

The local level evaluation of healthcare in Australia

Health Systems Improvement and Sustainability (HSIS) Working Group 3 (WG3)

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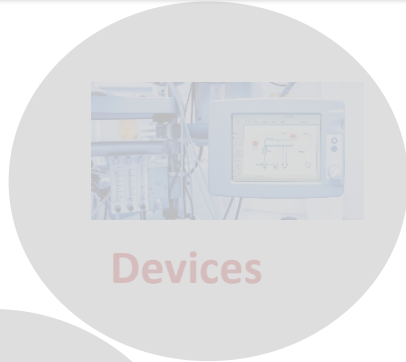
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Definitions

Defining technologies



Devices



Medicines



Models of care,
e.g. managing chronic
disease, mental health

Health Technologies



Health policy



**Health
administration**



**Tests, procedures,
diagnostics**

Local level

- **Refers to the local area within each state and territory, such as a region, health district or hospital, where health services are delivered**
- **Local level evaluation is needed to account for local context e.g. disease burden, demography, geography, socio-economic variables etc**

**Why we need more
evidence-based decisions in
healthcare**

The problem

Declining affordability of healthcare

- Existing inefficiencies and inequities in health spending
- Is the spending choice returning value?

Wasted expenditure

- Of the **\$170b** spent on healthcare per year approx. **\$34b** is waste



The problem

While some healthcare technologies (e.g. medicines and devices) are evaluated – at the national level using centralised evaluation (e.g. PBAC, MSAC) ...

Many health technologies and models of care are not assessed for effectiveness, cost-effectiveness, affordability and appropriateness given local context.

Productivity Commission...

Australian Government: Productivity Commission (2015).
Efficiency in Health. [Productivity Commission research paper](#). Canberra

*Governments subsidise many health treatments that **have not** been formally assessed for clinical and cost effectiveness ...*

The problem

Comments from local health services – commenting on the need to understand local context

...Too often a technology or model of care is seen as being effective in another setting and just adopted and implemented without full understanding of whether it was appropriate for the local context.

...Decision makers ask for evidence [of a technology or model of care] - but the standard of evidence provided is often low. Often 'opinion' is the evidence.

Existing centralised models of evaluation (e.g. PBAC) work well for nationally provided, and funded, technologies. However, centralised evaluation models don't address local context – what works in cities may not work in regional, rural or remote Australia.

