

Chief Executive's perspective

Healthcare in Focus 2011 steps back from local issues and travels across international borders to compare and benchmark performance of the healthcare system in NSW. It looks through the eyes of patients to acknowledge achievements and highlight opportunities to improve.

People will hold different perspectives when reading *Healthcare in Focus 2011* so let me offer my view on lessons which emerge from this report when considered in tandem with *Healthcare in Focus 2010*.

In 2010 and 2011 *Healthcare in Focus* highlights that NSW is an international leader in improving health. Deaths from heart disease, stroke and cancer have dropped dramatically over the past decade. Both reports conclude that NSW gets value for its health dollar; no other jurisdiction compared has lower spending and better health.

While no public patient in NSW incurs out-of-pocket costs for hospitalisation, four in 10 sicker adults said they and their family spent more than \$1,000 in the past year for medical treatments and services that were not covered by the government or private insurance. This proportion is more than 10 times higher than in the United Kingdom or Sweden and three to four times higher than other European countries.

In 2011 almost all NSW sicker adults (99%) had a regular doctor or GP practice; NSW does comparatively well monitoring health (blood pressure and cholesterol screening) and administering influenza vaccine to older adults.

Yet only half of NSW sicker adults reported that they had a '*medical home*' that offers accessible, responsive and coordinated primary health care. Sicker adults in the United Kingdom, Switzerland and New Zealand were much more likely to have a medical home.

NSW sicker adults who don't have access to a '*medical home*' were more likely to make an unnecessary visit to an emergency department (ED) when they needed care in the evening or on the weekend.

Another benefit of providing the right care in the right place is the opportunity to reduce avoidable visits to hospitals in NSW. In 2011, 24% of NSW adults said they were hospitalised in the past two years; this is much higher than in Canada (14%) and the United Kingdom (15%). Among NSW sicker adults with a chronic health condition, 15% said that their condition resulted in hospitalisation or a visit to the ED – twice as many as in France.

Importantly, the report does not align directly with performance priorities identified for NSW. It does, however, include information that might inform future priorities.

It does not identify whether the public or private sector is responsible for achievements or improvements because together we hold responsibility to keep people healthy and ensure patients have affordable access to the right care in the right place.



Dr Diane Watson
Chief Executive

Summary

Communities want healthcare systems that provide high-quality and safe care in a sustainable way

People want long, healthy lives.

Communities want healthcare systems that provide high-quality and safe care in a sustainable way.

The goal of all healthcare systems is to improve the health of the population they serve in an efficient way. Reaching this goal requires both an understanding of the factors that contribute to high performance; and fair, balanced and accurate reporting of the extent to which those factors feature in the healthcare system.

In assessing system performance we ask:

Are healthcare services effective, appropriate, safe and delivered on the basis of clinical need? To what degree are they responsive to patients? Can people access care when and where they need it? Do services have enough resources and how do costs compare?

Healthcare in Focus 2011 takes a comprehensive look at how the health system in NSW compares with Australia as a whole and with 10 other countries. To do this, the Bureau mainly used data from *The Commonwealth Fund's 2011 International Survey of Sicker Adults in Eleven Countries* and the *Organisation for Economic Co-operation and Development (OECD)*.

In making international comparisons, the report covers performance in both public and private sectors; in the hospital system and in primary care.

Healthcare in Focus 2011, like the 2010 edition, deliberately looks at the big picture of patient outcomes and experiences, not distinguishing state, federal or private sector responsibilities.

The report includes almost 90 performance measures that were selected on the basis of comparable information from overseas. As a result, the report does not align directly with state or national performance priorities. Performance is summarised in each chapter, listing those countries that statistical analyses indicate truly differ from NSW.[†]

'Sicker adults' refers to people who are likely to have had significant direct experience of the healthcare system in the recent past. It includes people who met at least one of the following criteria:

- Described their overall health as fair or poor
- Received medical care in the previous year for a serious or chronic illness, injury or disability
- Had been hospitalised in the previous two years (for any reason other than childbirth)
- Had surgery in previous two years.

(†) Statistical analyses show that the observed differences were *not* due to chance or sampling limitations. See *Technical Supplement: Healthcare in Focus 2011* for details.

So what did we find?

Value, perceived need for reform, health determinants and health status

NSW does well in achieving health per dollar spent on healthcare. No country included in the report spends less than NSW and has better health.

When asked about their overall view of their country's healthcare system, almost three in 10 NSW sicker adults (28%) indicated that the system works well and only minor change is required. Nearly two in 10 (18%) said the system requires a complete rebuild. Views in NSW were less positive than in six comparator countries.

People are living longer, and death rates from common cancers and circulatory diseases fell across NSW between 1999 and 2009.

In NSW, 16% of adults described their health as fair or poor. Almost a quarter of adults (24%) report being hospitalised in the previous two years - a much higher proportion than in Canada (14%) and the United Kingdom (15%). One-third of adults (33%) say they have received medical care in the past year for a serious or chronic illness, injury or disability. The NSW health system will increasingly need to design care for people with long-term or chronic health conditions.

Effectiveness

The most recently available data show that premature deaths from circulatory disease continue to fall. Most adults with circulatory disease report receiving appropriate monitoring tests for cholesterol and blood pressure.

For cancer, the rate of premature death (measured by potential years of life lost before age 70) fell between 1999 and 2009. Five-year survival for major cancers has increased and compares favourably on the international stage.

There are however, some areas where current patterns of care may be of concern. Caesarean section rates in NSW (almost 30% of live births) are very high by international standards and continue to increase.

In NSW, hospitalisation rates for chronic conditions such as diabetes and respiratory disease are high relative to most countries included in the report.

