PERFORMANCE MANAGEMENT IN NZ'S HEALTH SECTOR

WHERE HAVE WE BEEN, AND WHERE ARE WE GOING?

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MY BACKGROUND

School Of Population Health (University Of Auckland)

Expertise in Policy Studies, Health Systems, Implementation

Have researched PM implementation in health since 2010

OUTLINE OF PRESENTATION

The challenges of Performance Management in health

Where have we been and what's next?

Two big challenges of performance management in health

The *normative* challenge: why, who for, which and how?

The *technical* challenge – finding fit for purpose indicators

THE NORMATIVE CHALLENGE:

PERFORMANCE MANAGEMENT IN HEALTH – A TOWER OF BABEL?

Multiple rationales for PM in health

Why have performance management (in health)?

Who is the intended audience?

Which criteria should be measured and managed?

How should it be co-ordinated / governed?

These questions and issues affect all areas of public sector activity, but have a particular 'flavour' in health

Governing Health Systems

The key decisions - what to provide and how - are made by clinicians

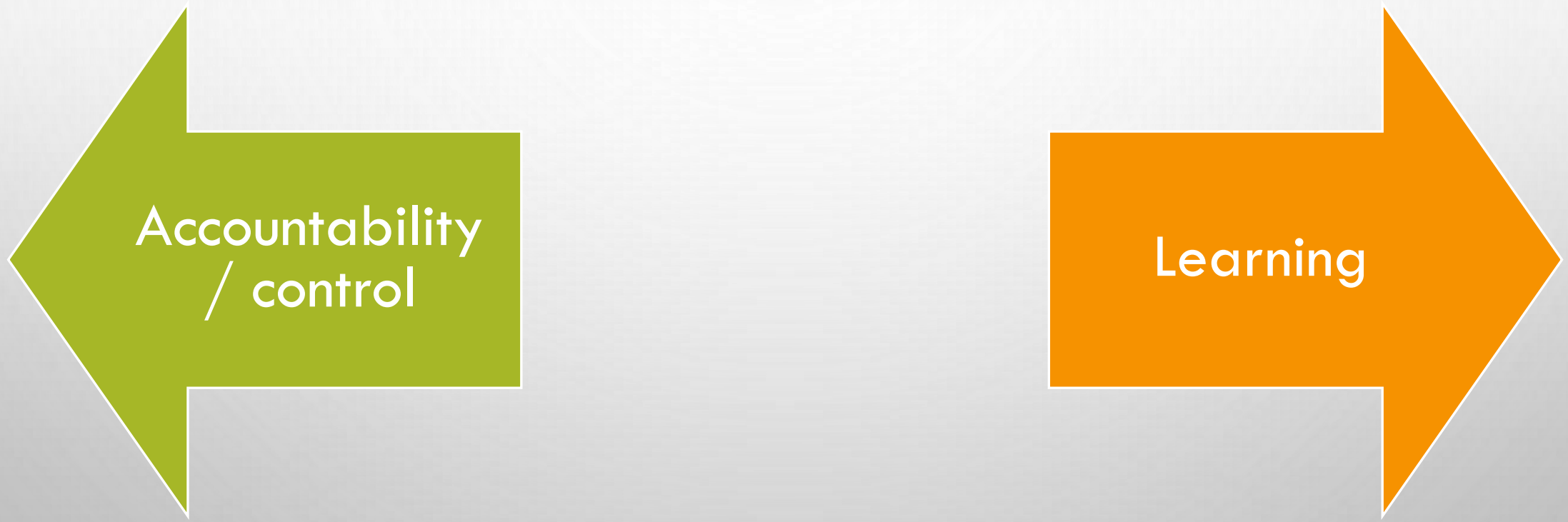
Governments did not create the health system – clinicians did, *then* governments funded it

Clinicians' motivations are shaped by an international system of professions which governments are powerless to shape

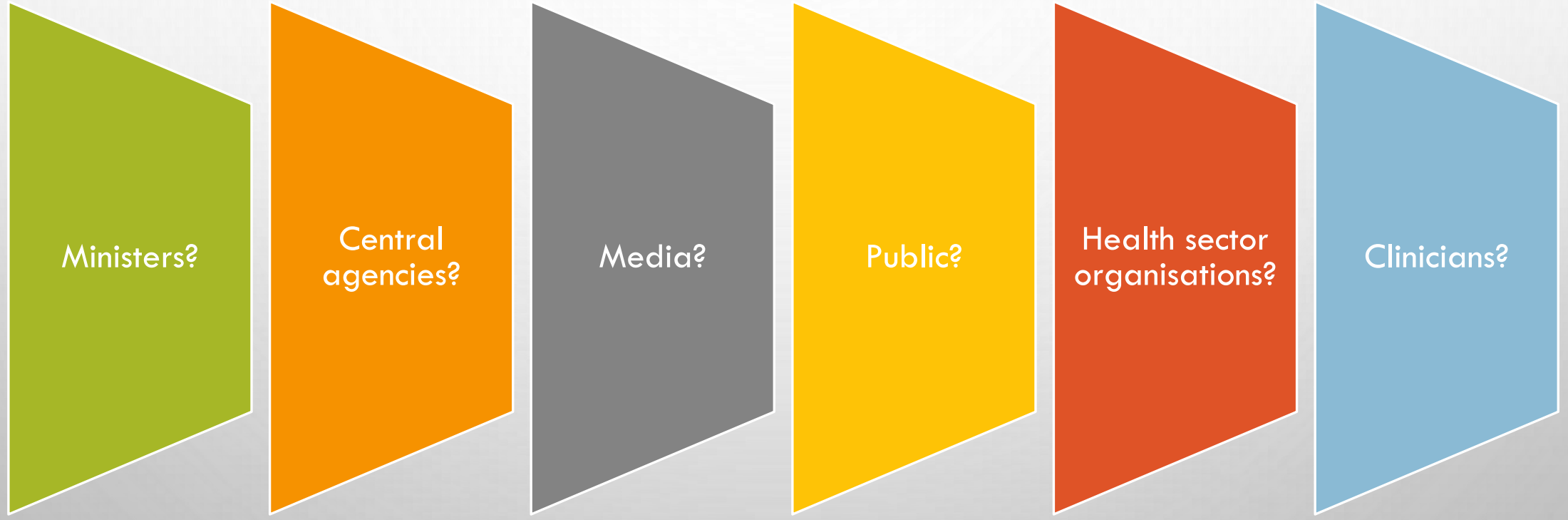
Clinicians do not think in systems terms (its not their job to do that), but their decisions have systemic effects

Health services have a limited effect on population health outcomes and equity

Why do performance management? (In health or any other part of govt)



Who is performance management in health for?



