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The Value of Occupational Health

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Overview

1. A future health system – the big trends
2. Implications for the health system – Commonwealth and Jurisdictions
3. Assessing value – a “treasury” focussed approach
4. Assessing value – a case study: Obesity in Australia

The current health system - Setting the scene

Significant challenges



- **Spend 9.8% of GDP on health, costs increasing at twice the rate of GDP**
- **35% Australians** have chronic disease, worse with aging; **1M with diabetes**
- **Long term unemployment** and underemployment

New pathways to deliver sustainable, universal access



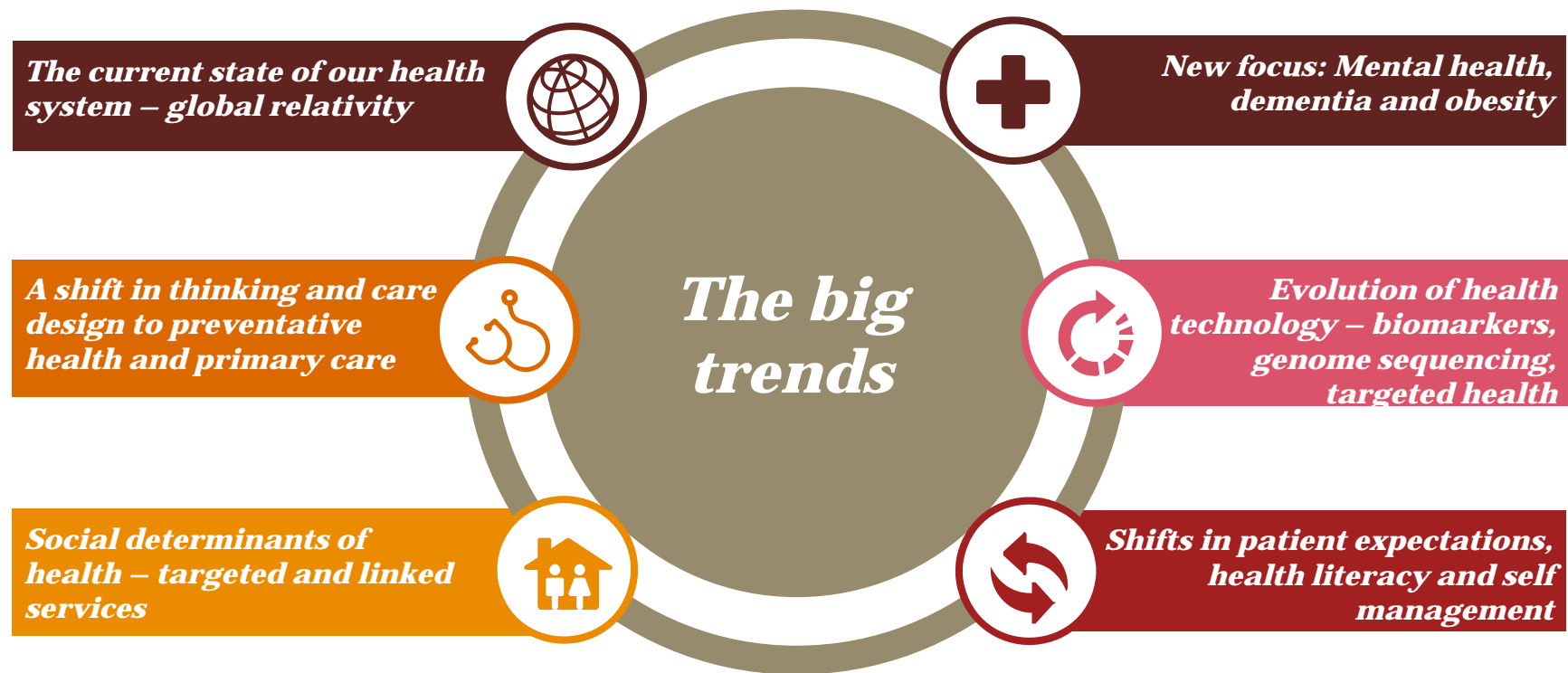
- **The health of a population is key** to economic productivity and well-being
- **Uneven health outcomes across Australia** (indigenous communities, lower socio-economic demographics)
- **Economic impact** 4-6% lost GDP in 2030 from NCDs