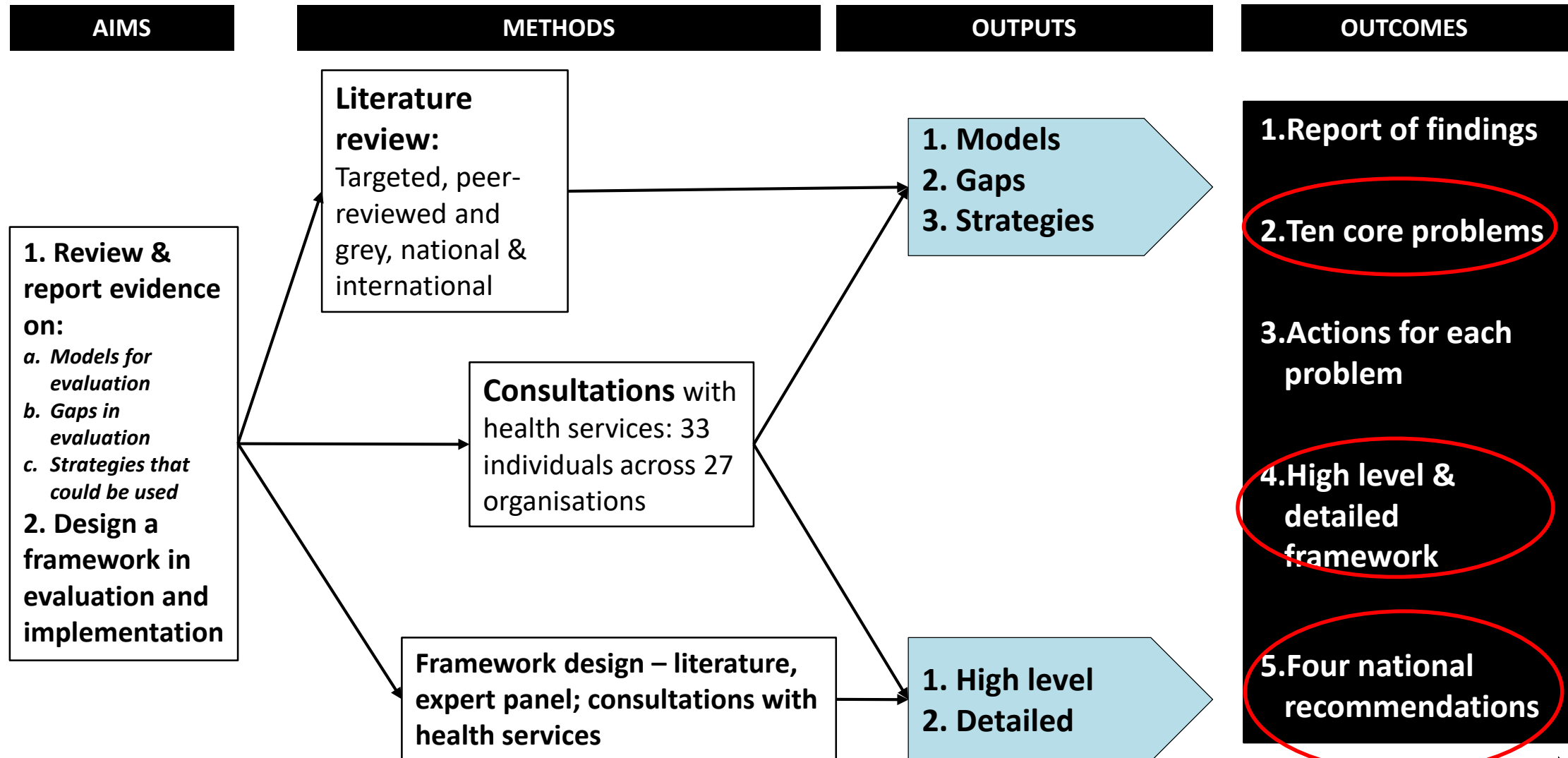
Centralised models are also sub-optimal in supporting innovation at the frontline.