How should PM in health be co-ordinated?

Hierarchy?

Market?

Network?

Guild (Professions)?

Community?

Which performance criteria should be measured and managed?

Accessibility

Equity

Impact (Health Outcomes)

Coverage

Efficiency

Resilience

Productivity

Effectiveness

Appropriateness

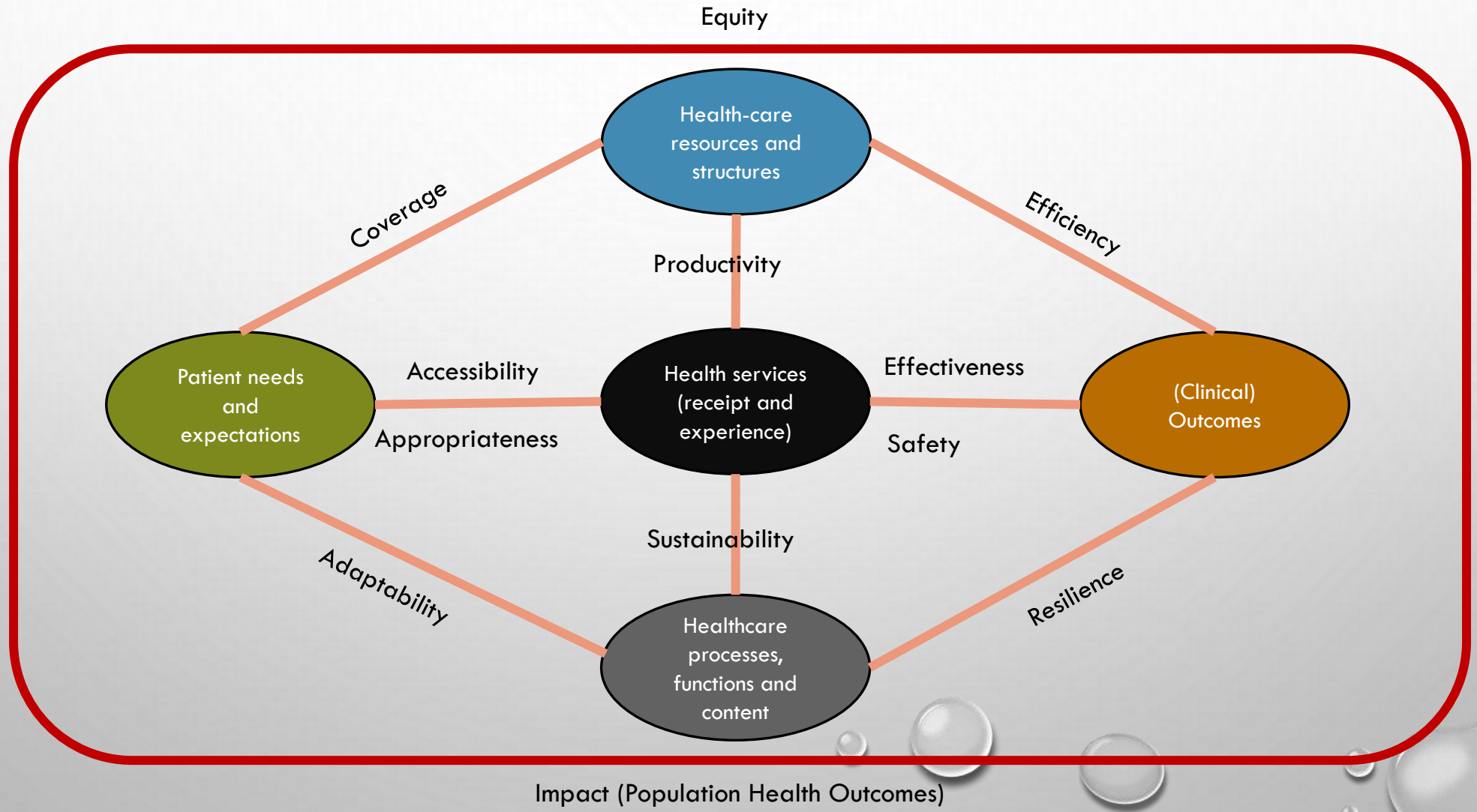
Sustainability

Safety

Adaptability

Levesque, J. F., & Sutherland, K. (2020). Combining patient, clinical and system perspectives in assessing performance in healthcare: an integrated measurement framework. *BMC health services research*, *20*(1), 1-14.