Focus on a whole of government approach

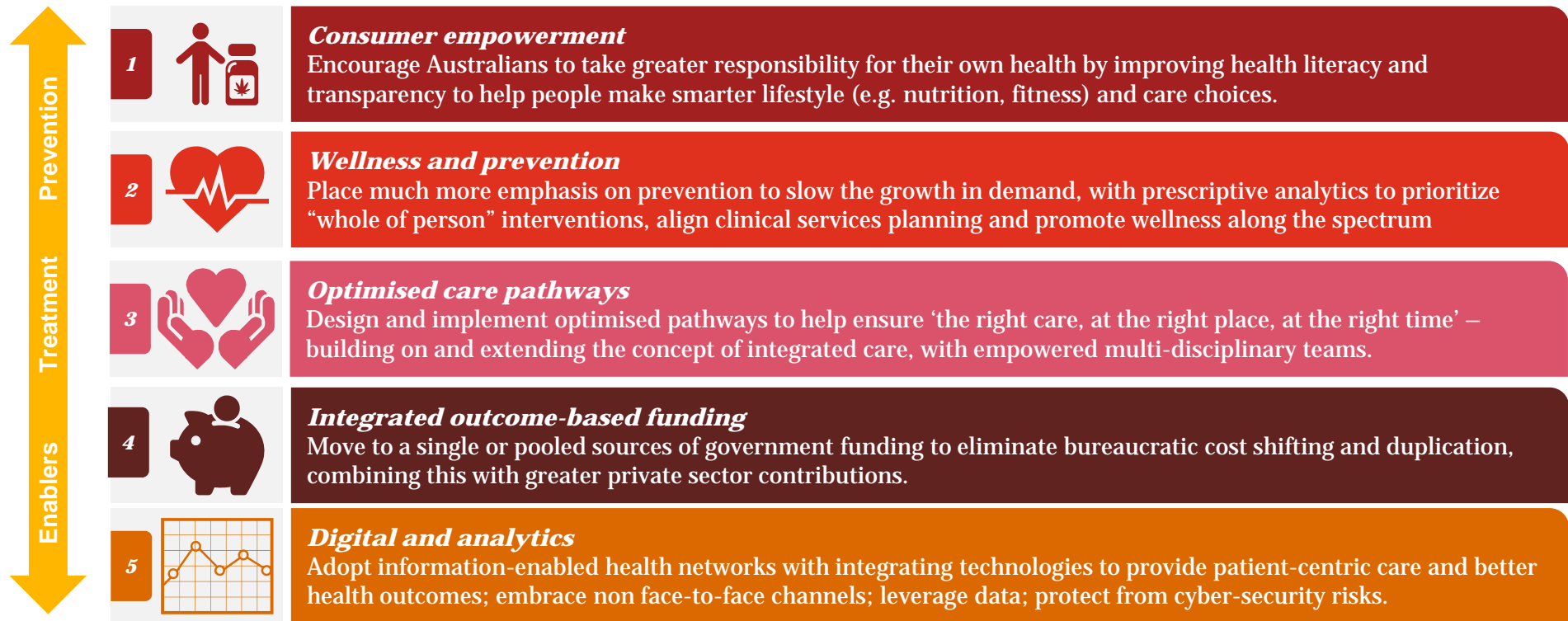


- **Significant benefits from digital**, e.g. medications management
- **20-50% benefit from targeted interventions** in chronic disease and through integrated care programs

A future health system



Reimagining Healthcare: a system-wide approach



Implications for the Health Sector **Commonwealth**

Utilisation of eHealth

my health record, telemedicine, and other digital-enabled initiatives that enable safety and quality, improved access, and efficiencies in the health system

Maximising the health workforce

operating at the top of practice, with a focus on the use of services in primary care

Funding for new health technologies

balancing cost effectiveness with lifestyle and economic outcomes

Preventative health

considering the move to more balanced longer term early intervention compared to treatment services

Implications for the Health Sector

States and Territories

Not just about efficiency, but effective use of resources

Better value care

Integrated care

Focus on:

- targeted services
- risk stratification
- effective interventions across primary, community and acute care

