

# Can the health system afford all these older people?

- What the research really shows:

Dr Stephen Duckett, Grattan Institute



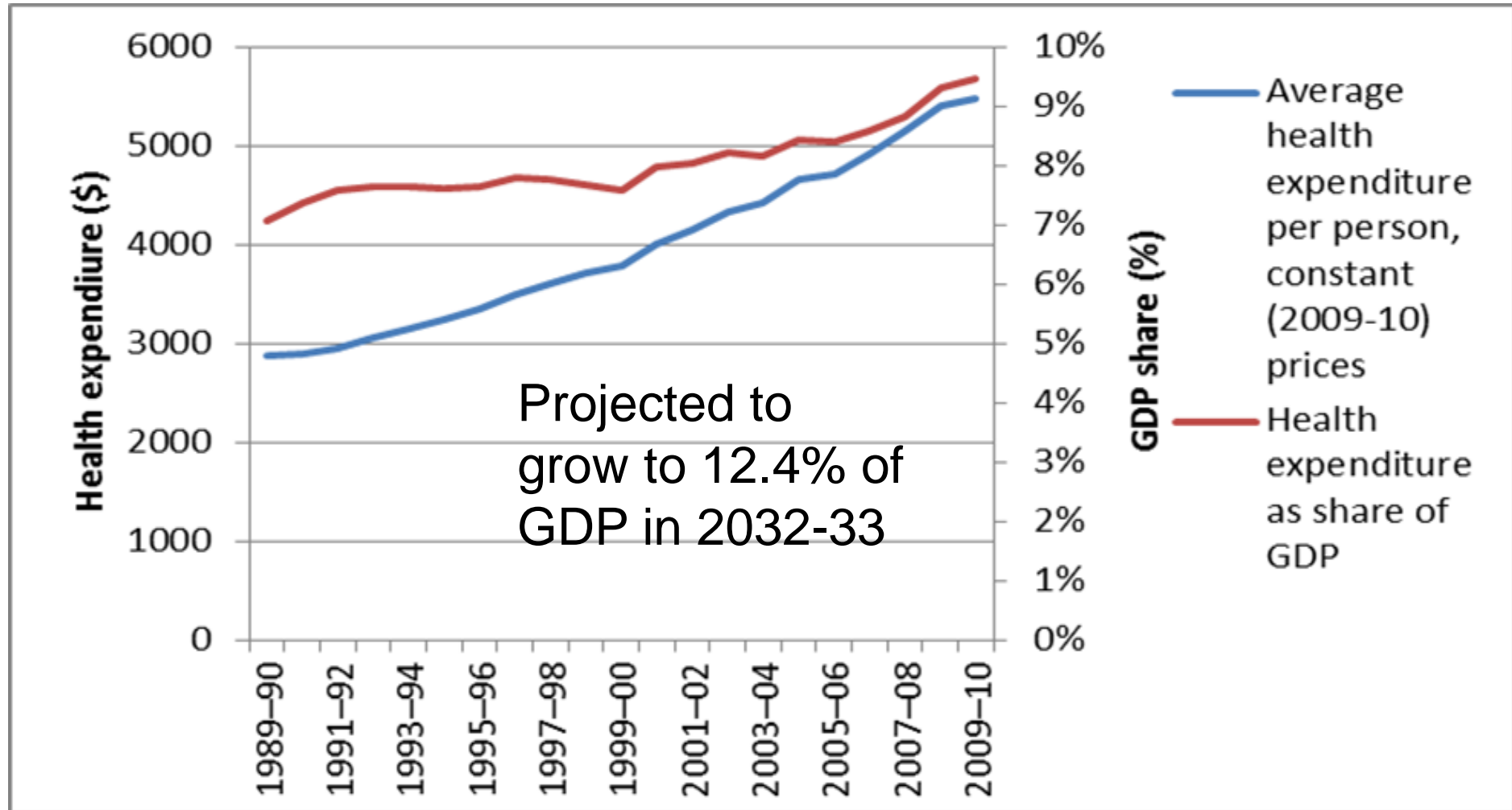


***Can the health system afford all  
these older people?***