LEVESQUE AND SUTHERLAND'S INTEGRATED PERFORMANCE MEASUREMENT FRAMEWORK (2020)



1) Resource Stewardship Focus

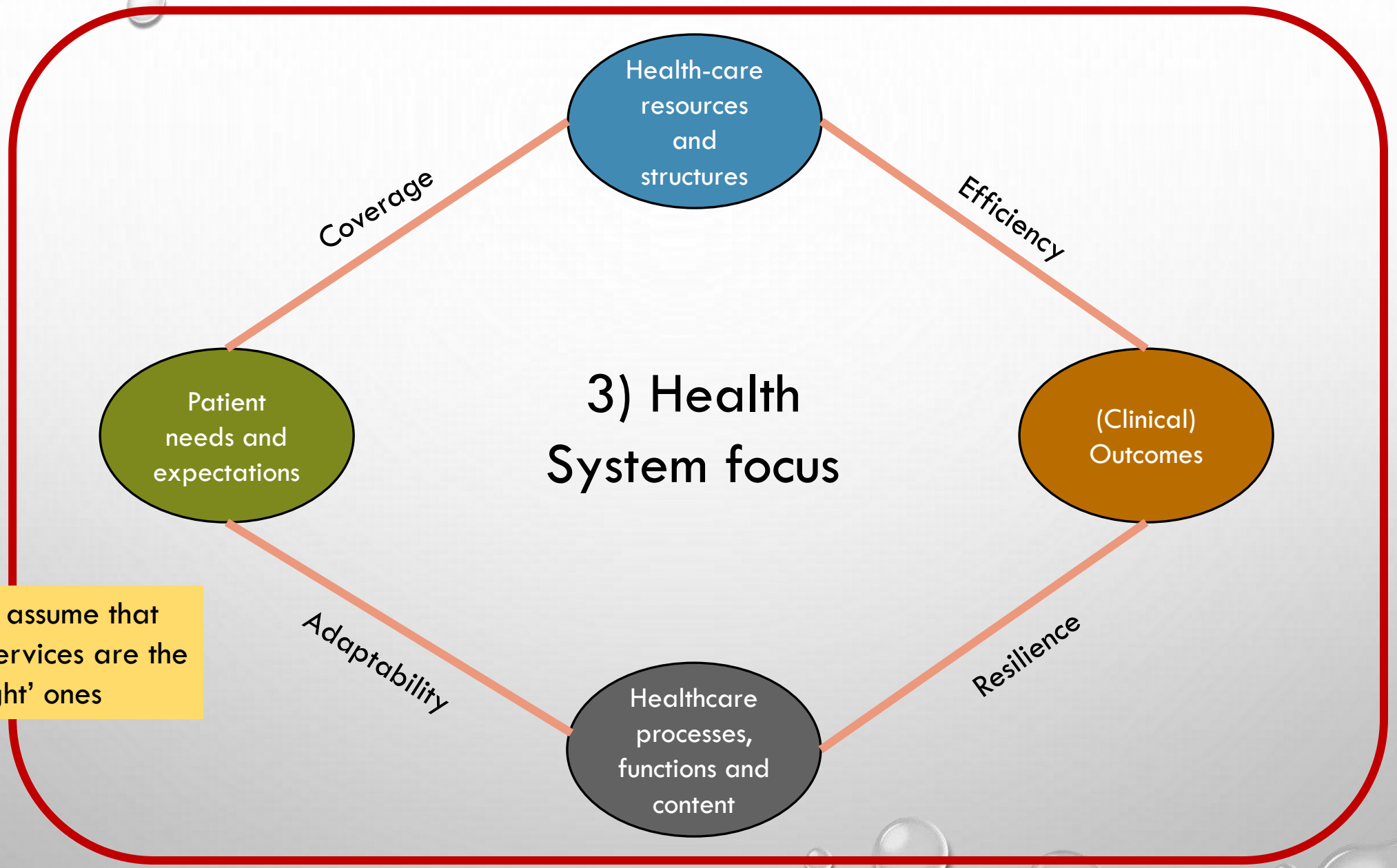
How performance is seen from *above* the health sector: a traditional Treasury / MoH view?

2) Health services focus (Quality)

How performance is seen and defined from *within* the health sector

Although (1) and (2) are very different, they share a focus on *existing* health services