The solution

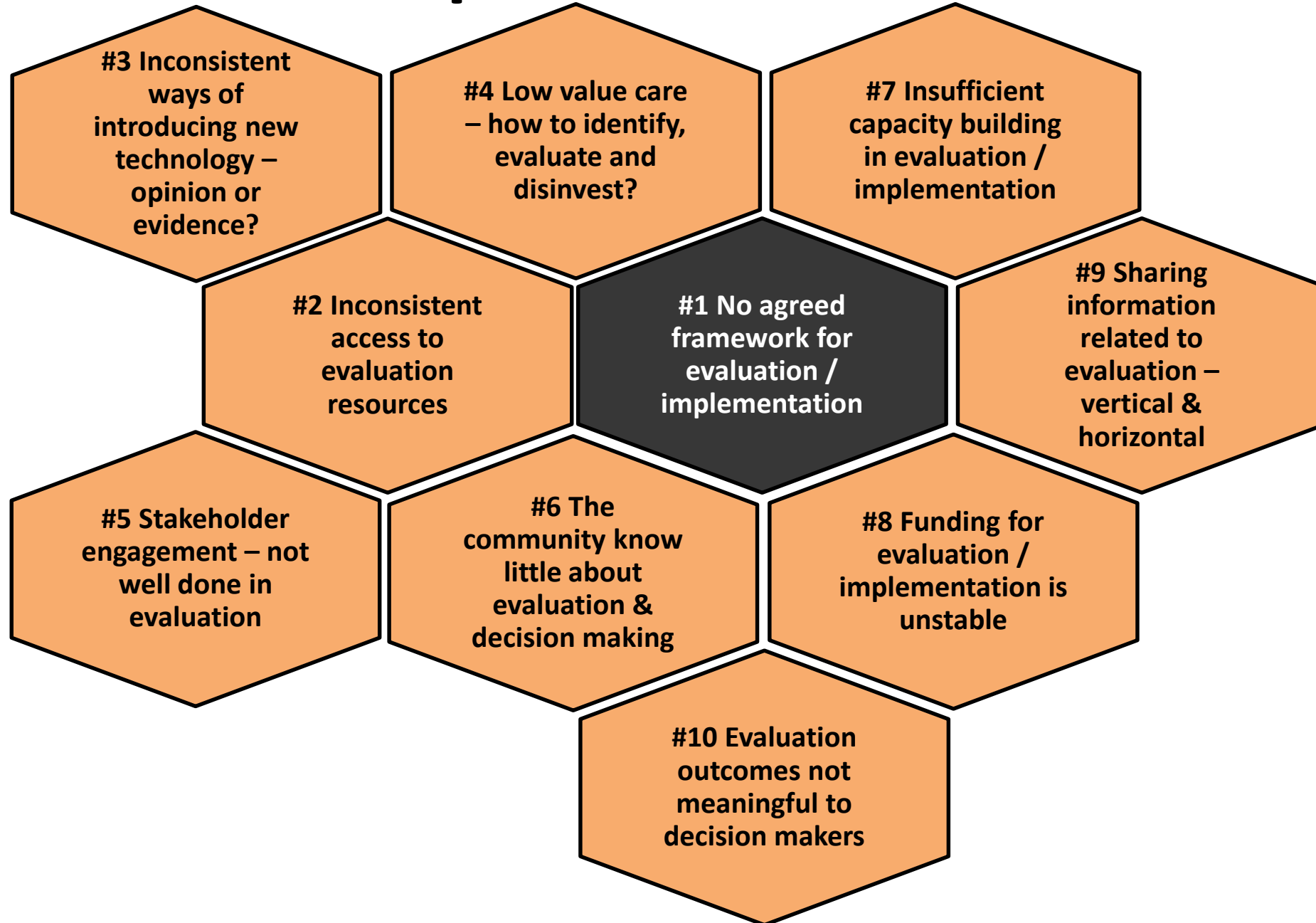
**Improving local level evaluation of healthcare to help
better decision-making**



