



*Series: Towards integrated primary health care*  
**Report 2**

# **Integrated care: What policies support and influence integration in health care across New Zealand, England, Canada and the United States?**

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## **Executive summary**

### **Context**

One of the key challenges for health systems worldwide is the substantial cost of fragmented care, not only financially, but also in terms of patient and population health. In light of this, integrated health care has been a key element of health reforms internationally. Despite substantial diversity in health systems across developed countries, there is consensus that current health care expenditure is unsustainable, particularly in the context of ageing populations with increasing prevalence of chronic disease and multi-morbidities. The universal challenge is to improve the quality and safety of health care and, concomitantly, to curb the rising costs of health care delivery. Evidence indicates that health systems with strong integrated primary health care (PHC) at their core are both effective and efficient at delivering appropriate services where they are needed most. Although Australia is comparable to New Zealand (NZ), England, Canada, and the United States (US) in terms of expenditure and coverage of PHC, recent evidence suggests that there is room for improvement in Australia on indicators of integration including access, cost, coordination, information sharing and chronic disease management, which may reflect the fact that, for the most part, these countries have been working at ways to achieve integrated health services for longer than Australia.

### **Aim**

The aim of this report was to identify PHC policies that influence integrated care in regions of NZ, England, Canada and the US; and to examine mechanisms within these policies that enable health service integration at the macro level, with a view to informing integrated care policies in the Australian health care system.

### **Scope**

For this report, the term 'policy' refers to any official statements or views articulated by policy-making bodies on external matters (as distinct from internal policies and procedures) that are publicly available. Sources include agreements, policy directives, position statements, submissions, discussion papers, options papers and briefs. The World Health Organization (WHO) framework (WHO, 2000), which outlines four key functions of policy (stewardship, creating resources, financing and incentives, and service delivery) will be used to guide the examination of international policy documents identified in this report.

## Findings

There are eight key findings from this policy review, which are relevant to the WHO policy functions:

### *Stewardship*

- 1 All countries in this review placed strong focus on establishing a model of Primary Health Care Organisation with a shift away from centralised governance towards more tailored regional approaches.
- 2 There is a trend toward centralisation of regulatory bodies and standardised approaches to monitoring performance and accountability.
- 3 Whole of system approaches are common, inviting the involvement of other sectors in health care, particularly social services, housing and employment with flexible governance arrangements.

### *Creating resources*

- 4 Future workforce planning is consistently valued, with a strong focus on training and expanding the scope of providers to work at the top of their licence.
- 5 Multidisciplinary teams and involvement of a variety of health care providers are the most common initial steps towards integration of services.

### *Financing and incentives*

- 6 Financing developments have seen funding via pooled budgets and greater financial accountability for expenditure by rewarding high quality, efficient delivery of services and passing costs of overspending back to the providers/organisations.

### *Service delivery*

- 7 There is emphasis on improving the consumer's experience and satisfaction with health services but also including consumers' voices and choices in decisions about the delivery of services in their local areas.
- 8 There was little explicit reference to how improvements in well-integrated services would be delivered. The level of evidence on evaluation, definition, and measures of integration, despite common reference, were limited.

## Analysis

Policies that combine clear meso and micro level plans have been shown to achieve more integrated care. For example, in an evaluation of NZ policies, poor integration has been attributed to separate responsibilities for financing and delivery of PHC services; and the enduring lack of trust between government and health care providers, which has shaped the kinds of policies that governments are prepared to consider. This was also evident in Quebec, Canada, where providers did not join Community Health Centres, preferring to work autonomously in private practice. Thus, when establishing the new Family Medicine Groups, the government used financial incentives as a policy lever to encourage these providers to work together to provide integrated care. The financing function of policy is frequently the main mechanism used to influence integration by way of budgets, incentives and allocation of resources. Accomplishing precise financing mechanisms is critical for avoiding perverse incentives, engaging relevant stakeholders, and maintaining transparency and accountability.

Results of evaluations suggest that a number of other mechanisms that have previously been successful in different countries (particularly those from Canada and NZ), could be readily adapted to suit the Australian context. Similar challenges arise across countries, such as developing links across jurisdictions as well as between primary and acute care providers; establishing efficient, cost-effective and aligned systems of funding health care services; and creating provider incentives to deliver quality care within constrained budgets.

## Conclusions

Although there are considerable differences in the health systems, political environments, historical contexts, financing systems, insurance coverage and format of PHC organisations across the countries examined, each country faces similar challenges in their endeavours to provide good quality, effective and efficient integrated care. This report identified several key elements that may facilitate integration. Some of the enablers are considered more demanding to establish in the current Australian context (e.g. patient enrolment), whereas others could be incorporated more readily (e.g. financial incentives to providers to join networks). Perhaps the most critical elements relate to realistic timeframes for planning and developing, establishing effective collaborations and developing adequate measures to evaluate health outcomes to inform future policy development.

Source: (Thomson et al., 2012)