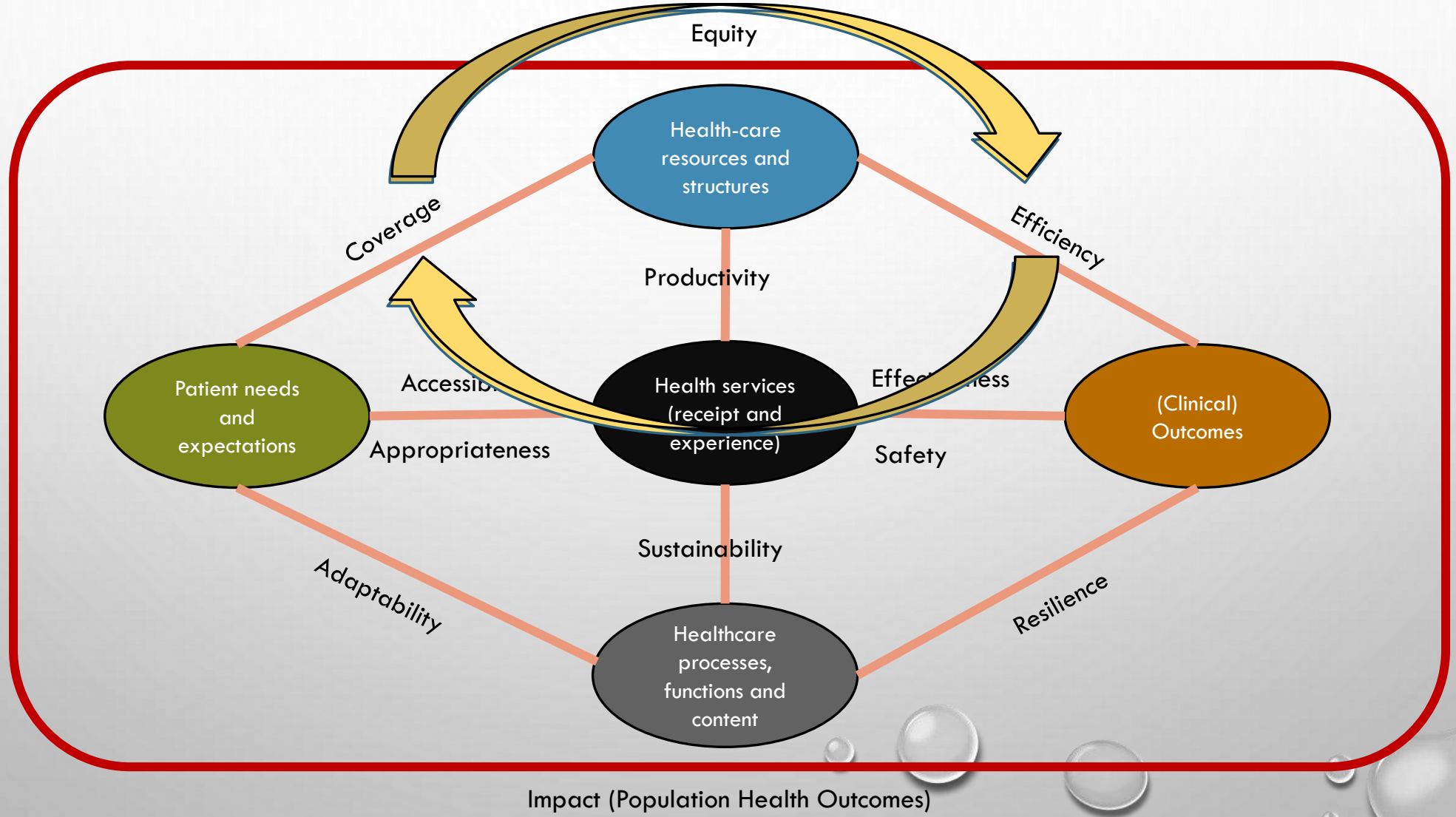
Equity



Doesn't assume that existing services are the 'right' ones

Impact (Population Health Outcomes)

RELATIONSHIPS BETWEEN PERFORMANCE CRITERIA ARE COMPLEX



The technical challenge: What are the characteristics of a good performance indicator?

- The performance indicators effectively represent things that are valued (synecdoche)
- It improves performance (however defined)
- There are clear feedback mechanisms (this requires plausible attribution)
- It stimulates positive new habits and practices
- Unintended and perverse consequences are minimised

The technical challenges for a system of indicators

- Linking health service performance to health system performance
- Feedback loops and trade-offs between performance criteria
- Feasibility of multiple priorities (and indicators)?