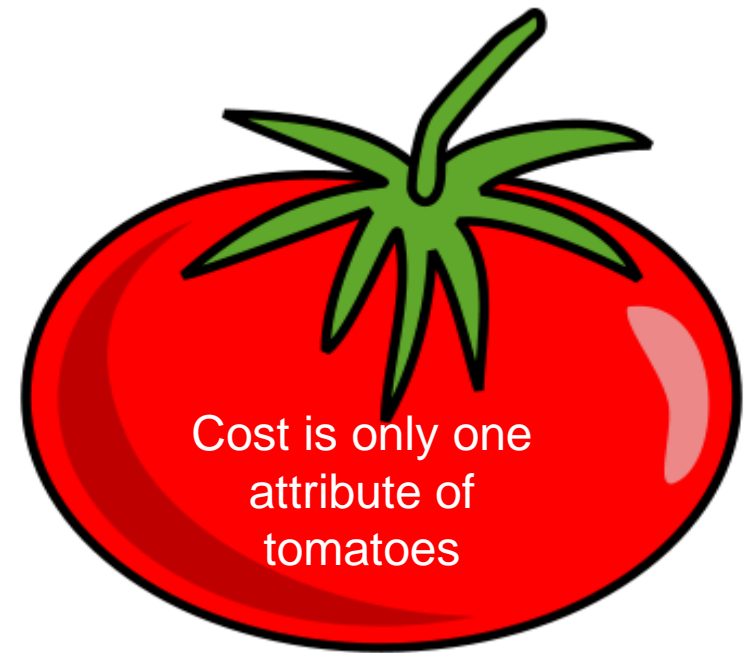
Stephen Duckett  
@stephenjduckett

Presentation to COTA Australia National Policy Forum 2016  
July 2016

# Initially stable, health care now