Potential Efficiency Gains in Australian Primary Care: a review

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Resources Are Limited

[Graph showing State Budget vs Health spending from 2008 to 2042, with different trends for Health and SA.]
Resources Are Limited

- Health expenditure will exceed the entire SA Budget
  - 2007 → 2032
  - 2012 → 2038

- Part of an ongoing trend between 1990 and 2014
  - **Real terms ($b):** 50.3 → 154.6
  - **GDP (%):** 6.5 → 9.7
  - **Tax income (%):** 15.7 → 24.1
For every $1 invested in effective prevention, $5.60 is returned within five years.

- Primary care is vital to sustainable healthcare
  - How do we measure *effective* primary care?
  - What initiatives might achieve this?
Public Health Competencies

- How do we measure *effective* primary care?

<table>
<thead>
<tr>
<th>Learning Objective 4.1.4</th>
<th>Analyse policy and proposals from an economic perspective</th>
<th>Level 2</th>
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</thead>
<tbody>
<tr>
<td><strong>Elements of competence</strong></td>
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<tr>
<td>• understand forms of economic evaluation (e.g. cost minimisation analysis, cost effectiveness analysis, cost benefit analysis)</td>
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<td>• understand important economic issues (efficiency, equity, opportunity cost, margin, discounting), value judgements and limitations.</td>
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- What policy initiatives might achieve this?

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<tr>
<th>Learning Objective 3.1.4</th>
<th>Conduct effective literature reviews</th>
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<td><strong>Elements of competence</strong></td>
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<tr>
<td>• clearly identify the public health question and scope</td>
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<td>• systematically search published and ‘grey’ literature</td>
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<td>• document the search strategy</td>
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<tr>
<td>• present findings in a clear, well structured manner.</td>
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# Health Economics 101

**Understand forms of economic evaluation**

<table>
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<tr>
<th>Method</th>
<th>Advantages</th>
<th>Disadvantages</th>
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<td><strong>Cost Minimization Analysis</strong></td>
<td>Simple cost analysis</td>
<td>Outcomes from the interventions must be shown to be equivalent</td>
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</table>
| **Cost Effectiveness Analysis** | • Applicable to a wide range of possible clinical outcomes  
• Can be used to compare treatments with same outcomes | Can not make comparisons among studies or diseases with different outcomes                      |
| **Cost Utility Analysis**      | • Enables a broad range of outcomes to be combined in one summary outcomes 
• Considers patient preferences for the outcomes | • Difficult to translate QOL measures into utility scores; 
• Provider and payer lack of knowledge of use of tool                                            |
| **Cost Benefit Analysis**       | • Compares programs with different outcomes 
• Access the return of “investment” | • Difficult to define a monetary value for health consequences 
• Provider and payer lack of knowledge of tool                                                    |

- → **No Δ Outputs**
- → **Δ Outputs**
- → **Difficult**
- → **?Cost of QALY**
Does contemporary Australian research on these primary care initiatives support the anticipated efficiency gains?
Literature Review

Document the search strategy
Systematically search the published and ‘grey’ literature

- First-ever review
- Three attempts
- Good for learning
- Repeatable, static
- Search strategy
- Inclusion & exclusion criteria
- Confidence to readers and myself
Findings

Present findings in a clear, well structured manner

- Conform to audience expectations
  - MJA
  - Cochrane Collaboration
  - PRISMA
- Key results:
  - 19 total
  - 2 reported cost
  - 5 non-significant
  - Meta-analysis not possible
Discussion

- No evidence supporting cost-effectiveness of the government-identified initiatives
  - May prevent primary care reform, forcing health or other service cuts
  - Medicare co-payments and indexation

- Minimal research with cost data
  - Need to standardise cost reporting in research
  - Need to identify and remediate barriers
Any Questions?

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