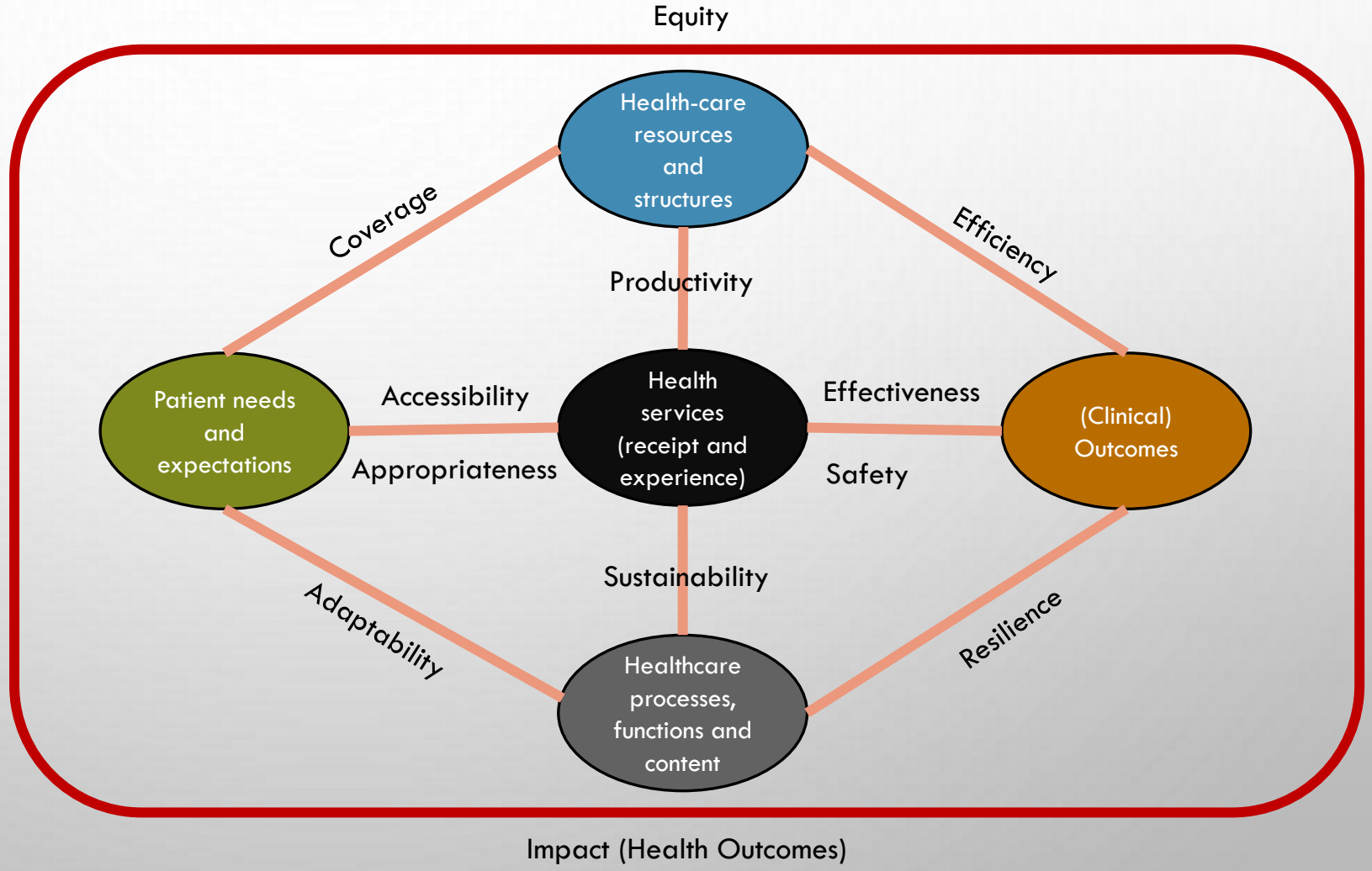


EXHIBIT 2

HEALTH CARE SYSTEM PERFORMANCE RANKINGS

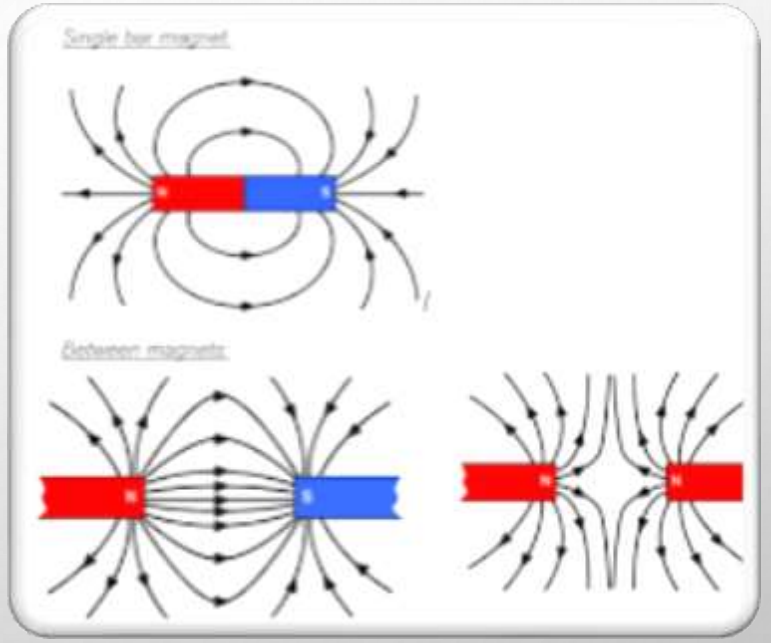
	AUS	CAN	FRA	GER	NETH	NZ	NOR	SWE	SWIZ	UK	US
OVERALL RANKING	**2**	**9**	**10**	**8**	**3**	**4**	**4**	**6**	**6**	**1**	**11**
Care Process (Quality)	2	6	9	8	4	3	10	11	7	1	5
Access	4	10	9	2	1	7	5	6	8	3	11
Efficiency	1	6	11	6	9	2	4	5	8	3	10
Equity	7	9	10	6	2	8	5	3	4	1	11
Health Care Outcomes	1	9	5	8	6	7	3	2	4	10	11

Source: Commonwealth Fund analysis.

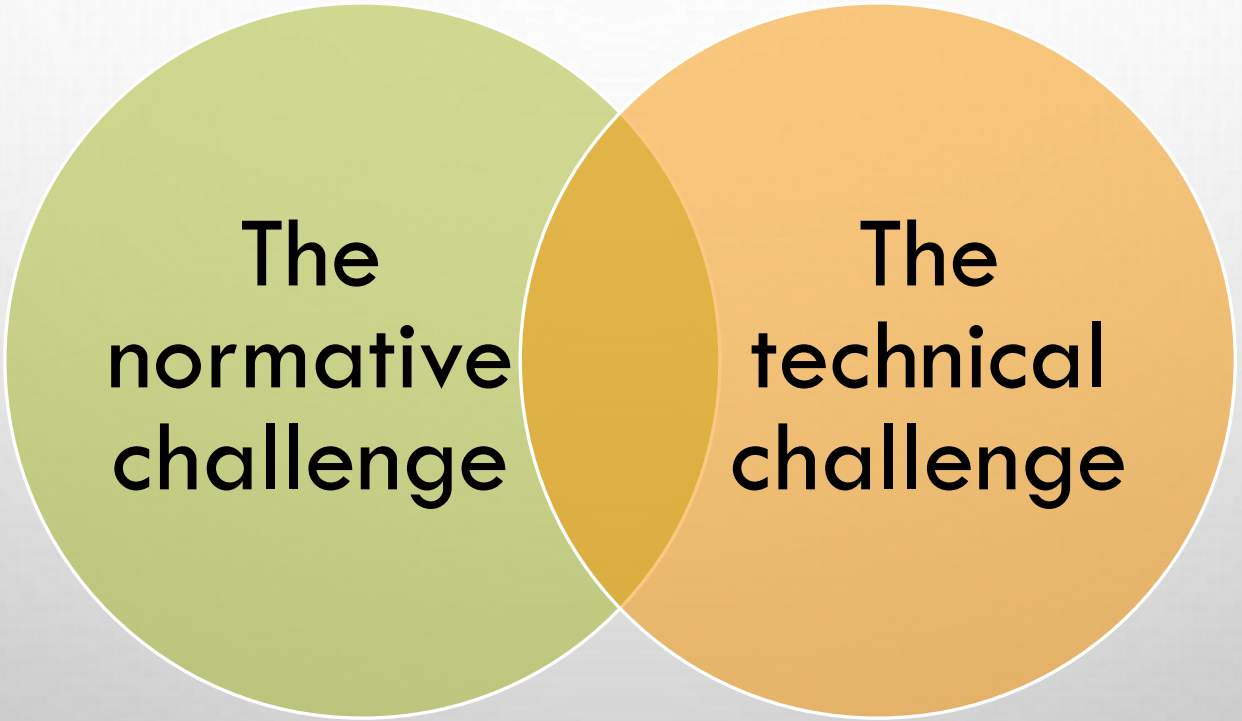
E. C. Schneider, D. O. Sarnak, D. Squires, A. Shah, and M. M. Doty, *Mirror, Mirror: How the U.S. Health Care System Compares Internationally at a Time of Radical Change*, The Commonwealth Fund, July 2017.

