
CONFERENCE ABSTRACT

12 Value-based health care – setting the scene for Australia

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Introduction: Australians have had access to universal health care for more than 30 years. However, our health care system is not immune to pressures of an ageing population, a growing burden of chronic disease, increasing life expectancy, increasing individual and community expectations, and escalating health care costs associated with new technology and treatments.

Many health care systems around the world are facing similar challenges and are looking to maximise the value of health care for populations, narrowing the gap between need and demand on one hand, and resources on the other.

Policy context and objective: Value in health care has been defined as the health outcomes that matter to patients relative to the resources or costs required, reflecting the seminal work of Porter and Teisberg. However, the term has become a buzzword, and, depending on who is setting the agenda, its meaning can be unclear and shifting.

This presentation will discuss the findings from the recently published Deeble Institute for Health Policy Research Issues Brief, Value-based health care – setting the scene for Australia, including:

- How value in health care is defined, with consideration of the inclusion of societal value in the context of Australia's universal healthcare system.
- The important enablers of value-based health care that are already present in Australia, and the barriers to adoption.
- The opportunities and limitations in applying international experience in an Australian context, and sharing examples of work in Australia to progress value-based health care and the enabling public policy for success.

Targeted population: A value-based approach to health care provides a patient-centric way to design and manage health systems. Realising its potential requires unprecedented cooperation, coordination and partnerships among all stakeholders – providers, funders and patients, in addition to regulators and the professions.

Highlights: Alignment with a value-based approach to health care was assessed by the Economist Intelligence Unit for 25 countries, including Australia. A country's alignment was considered with reference to progress in:

1. Enabling context, policy and institutions for value in health care
2. Measuring outcomes and costs
3. Integrated and patient-focused care
4. Outcome-based payment approach.

While the international perspective is perhaps more optimistic than might be supported from a national perspective, this presentation will highlight that important enablers of value-based health care that are already present in Australia. A key limitation to greater alignment in Australia is that the components are being implemented individually and not as part of a coordinated strategy.

Conclusions: Sustained cultural change is needed at all levels and across all sectors. Recommendations for enabling value-based health care through public policy in Australia that will be discussed include:

1. A national, cross-sector strategy for value-based health care in Australia
2. Access to relevant and up-to-date data
3. Evidence for value-based health care in the Australian context
4. Health workforce strategies supporting models of care that embrace a value-based approach
5. Funding systems that incentivise the delivery of value-based health care.