



HEALTH⁺H

CHEQUE

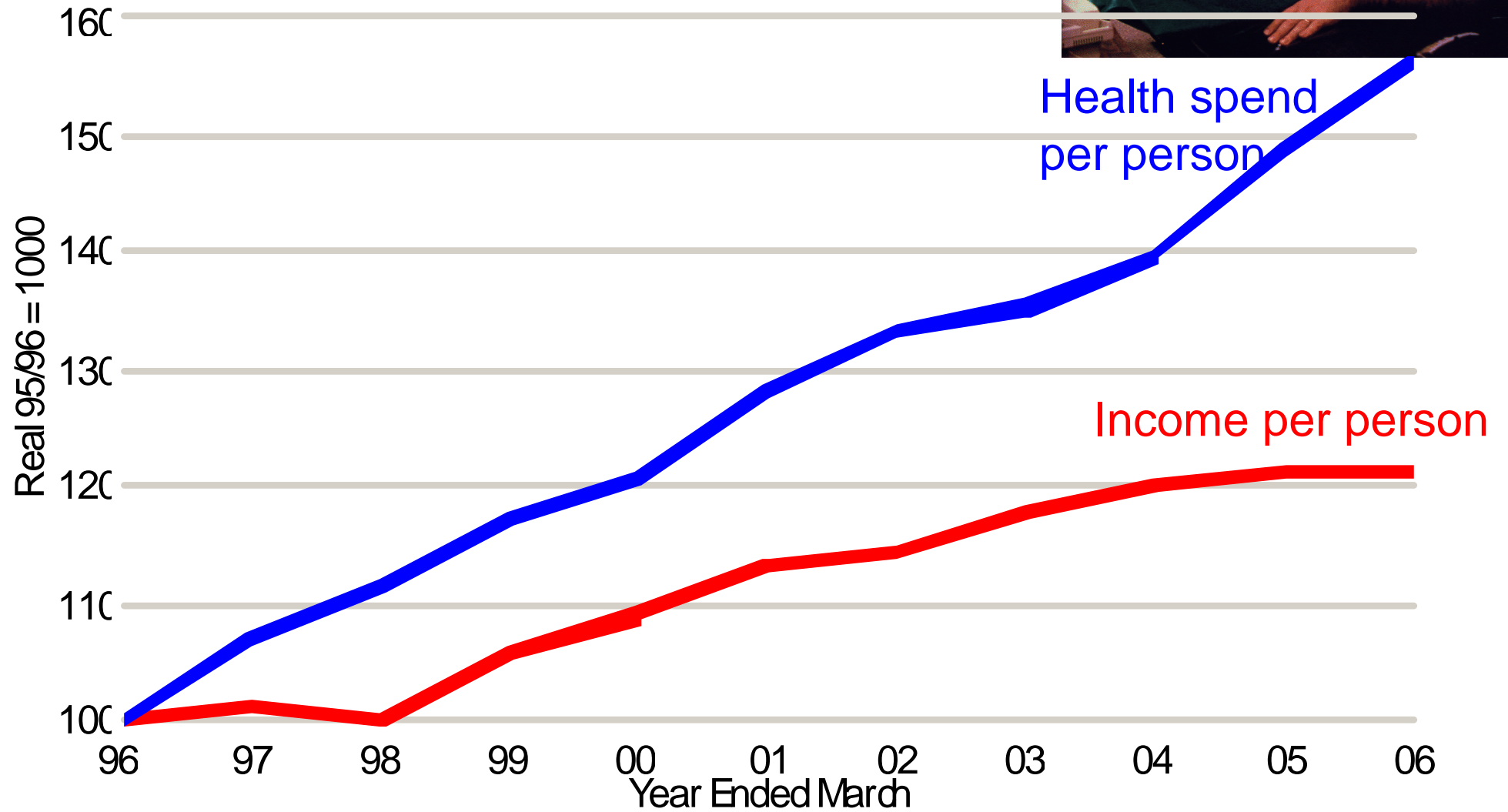
The truth we should all
know about New Zealand's
public health system