A USEFUL METAPHOR

- Health systems are complex adaptive systems
- Performance indicators act as magnets (attractors)
- PM systems are systems of magnets (reinforcing and counteracting effects)
- Any magnet has to attract the right behaviours and not distort others
- The effect of PI magnets can change over time

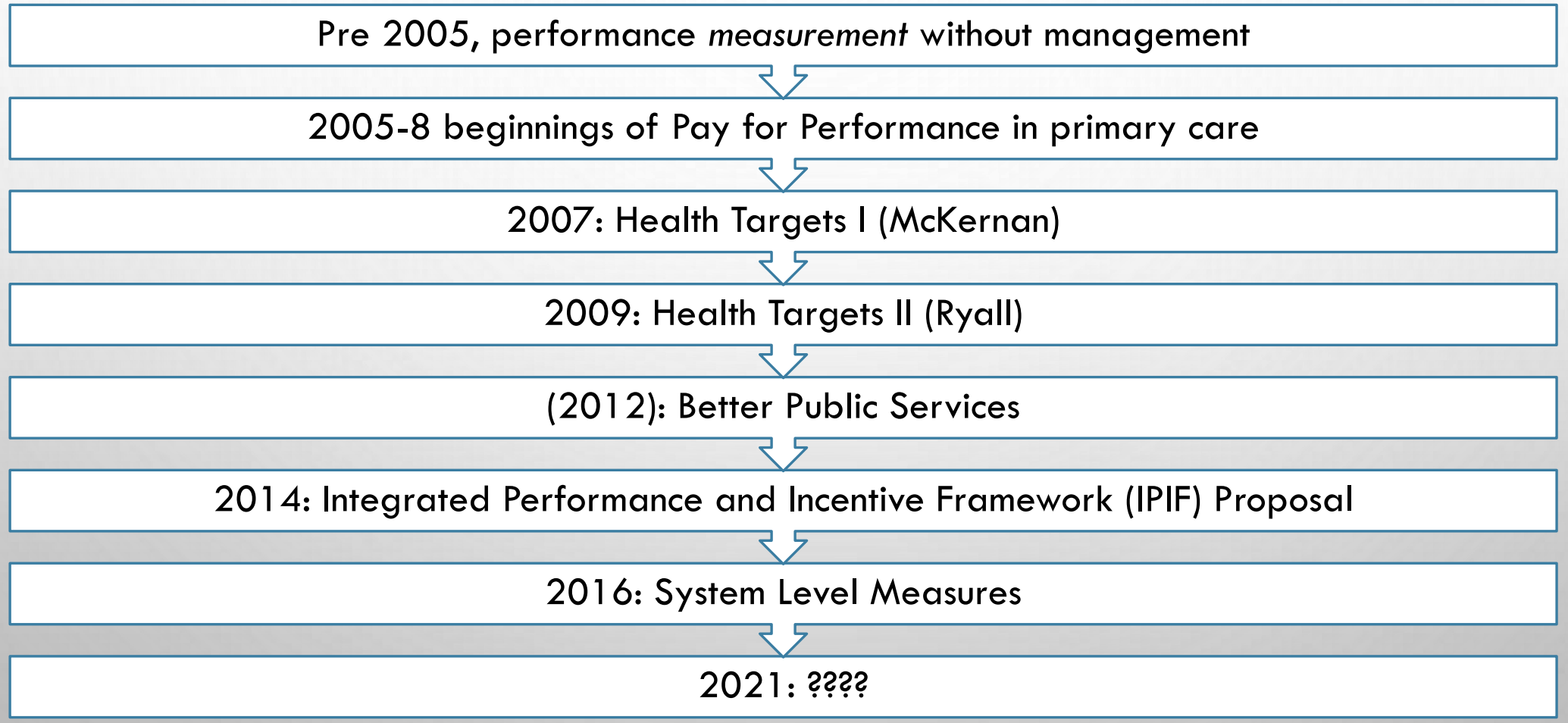


FINDING THE SWEET SPOT



WHERE HAVE WE BEEN?

BRIEF HISTORY OF PM IN NZ HEALTH SECTOR



How is your DHB performing?

2010/11 QUARTER FOUR RESULTS

www.moh.govt.nz/healthtargets

MINISTRY OF HEALTH
MANATŪ HAUORA

Shorter stays in Emergency Departments

	DHB	Quarter four performance	95%	Progress
1	West Coast	100%		0.0%
2	Waitemata	98%		1.2%
3	Nelson Marlborough	97%		-0.1%
4	South Canterbury	97%		0.2%
5	Counties Manukau	97%		-0.2%
6	Taranaki	96%		0.2%
7	Tairawhiti	96%		1.2%
8	Canterbury	96%		0.4%
9	Auckland	95%		4.4%
10	Hawke's Bay	94%		0.9%
11	Waikemato	94%		13.8%
12	Whanganui	93%		2.7%
13	Bay of Plenty	92%		1.6%
14	Northland	92%		2.8%
15	Lakes	89%		-1.6%
16	Waikato	89%		2.7%
17	Hutt Valley	87%		1.6%
18	MidCentral	87%		0.2%
19	Southern	87%		3.2%
20	Capital & Coast	74%		-1.6%
	All DHBs	93%		2.7%

Shorter stays in Emergency Departments

The target is 95 percent of patients will be admitted, discharged, or transferred from an Emergency Department (ED) within six hours. The target is a measure of the efficiency of flow of acute (urgent) patients through public hospitals, and home again.

Improved access to Elective Surgery

	DHB	Quarter four performance	100%	Progress
1	Northland	113%		2,230
2	Whanganui	111%		440
3	Wairarapa	111%		218
4	Lakes	111%		344
5	Counties Manukau	106%		1,203
6	West Coast	102%		138
7	MidCentral	102%		398
8	Taranaki	101%		248
9	Bay of Plenty	101%		397
10	Capital & Coast	101%		278
11	Hawke's Bay	101%		233
12	Waikemato	101%		352
13	Hutt Valley	101%		96
14	Waikato	101%		550
15	South Canterbury	101%		36
16	Southern	101%		570
17	Tairawhiti	101%		36
18	Nelson Marlborough	100%		80
19	Auckland	100%		33
	Canterbury	99%		504
	All DHBs	104%		5,299

Improved access to elective surgery

The target is an increase in the volume of elective surgery by an average of 4000 discharges per year.

DHBs planned to deliver 140,063 discharges year to date, and have delivered 5,300 more.