The number of people with end-stage renal disease, a long-term complication of poorly controlled diabetes, is increasing in NSW. A number of other countries have higher rates of end-stage renal disease and also report marked increases in prevalence. In 2010, the Bureau reported that NSW adults who have diabetes are more likely than adults in comparable countries to have other complications such as lower extremity amputation.

Access

Almost all NSW sicker adults (99%) have a regular doctor or GP practice, and six in 10 (63%) report getting a same-day or next-day primary care appointment. Yet, only 40% who needed care in the evening, on weekends or holidays said it was very easy or easy to access medical care without going to the emergency department (ED). NSW was outperformed by four countries for very easy access.

Among NSW sicker adults who attended the ED, 35% reported that their last visit was for a condition they thought could have been treated by their regular GP if he or she had been available.

Of those who needed to see a specialist, 60% reported waits for an appointment of less than four weeks, a higher proportion than in seven countries. About one in five (19%) waited longer than eight weeks.

While no public patient in NSW incurs out-of-pocket costs for hospitalisation, 42% of sicker adults reported they and their family had out-of-pocket costs of more than \$1,000 for treatments or services not covered by Medicare or insurance – a higher proportion than nine countries surveyed. Only the United States had a higher percentage of sicker adults who reported cost as a barrier to accessing doctors, medicines, tests and treatments.

Safety

In NSW, 21% of sicker adults thought a medical mistake, medication error or incorrect lab result had occurred in their care. The United Kingdom (8%), Switzerland (9%) and France (13%) outperformed NSW.

Of NSW sicker adults who had surgery or were hospitalised in the past two years, one in 10 reported developing an infection during or shortly after their hospital stay. Only the United States outperformed NSW.

Medication reviews can help prevent medication-related errors. More than six in 10 NSW sicker adults (65%) had a medication review in the past year – a higher proportion than four countries but lower than the United Kingdom and Switzerland.

High-quality healthcare requires clear and efficient communication between healthcare professionals, their patients and carers. Around one in six NSW sicker adults (15%) reported occasions when healthcare professionals had failed to share with each other important information about their medical history or treatment, compared with 7% of British and 11% of Swiss sicker adults.

Person centredness

Person centred healthcare systems actively engage patients, families, carers and communities in efforts to achieve high performance.

In NSW, most sicker adults rated the quality of their medical care as excellent (30%) or very good (38%). Only New Zealand had a significantly higher proportion of excellent ratings.

Hospitalisations for chronic conditions can be minimised with effective monitoring and treatment. Among NSW sicker adults with a chronic health condition, 15% said their condition resulted in hospitalisation or a visit to the ED in the previous year; higher than three countries and twice as many as in France.

Most sicker adults said their GP always explains things in a way that is easy to understand (71%); knows important information about their medical history (70%); and spends enough time with them (69%). While a similar proportion (70%) said their GP seemed informed about the care they received following hospitalisation, NSW was outperformed by five countries on this measure.

Of sicker adults who received care from multiple doctors, one-third (31%) said someone at their regular GP practice always helped coordinate their care. NSW was outperformed by six countries.

Just over half of NSW sicker adults (52%) had a '*medical home*'[†], fewer than in three comparator countries. Statistical analyses show that the limited prevalence of medical home in NSW was primarily a result of coordination issues.

(†) Sicker adults have a '*medical home*' if: they have a regular doctor or GP practice; *and* their regular doctor always / often knows about their medical history; *and* they are able to get a same-day / next-day appointment *or* the GP practice always / often gives a same-day response to telephoned medical questions; *and* one person is responsible for all care they receive from other doctors for a chronic condition *or* the GP practice always / often helps coordinate care received from other doctors or places.

Compared with sicker adults without a medical home, those with a medical home were more likely to report they could get needed care in the evening, on a weekend or on a holiday without going to the ED; and more likely to report elements needed for strong patient-doctor communication and coordinated care.

Equity

Although the overall health and wellbeing of NSW people is high compared with other countries, there are considerable differences across groups within the state.

Among NSW sicker adults with below-average income, four in 10 (44%) said their health keeps them from working full time or limits their ability to carry out daily activities. For those with above-average income, 19% reported such limitations.

Two in 10 NSW sicker adults (23%) with below-average income said a complete rebuild of the country's healthcare system was necessary, compared with 10% of those on above-average income.

There were also differences in the experiences and responses of urban and rural sicker adults. For example, on the question of whether their most recent visit to the ED could have been avoided by the availability of their regular doctor, 26% of NSW sicker adults in urban areas answered yes, compared with 46% in rural areas. This 20 percentage point difference in NSW – termed the *'rurality-associated gap'* – was high relative to large, comparable countries.

When asked about the ability to see a doctor or nurse on the same or next day when sick, the rurality-associated gap was 21 percentage points in NSW – a larger gap than in comparable countries.

Aboriginal people in NSW have higher rates of potentially avoidable and premature deaths than non-Aboriginal people.

Resources

In NSW in 2008–09, a total of \$4,933 per person was spent on healthcare (public and private). After accounting for differences in currency, this is at least 10% lower than spending in six comparator countries. A significant proportion of the state's resources are spent on healthcare. In 2008–09, total public and private health expenditure was \$35 billion – almost 9% of gross state product.

Overall then, how does NSW perform?

Healthcare in Focus 2011 highlights how well NSW does in achieving value for its healthcare dollar. The health of NSW people ranks highly compared with other countries and total health investment is the same or lower than other countries' spending. The state has made significant health gains in recent years. At the same time, the Bureau's reports have identified where NSW can do better and points to countries from which it can learn.

Learning from successes and focusing attention on areas for improvement are critically important in the quest to deliver high-quality, safe healthcare services to the people of NSW when they need them.