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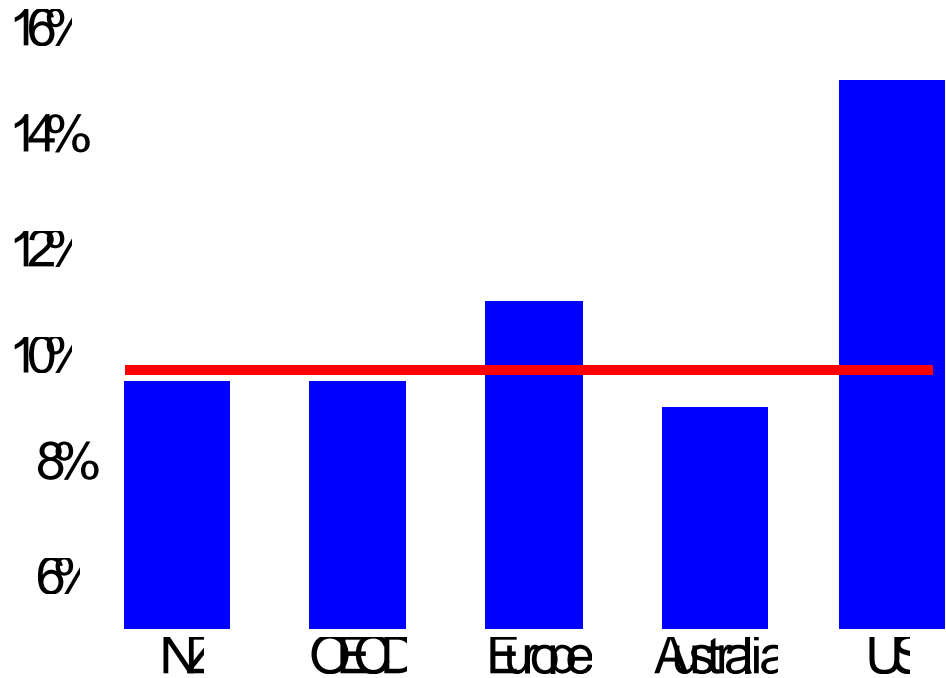
is our system world's best
practice, average, or a croc?

