

STRATEGIC PURCHASING OF HEALTHCARE

APRIL 2016

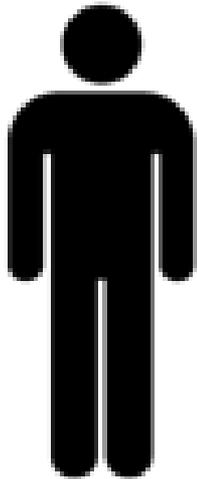


foresight
dialogues 2016

WHERE TO FROM HERE?

THE PURCHASERS OF HEALTHCARE

Individuals



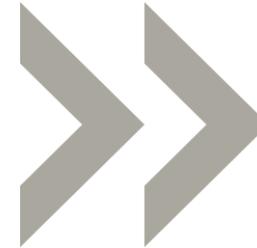
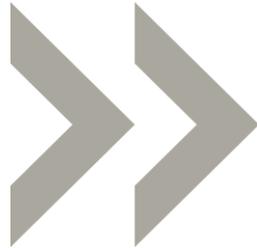
Insurers



Governments



PURCHASING HEALTHCARE SERVICES



“

*whatever the expenditure
on health care, demand is
likely to rise to meet and
exceed it*

”

**Royal Commission on the
National Health Service, 1979**

“ if services continue to be delivered in the same way as now, will result in a funding gap which could grow to £30bn between 2013/14 to 2020/21 ”

The NHS belongs to the people: a call to action, 2013

RATIONING IN HEALTHCARE PURCHASING



D

- User fees
 - Limits or exclusions
 - Waiting times
 - Provider networks
-



S

- Alternative reimbursement
 - Treatment guidelines
 - Regulation of medical technologies or pharmaceuticals
 - Hospital licensing, admissions to medical schools
-



CURRENT HEALTHCARE PURCHASING

Public Sector



Private Sector



THE WHITE PAPER

“

The NHI will be established as a single-payer and single-purchaser fund responsible for the pooling of funds and the purchasing of personal health services.

”

1. Strategic purchasing
2. Purchaser provider split
3. District Health Management Offices



UNITED KINGDOM – THE ROLE OF CCGs

200+

There are 209 Clinical Commissioning Groups across England which organize the delivery of NHS services across England

£116.4 bn

Total NHS Healthcare budget
2015/2016



UNITED KINGDOM – SEPARATING THE PURCHASER AND THE PROVIDER

1990s

- Introduction of Health Authorities and GP fundholders
- NHS agency becomes the purchaser of healthcare services
- Creation of an 'internal market'
- Challenge: focus on activity and costs rather than equity

2000s

- Introduction of Primary Care Trusts
- Responsible for improving the health of the local population
- Required to have a internal framework for the separation of commissioning and provider functions
- Challenge: passive commissioning

Present

- Clinical Commissioning Groups (CCGs)



UNITED KINGDOM – CONTRACTS WITH PRIVATE FACILITIES



- Separation of purchaser and provider creates a ‘market’
- Opportunity for private providers to enter into a competitive market for the provision of NHS services
- Operate under NHS standard contract
- Services are most often scheduled procedures to reduce the waiting lists.



UNITED KINGDOM - CHALLENGES



Co-ordination of
Care



Clinically led –
little experience in
purchasing



TANZANIA – COMMUNITY HEALTHCARE FUNDS



- Community-based solution
- Runs parallel to Government funding schemes
- Rural and informally employed population
- Each district is in charge of enrollment and contribution collection

Challenges:

- Limited understanding of pre-payment
- Poor healthcare service quality therefore little incentive to enrol in program
- Insufficient data systems and data collection



MAJOR LEARNINGS

1. Information Systems
2. Capacity & Quality
3. Skill set



foresight
dialogues 2016

WHERE TO FROM HERE?