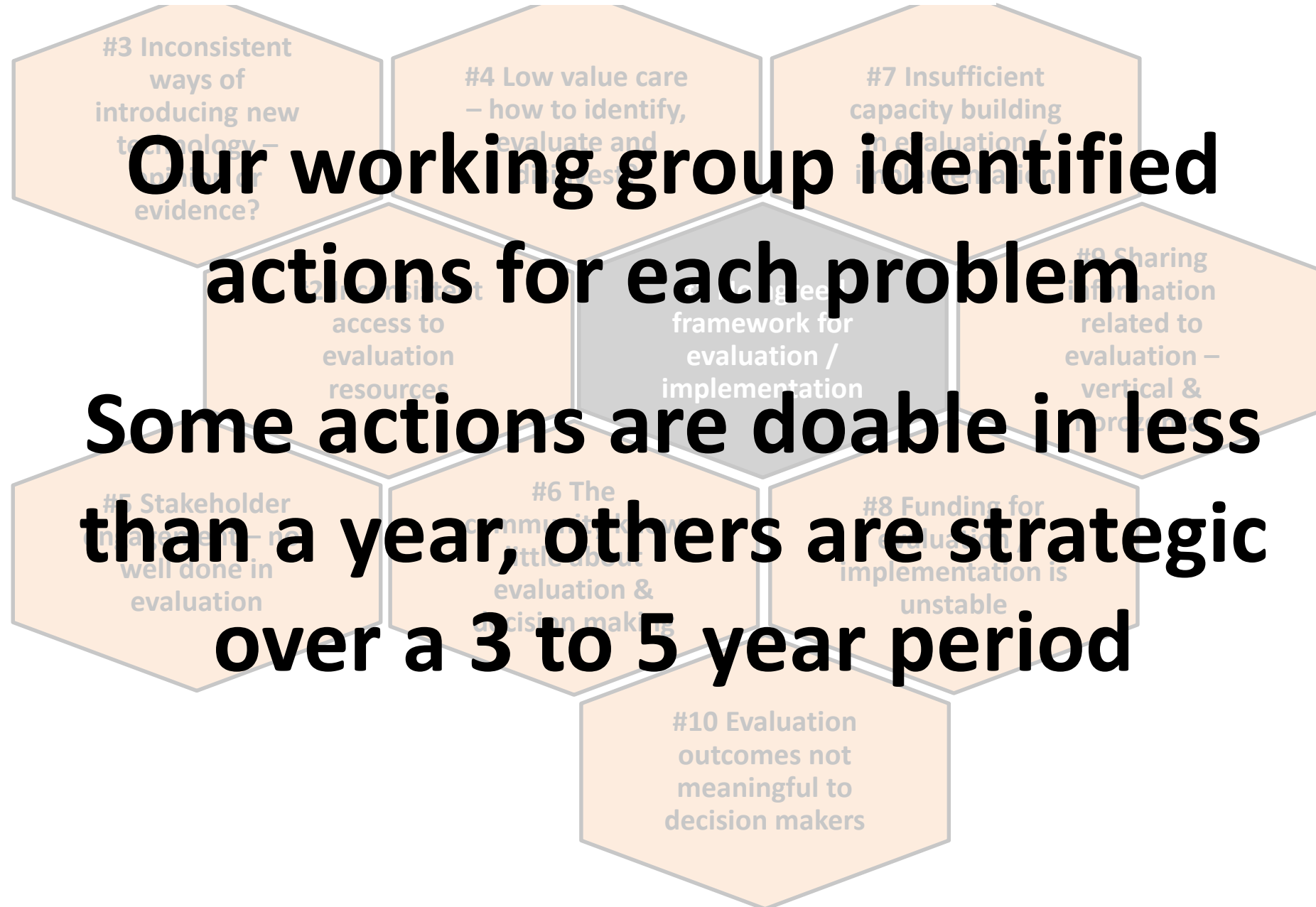
Aims, methods, outputs



Results: Ten core problems

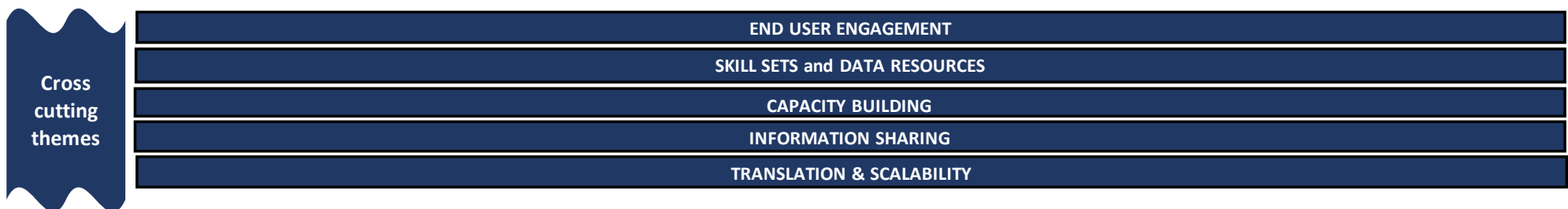
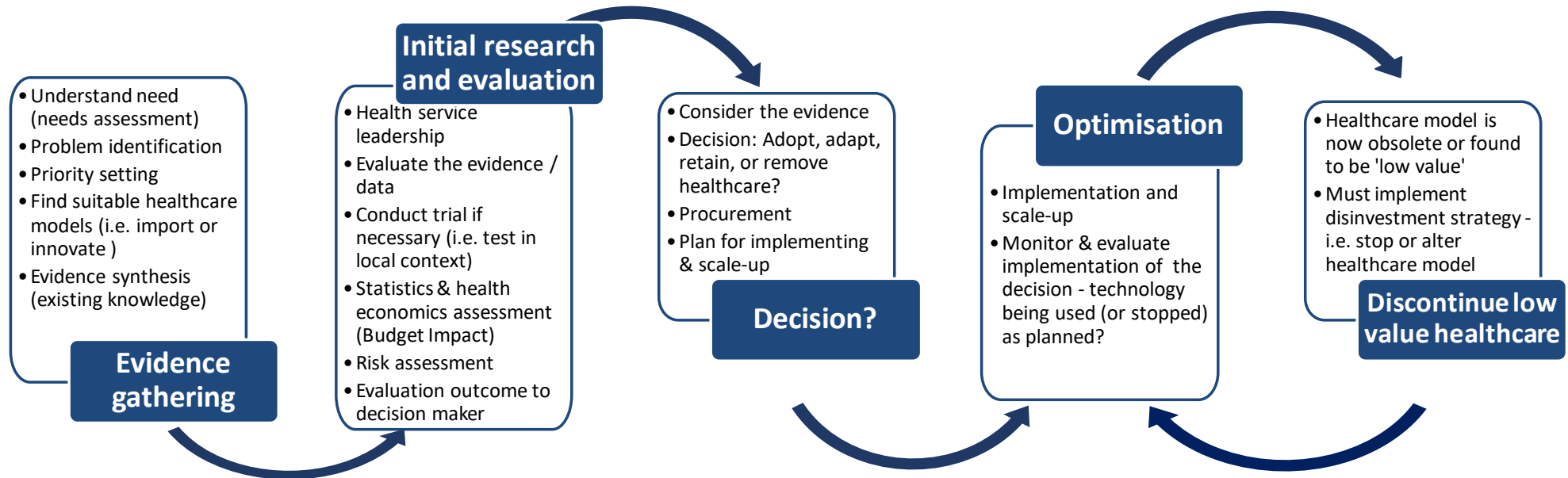


Results: Ten core problems



Results: High level eval. & implementation framework

Health-related technology lifecycle



National recommendations

Recommendation	Detail
<p>Establish an Expert Panel in evaluation and implementation / National Advisory Committee (Academy)</p>	<ul style="list-style-type: none"><input type="checkbox"/> National approach to local level evaluation<input type="checkbox"/> Determine appropriate eval. & implementation methods<input type="checkbox"/> Recommend curriculum to support skills development
<p>Boost education & training and professional development to ensure a sustainable health services workforce that is eval. & implementation capable</p>	<ul style="list-style-type: none"><input type="checkbox"/> Address problems in: lack of capacity; inconsistency in evaluation and implementation services; access to services; addressing (& awareness of) low value care; deliver understandable evaluation outcomes (e.g. Budget Impact Statements)
<p>Increase skilled workforce at the local level (in health services, universities, MRIs)</p>	<ul style="list-style-type: none"><input type="checkbox"/> Integrate into health services<input type="checkbox"/> Plan & implement local evaluations<input type="checkbox"/> Advise on implementation<input type="checkbox"/> Better communication of eval. & implementation outcomes etc.
<p>Facilitate an increase in eval. & implementation resources (e.g. financial) to support sustainable eval. & implementation skills that can be made available to health services</p>	<ul style="list-style-type: none"><input type="checkbox"/> Addresses haphazard funding<input type="checkbox"/> Ensures evaluation & implementation capacity and capability is sustainable<input type="checkbox"/> Review existing & developing funding models: do they support funding stability?

Take home messages

- Australia has some excellent centralised evaluation models – e.g. PBAC, MSAC
- But there is a gap in the evaluation of healthcare delivered at the local level – local context needs a combination of centralised standards but decentralised execution
- Addressing this gap has the potential to increase the likelihood of cost-effective healthcare entering and staying in the system
- Better evaluation at the local level is a mechanism to increase value from health spending – most health spending in Australia occurs at this level
- This work addresses:
 1. The PC challenge (2015) – to improve Australia’s evaluation architecture
 2. One of the MRFF priorities – comparative effectiveness

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Questions