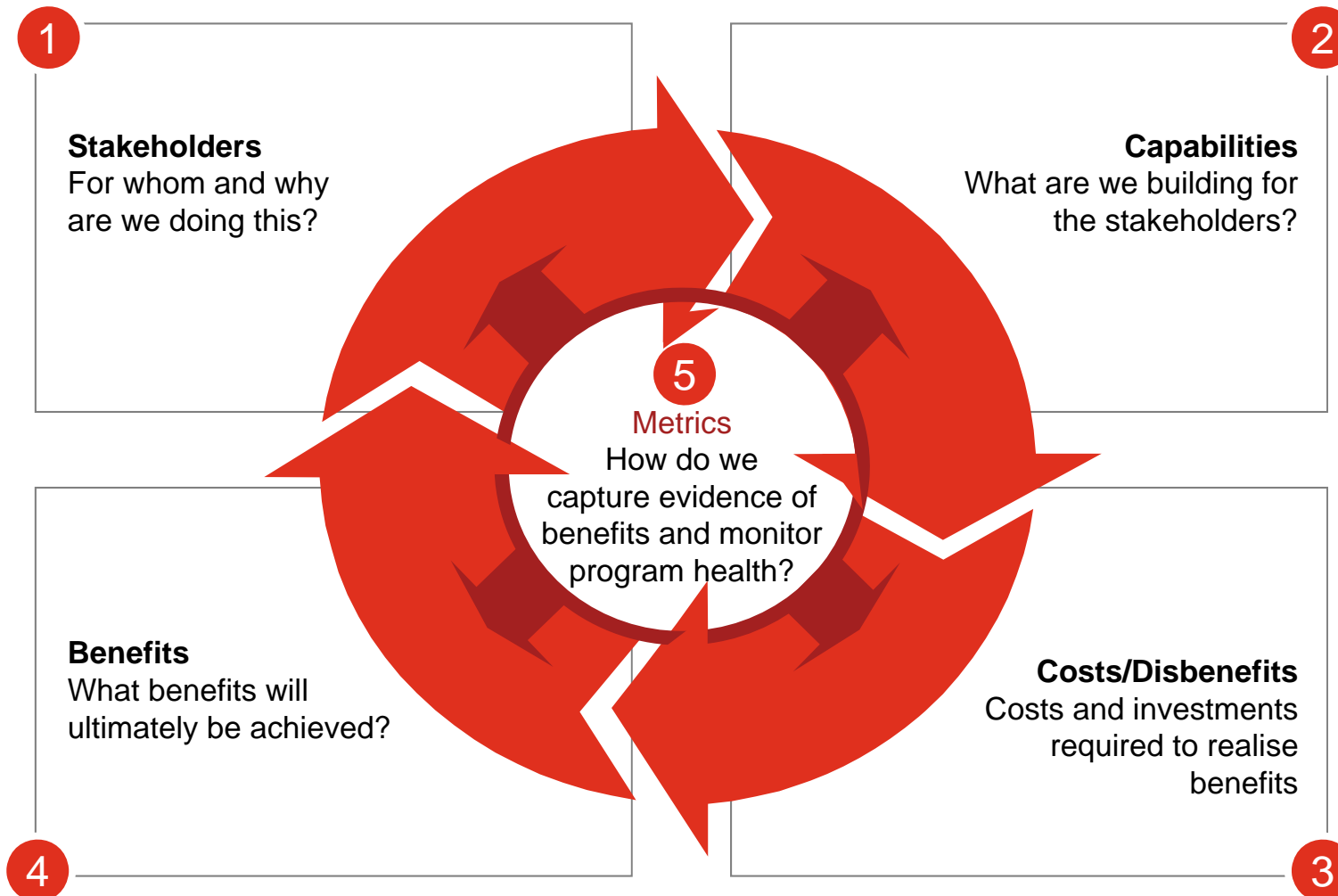
Draw on existing and innovative primary and community care services

Hospital substitution and hospital avoidance

Devolution of funding and pooled funding

Considering a “whole of care economy” approach

Assessing Value: a benefits realisation approach



Assessing Value: benefit themes

① Quality

Quality of care

- Improved assessment
- Improved treatment
- Increased consumer participation
- Improved preventative care