Shorter waits for Cancer Treatment

	DHB	Quarter four performance	100%	Progress
1	Northland	100%		0.0%
1	Waikemato	100%		0.0%
1	Auckland	100%		0.0%
1	Counties Manukau	100%		0.0%
1	Waikato	100%		0.0%
1	Lakes	100%		0.0%
1	Bay of Plenty	100%		0.0%
1	Tairawhiti	100%		0.0%
1	Hawke's Bay	100%		0.0%
1	Taranaki	100%		0.0%
1	MidCentral	100%		0.0%
1	Whanganui	100%		0.0%
1	Capital & Coast	100%		0.0%
1	Hutt Valley	100%		0.0%
1	Wairarapa	100%		0.0%
1	Nelson Marlborough	100%		0.0%
1	West Coast	100%		11.1%
1	South Canterbury	100%		1.0%
1	Southern	100%		1.1%
	Canterbury	89.5%		1.1%
	All DHBs	100%		1.1%

Shorter waits for cancer treatment

The target is everyone needing radiation treatment will have this within four weeks. Six regional oncology centres provide radiation oncology services. These centres are in Auckland, Hamilton, Palmerston North, Wellington, Christchurch and Dunedin.

Canterbury DHB's result is 99.53 percent. One patient waited three days longer than target as a result of earthquakes.

Increased Immunisation

	DHB	Quarter four performance	90%	Progress
1	Wairarapa	94%		1.1%
2	Hawke's Bay	93%		-1.4%
3	Southern	93%		-1.1%
4	Auckland	93%		4.1%
5	Waitemata	92%		2.3%
6	MidCentral	92%		0.7%
7	South Canterbury	92%		-1.6%
8	Hutt Valley	91%		1.7%
9	Capital & Coast	91%		-0.7%
10	Waikato	91%		0.0%
11	Tairawhiti	90%		1.7%
12	Canterbury	90%		0.7%
13	Counties Manukau	90%		1.4%
14	Whanganui	89%		-1.8%
15	Lakes	88%		1.7%
16	Taranaki	88%		-1.8%
17	Bay of Plenty	87%		1.7%
18	Nelson Marlborough	87%		-1.1%
19	West Coast	86%		1.7%
20	Northland	83%		1.7%
	All DHBs	90%		1.4%

Increased immunisation

The national immunisation target is for 90 percent by July 2011, and 95 percent by July 2012.

This quarterly progress result includes children who turned two years between April and June 2010 and who were fully immunised at that stage.

Better help for Smokers to Quit

	DHB	Quarter four performance	90%	Progress
1	Lakes	100%		14.0%
2	Wairarapa	98%		4.7%
3	Whanganui	98%		16.8%
4	Capital & Coast	98%		11.4%
5	South Canterbury	96%		1.7%
6	Northland	95%		12.1%
7	Hawke's Bay	95%		6.8%
8	Hutt Valley	95%		1.7%
9	Nelson Marlborough	90%		16.8%
10	Counties Manukau	89%		20.8%
11	Waitemata	88%		13.6%
12	MidCentral	85%		6.7%
13	Tairawhiti	85%		3.8%
14	West Coast	85%		-4.7%
15	Taranaki	85%		21.3%
16	Waikato	85%		9.7%
17	Southern	79%		5.8%
18	Auckland	79%		7.0%
19	Bay of Plenty	77%		11.0%
	Canterbury	77%		-3.8%
	All DHBs	89%		10.9%

Better help for smokers to quit

The target is that 90 percent of hospitalised smokers will be provided with advice and help to quit by July 2011, and 95 percent by July 2012. The data covers patients presenting to Emergency Departments, day stay and other hospital based interventions.

Better Diabetes and Cardiovascular Services

	DHB	Quarter four performance	Progress
1	Taranaki	81%	-11.1%
2	Whanganui	80%	-1.0%
3	MidCentral	77%	0.0%
4	Wairarapa	76%	1.1%
5	Hutt Valley	75%	-2.1%
6	Hawke's Bay	75%	-1.0%
7	Counties Manukau	74%	1.0%
8	Southern	74%	1.1%
9	Capital & Coast	73%	-0.9%
10	Waikato	73%	-1.0%
11	Northland	73%	-0.9%
12	South Canterbury	72%	0.0%
13	Bay of Plenty	72%	1.1%
14	Waitemata	72%	-1.1%
15	West Coast	72%	-1.1%
16	Lakes	72%	-0.0%
17	Nelson Marlborough	69%	-0.9%
18	Auckland	69%	-1.0%
19	Tairawhiti	68%	-0.8%
	Canterbury	68%	-1.1%
	All DHBs	73%	-1.1%

Better diabetes and cardiovascular services

This graph represents the average progress made by a DHB towards three target indicators:

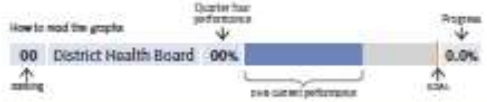
(a) an increased percent of the eligible adult population will have had their cardiovascular disease risk assessed in the last five years;

(b) an increased percent of people with diabetes will attend free annual checks;

(c) an increased percent of people with diabetes will have satisfactory or better diabetes management.

Canterbury DHB's performance has not been ranked in four of the six health targets in acknowledgment of the impact of the earthquakes on the DHB's year-end results.

How to read the graphs



This information should be read in conjunction with the details on the Website WWW.moh.govt.nz/healthtargets

New Zealand Government

SYSTEM LEVEL MEASURES FRAMEWORK

The innovation in SLM is the move towards a 'bottom-up', experimental process of developing indicators (contributory measures)

Headline Measure	Health System Objective and Explanation
Ambulatory Sensitive Hospitalisation (ASH) rates for 0–4 year olds	Keeping children out of hospital
Acute hospital bed days per capita	Using health resources effectively
Patient experience of care	Person-centred care – this is made up of adult inpatient and primary care patient experience surveys
Amenable mortality rates	Prevention and early detection
Babies living in smoke-free homes	A healthy start
Youth access to and utilisation of youth appropriate health services	Youth are healthy, safe and supported. –consists of 5 domains.

