives of multiple sectors involved in patient care. Bundled payment models funded by the Ministry of Health and Long-Term Care “the Ministry” provide a single payment for an episode of care across multiple settings and providers to reduce hospital service utilization, costs to the system, while still improving patient experience. Moving from a siloed approach for health care funding, where each sector is funded separately, to bundled payments, requires fundamental shifts in government policy, service delivery models, and stakeholder culture. To understand its enablers, the Ministry has pilot-tested the feasibility of and interest in bundled payments, and determine potential impact.

**Description policy context, objective:** The Bundled Care Pilot Project aims to integrate providers’ funding over a patient’s episode of care, creating a single point of accountability for service delivery. The objective was to test the implementation of these models within six sites in Ontario to understand key success factors and challenges, including policy barriers that may impede this approach at full scale. Teams chose their own episodes of care to bundle and target population, and all steps in the patient’s journey, including hospital and short-term care at home after leaving hospital, were funded as one seamless bundle of care. The intent was for patients to transition more smoothly out of hospital and into their homes; have fewer emergency department visits; and be less likely to be readmitted to hospital. An independent, third-party evaluation was conducted by the Health System Performance Research Network, one of Canada’s top health system research teams.

**Targeted populations:** Three projects focused on congestive heart failure CHF and chronic obstructive pulmonary disease COPD, one selected a stroke population, one focused on infections and one on cardiac surgery.

**Highlights:** Interim results show statistically significant improvement in acute readmission rates, length of stay and number of emergency department visits. Results are significantly different between bundles treating episodic vs. complex, chronic conditions. Preliminary

results suggest that cardiac surgery, a relatively simple care pathway, has seen the greatest population-level effects; bundles addressing COPD and CHF have led to modest gains.

Patients and providers also report positive experiences. Patients shared feeling happy with the care they received, and physicians highlighted the benefits of the program, including improved outcomes and decreased cost of patient stay.

**Transferability:** Learnings from this project are being used to inform future bundled care policies to support additional clinical pathways, including development of a hip and knee replacement surgery bundled care for implementation in 2018.

**Conclusions:** Bundled payments have been successful in the Ontario, particularly for episodic conditions. Bundled models for chronic conditions appear promising, but will require further refinement. Government must continue to play an active role in clearing policy hurdles and mitigating unintended consequences when piloting disruptive innovations like bundled payments. Effective bundled payment design and implementation requires involvement at multiple stakeholder levels. Rigorous evaluation and strict rules for data collection are critical to demonstrate success and areas for improvement.

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**Keywords:** bundled payment; integrated funding models; policy development; implementation considerations

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