Health Care Conundrum

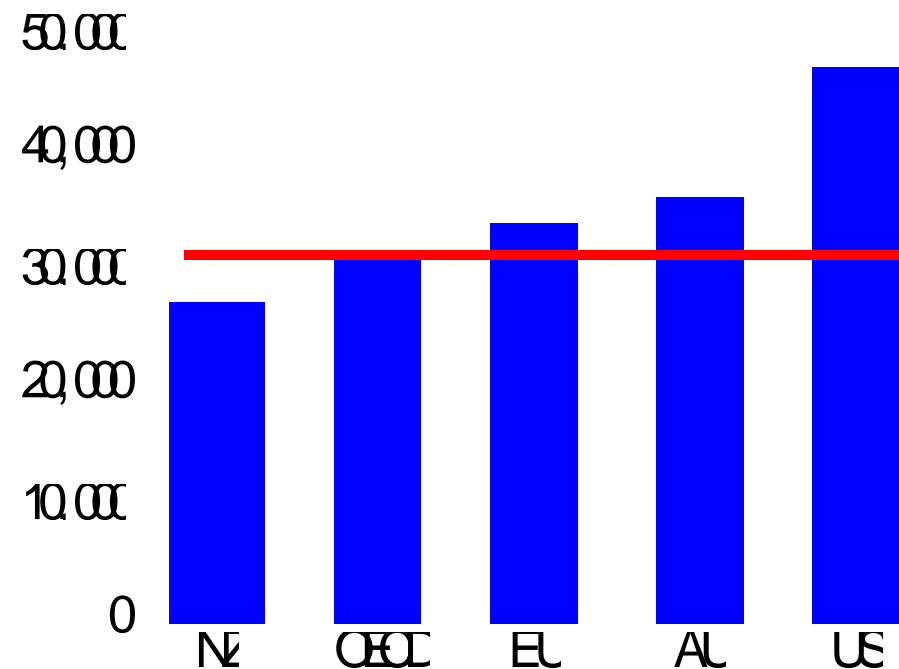


International Comparisons

Share of GDP (Income) Spent on Health

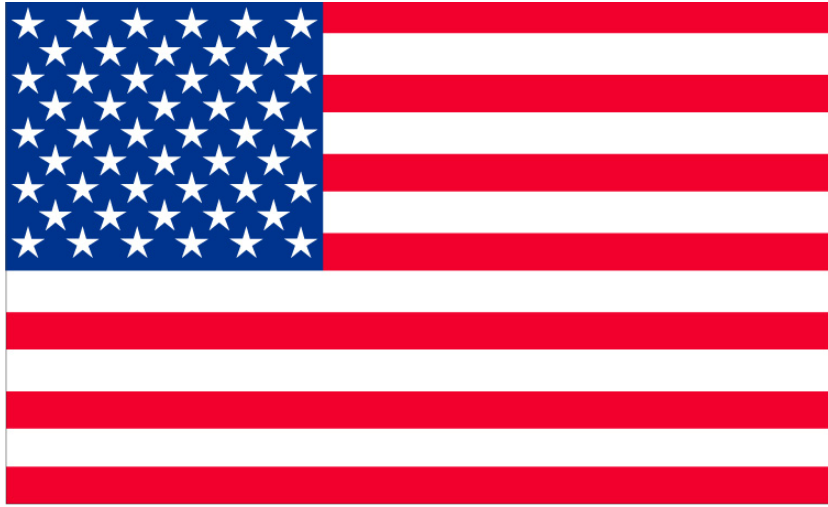


Income per capita (PPP)



At US share of US average incomes we'd be spending just under 30 cents per dollar of income on health!