Comparison of health targets and system level measures

Health targets (2009-2018)

Why? Accountability

Who? Minister, public

How? Hierarchy

Which? Accessibility

Focus? Health service

System level measures (2016-21)

Why? Learning

Who? Health sector organisations

How? Network

Which? Accessibility, appropriateness, effectiveness, efficiency, equity, health outcomes

Focus? Health service & health system

HEALTH TARGETS

	Indicator effectively represents value (synechdoche)	Did 'real' performance improve?	Clear feedback mechanisms?	Stimulates positive behaviours?	Minimise Negative Consequences?	Other Comments
ED Target (Jones, Chalmers, Tenbensel et al)	Initially, but this deteriorates over time	Yes, estimated 700 deaths avoided per year (early)	Yes, though dampened later	Yes, at first (streamlined processes)	Jeopardy (cheating), Perversity (myopia)	Positive effects early, negative effects later
Child Immunisation (Willing)	Yes, plausible to link increased imms to outcomes (herd immunity)	Yes	Yes	Yes, better collaboration	No jeopardy or perversity	Target fatigue, Target enhanced equity
More Heart and Diabetes Checks (Allen + Clarke)	Too difficult to judge	Difficult to judge	No	Yes - somewhat	Jeopardy (gaming – role of PHOs) Providers – buy-in varied significantly	High admin costs
Elective Surgery (Gower)	In some services better than others	Difficult to judge	Difficult to generalise	Sometimes	Jeopardy (gaming) Perversity (myopia)	Variety of complex adaptations (many not that functional)

SYSTEM LEVEL MEASURES FRAMEWORK

Indicator(s) effectively represent what is valued

- Mixed

Did it catalyse improved performance (outcomes)?

- Difficult to know

Feedback loops?

- Too early to tell (maybe for contributory measures; less likely for headline measures)

Positively change behaviour in the system?

- Stimulated collaboration at the local level, particularly between middle level management and clinicians,
- deepened and widened collaboration where good DHB-PHO relationships were present,
- not able to catalyse a change when DHB-PHO relationships were less collaborative

Negative consequences

- Difficult to detect

Other comments

- Potential for disenchantment? – difficulty in linking activities to indicator change

TO SUM UP

- Health targets had a mix of discernable effects (both positive and negative)
- SLM – harder to detect effects (but may be too early to tell?)
- Provocation: success is more about the indicator than about the type (rationale) of PM system

Child immunisation – a (near) success story

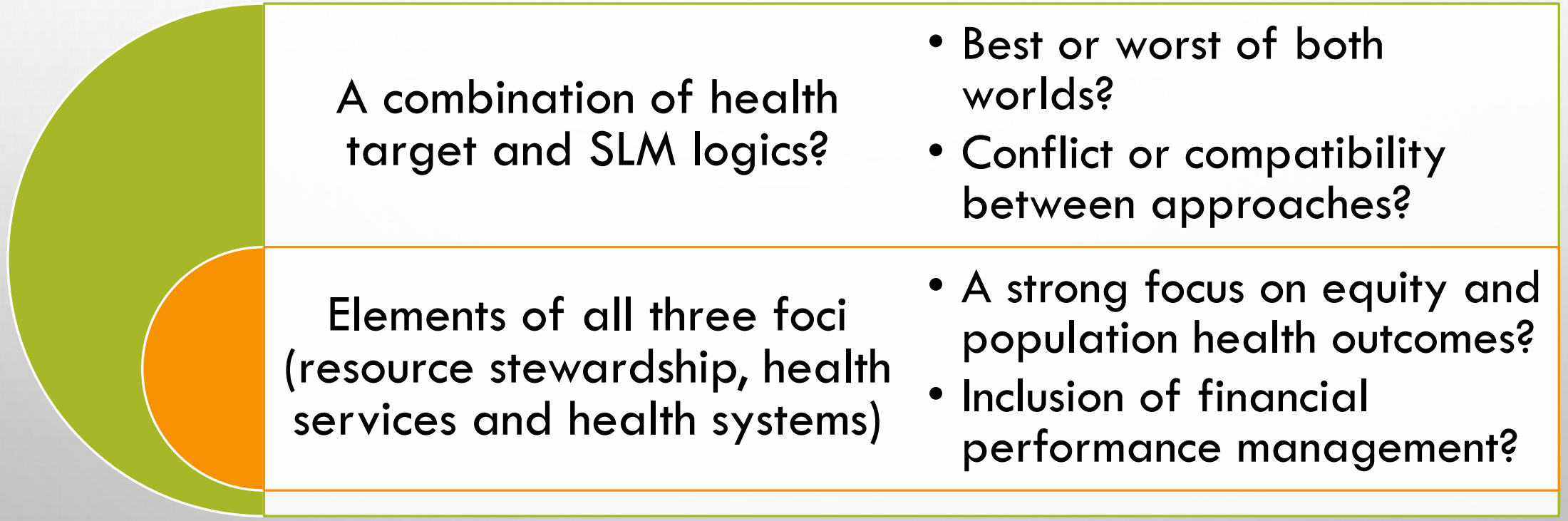
Why? There is a clear link between health service performance and health system performance

It works for multiple PM rationales, audiences and types of co-ordination

However, such indicators are extremely rare in health!

Also – the capacity of the target to change behaviours long-term was limited (eg mainstream primary care did not develop their own outreach services)

What is coming next?



To conclude: some big questions

New system will accentuate the normative challenge

- all rationales for performance management are co-existing – how comfortable will this be?

Which indicators will really be useful?

- Equity and financial performance indicators will also face significant technical challenges

Can specific indicators represent more general criteria?

How will the 'ecology' of health performance management evolve? (*ie the relationship between indicators*)

IMPLICATIONS

Ultimately, PM stands or falls on the quality of the indicators

This means that there are risks in building a 'whole system' approach (ie set the priorities first, then find the right indicators)

Enforcing accountability for low quality indicators is the biggest risk

Building a workable PM system is a long term project

THANK YOU

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