② Safety

Safety of care and services

- Reduced errors
- Promotion of the health of the population

③ Access

Access to health services and care appropriate to patient needs

- Improved access to providers according to clinical and personal need
- Increased choice
- Increased responsiveness

④ Efficiency

Efficiency of care and services

- Higher clinical efficiency
- Improved use of funds
- Improved use of infrastructure

⑤ Population

Healthier and more robust population

- Support of government initiatives
- Increased innovation
- Enhanced workforce
- More resilient economy

Benefits categories

- Are defined to be measurable
- Will be tested and iterated with experts

Assessing Value: principles for policy makers

- **Transparency**
- **Replicability**
- **Attribution**
- **Conservative assumptions**
- **International comparison, evidence, and literature**
- **Financial and non-financial estimates**
- **Wellbeing estimates – and how to use them**
- **Key messages – how to get to the right table**

A case study – Economic impacts of Obesity

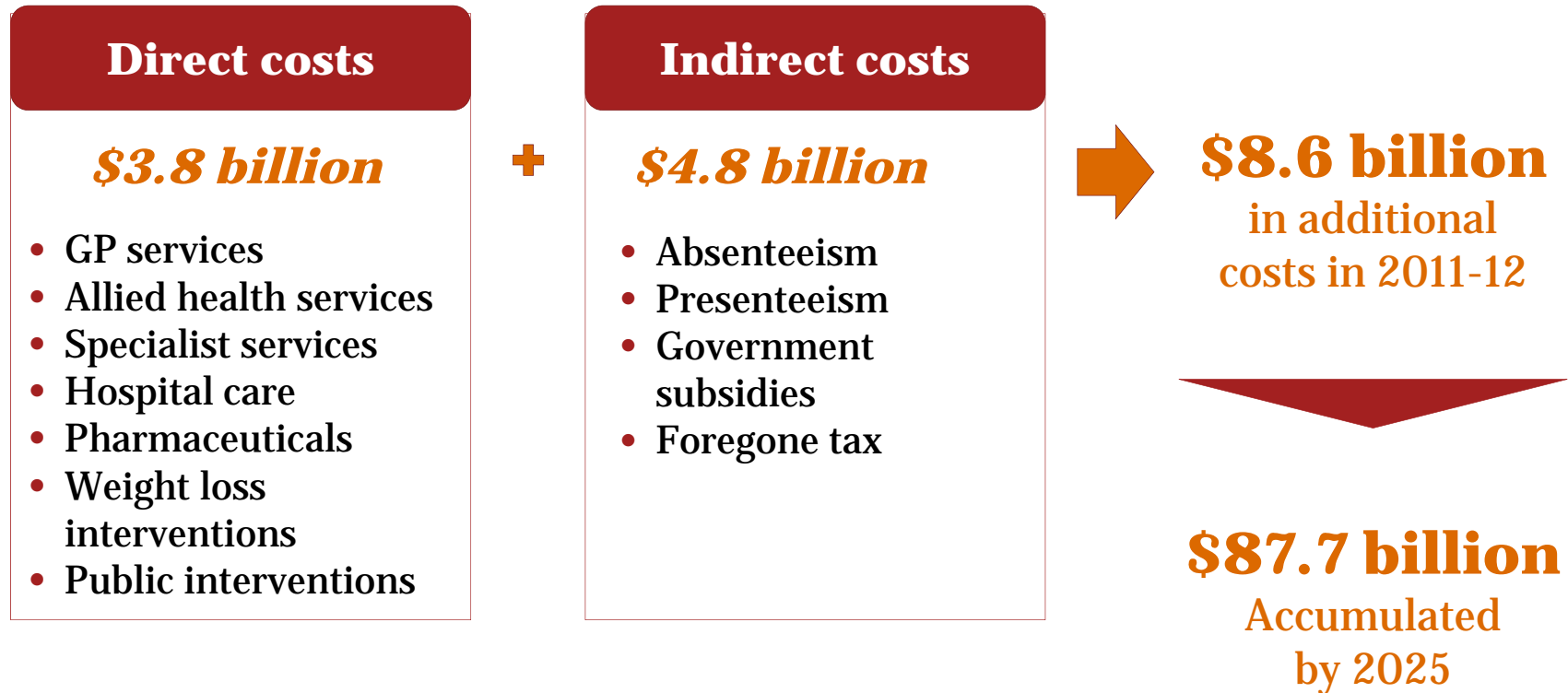
Costs of obesity



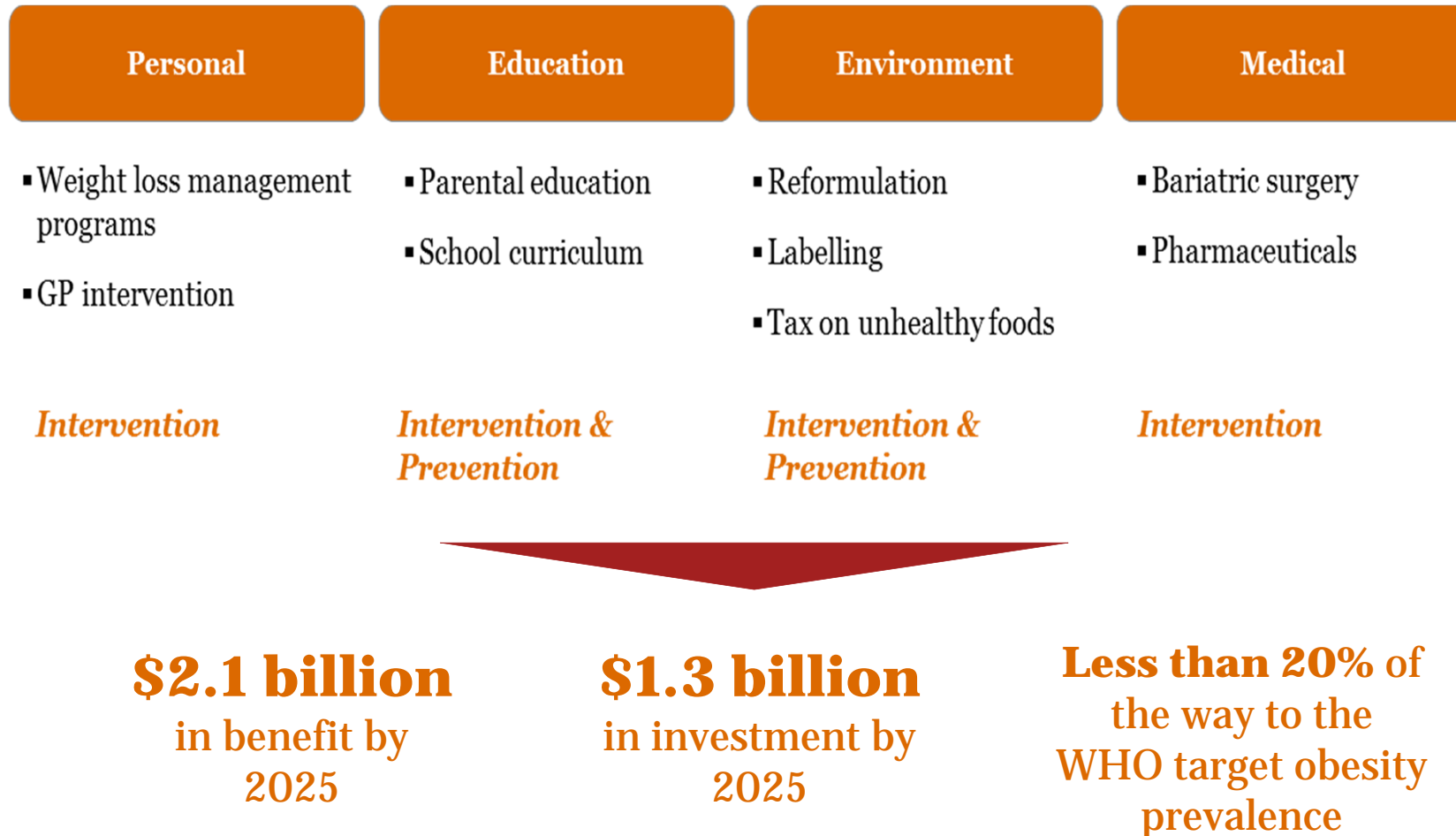
Stakeholders



Costs: additional cost from obesity in 2011-2012



Benefits: a bundle of potential interventions



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