International Comparisons

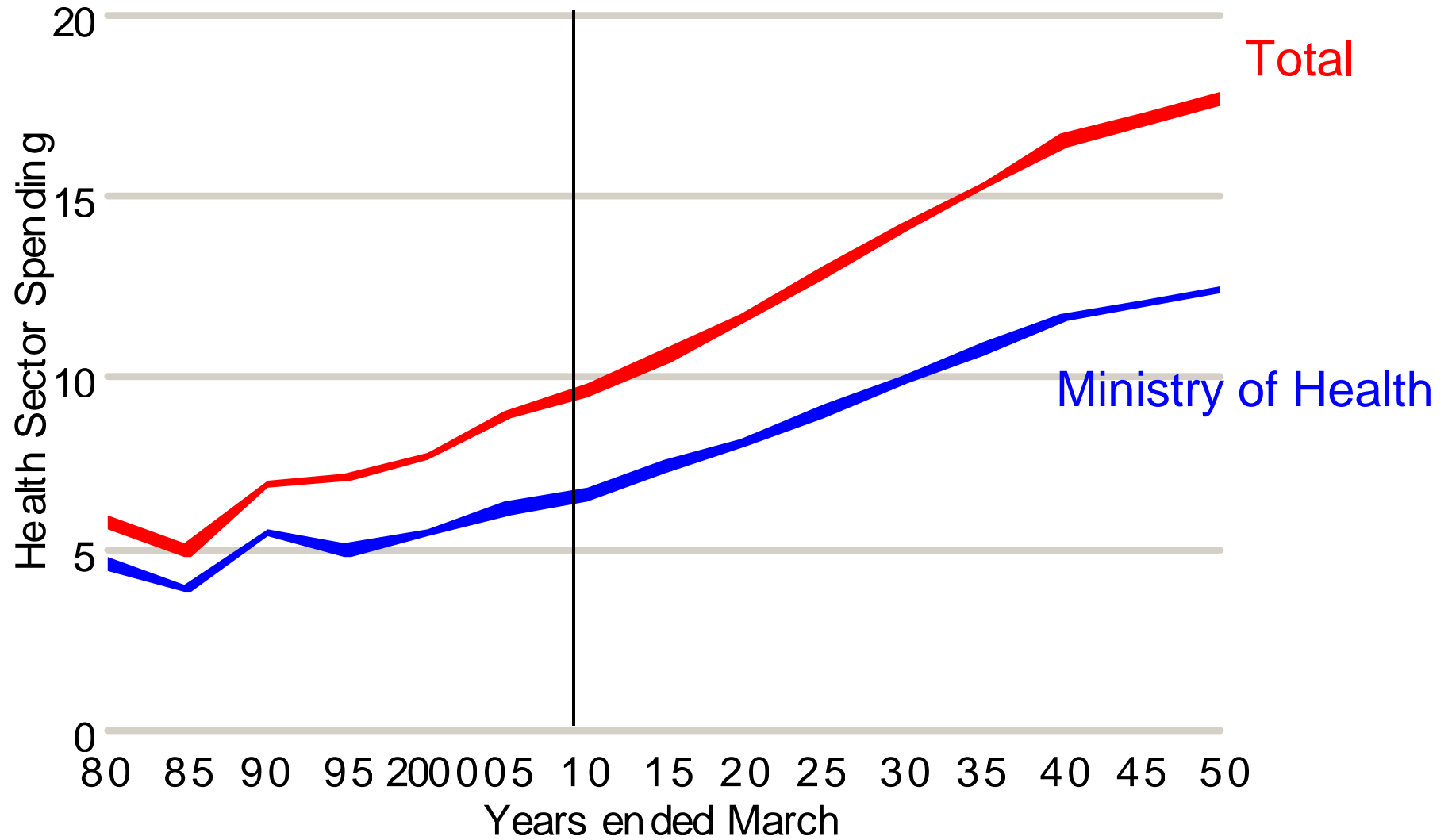


- US has polarised system - some of it world's best, much of it gold-plated, substantial part of population miss out

stress test
echocardiogram
mobile HR monitor
cardiac catheterisation (tube up artery)

- Europe polarised too - some with superb systems, new EU very poor. Fighting ballooning cost of social insurance

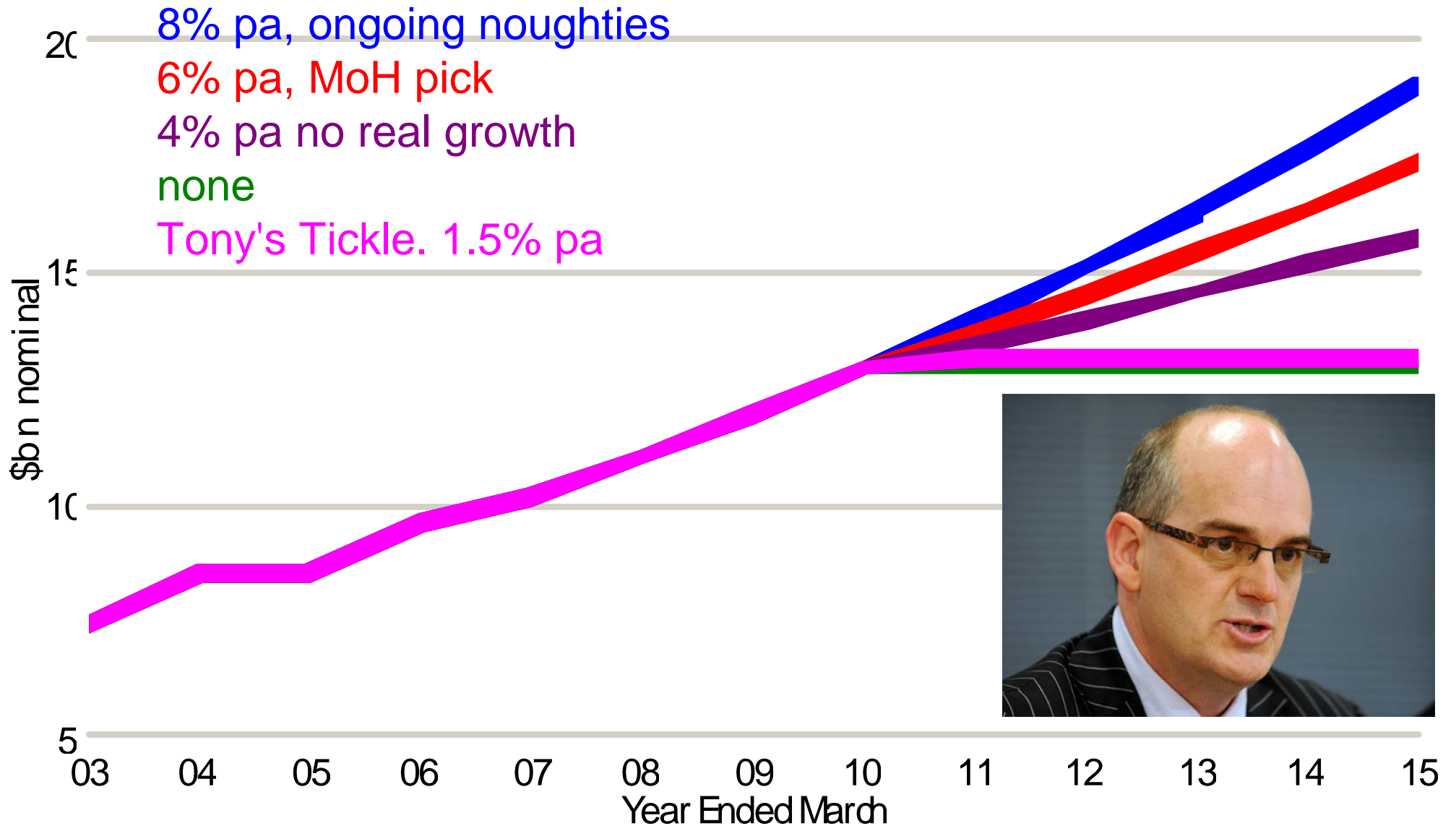
The Health Spend (as % of Income, GDP)



- Drivers are;
 - public's expectations, universal entitlement ~~≠~~ all you can eat
 - ageing (1/4 of the rise)
 - new technology, supply-induced-demand
 - poor productivity of sector - organisational probs
 - spread of chronic conditions & multiple chronics
 - 1 in 4 adults have chronic neck or back
 - 1 in 5 adults have mental illness
 - 1 in 6 adults have arthritis
 - 1 in 10 adults have heart disease
 - 1 in 20 adults have diabetes
 - 1 in 7 kids & 1 in 9 adults have asthma



Significance of the latest reform (MoH spending)



Being crook & getting fixed in New Zealand

- Rates of diabetes, mental illness higher than OECD av
- Deaths from cancer, heart disease higher than OECD av
- Treatment rates all lower than OECD av
 - cancer 50%
 - heart & strokes 65%
 - diabetes & mental health 75%



If OECD av is the standard, our health needs are unmet

Solutions

- get real about what we can expect
- raise efficiency of health sector
- spend more money

Present Reality

- inequitable
- gaming the system

Summary

- Much right about our hybrid system
 - prevention & early intervention
 - Pharmac
 - emergency care
- The challenges are;
 - disparity between expectations & delivery - former out of control, latter suffering from inefficient deployment of resource, sliding productivity
 - prioritisation *ad hoc*, subject to abuse - need QALY's & CPAC's
 - end-of-life care too often is desperate attempt to cure old age
 - prevention & early intervention still offers by far the best value for money



Challenges cont'd

- depoliticisation chronically overdue - governance by catastrophe (Cunliffe with heart, Ryall with cancer) - political gaming
- HFA needs reconstitution - to decide funding allocation, prioritisation in apolitical manner
- incentivise hospital units to up their game - all savings to be reinvested in their unit
- incentivise GPs to keep people out of hospital - superclinics. Individuals need to take more preventative measures - diet & exercise - role for corrective taxes, part-funding to nip chronics in the bud
- part charging for elective procedures - like for GPs and soon for ACC - is well overdue
- Don't spend more

The Big Challenge

- Deliberate avoidance of coherent, comprehensive prioritisation - ad hoc, gaming
- Old whiteys versus the rest - squeaky wheel
- Gaming the system -
 - ACC if you can,
 - A&E for queue-jumping,
 - Professional queue advocates
 - Surgeons working queues from private practice
- Need QALY/CPAC, evidence-based criteria
 - defined by health professionals at high level
 - enforced in an apolitical manner



The little hospital that could

- Funding approved reflects its paltry population
- Can economise on the lawns, laundry and lab tests, but some costs can't be cut
- Budget sufficient only for a couple of surgeons- so get General Surgeons - good for hernias, gallbladders, varicose veins
- No critical mass of professionals for the big stuff, plague of Locums



Alternative

- fund regional hospital & get better capability
- replace local hospital by super centre

The End