increasing as GDP share

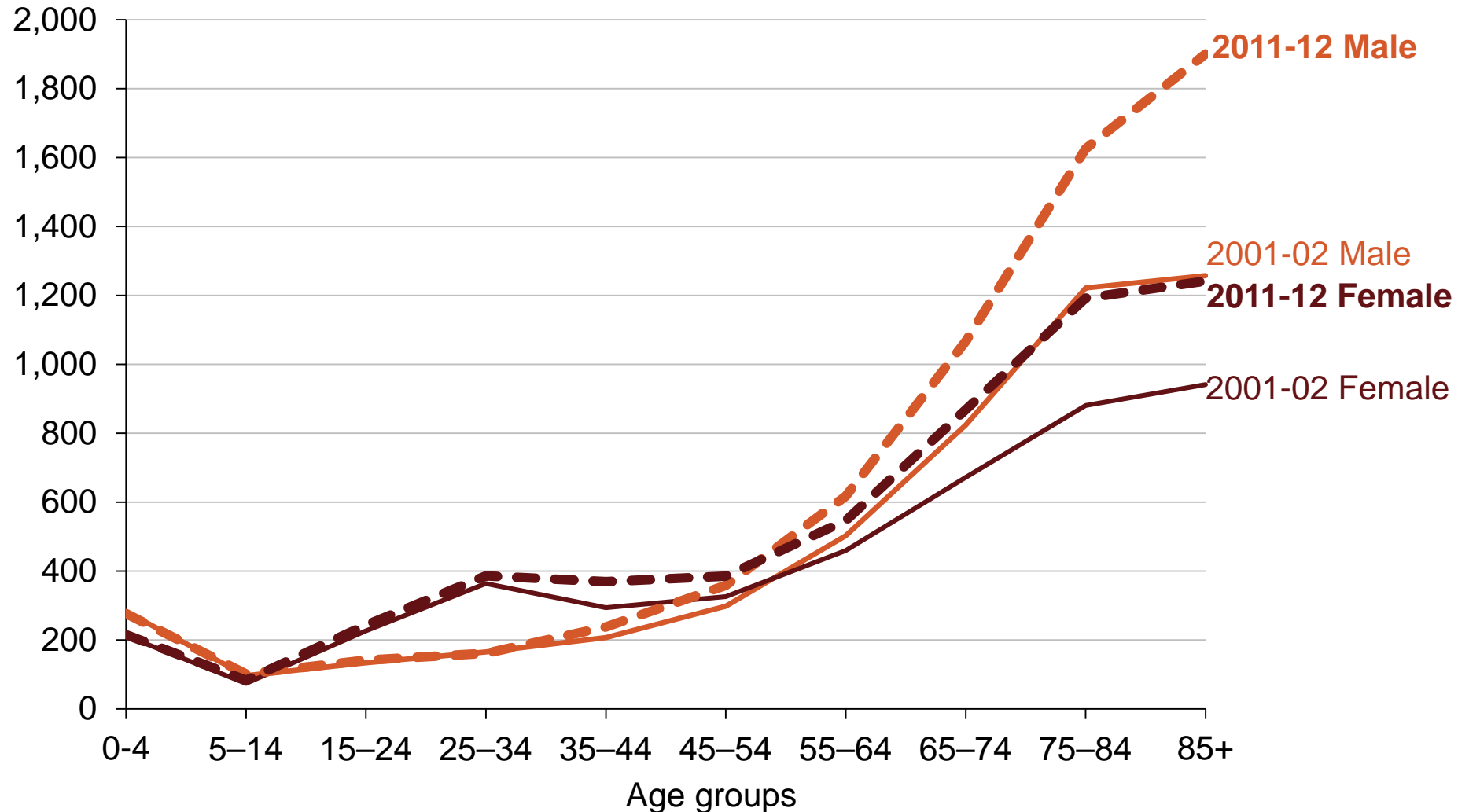


# This brings us to the tomato issue



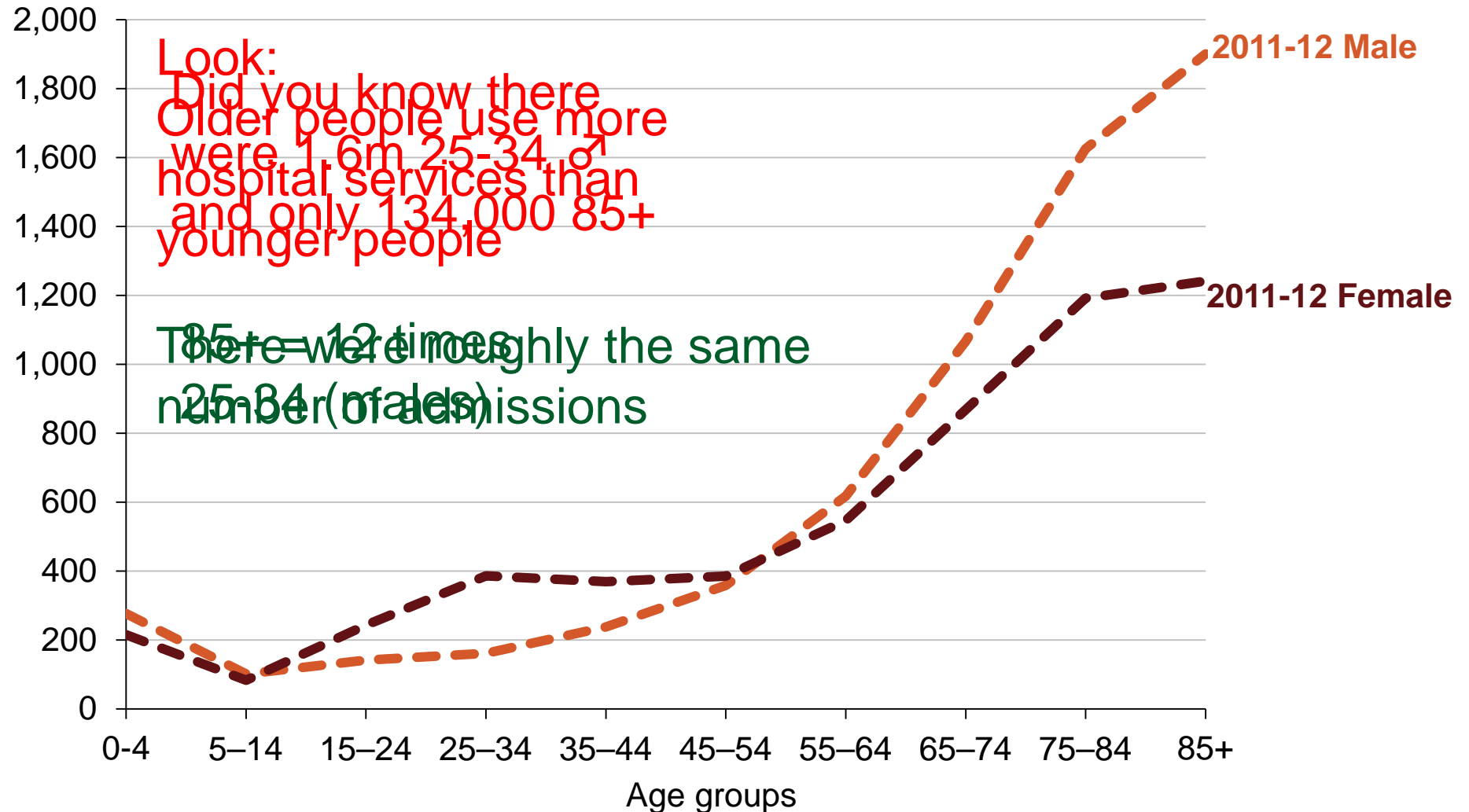
# This graph tells a story

Hospital admissions per 1,000 people



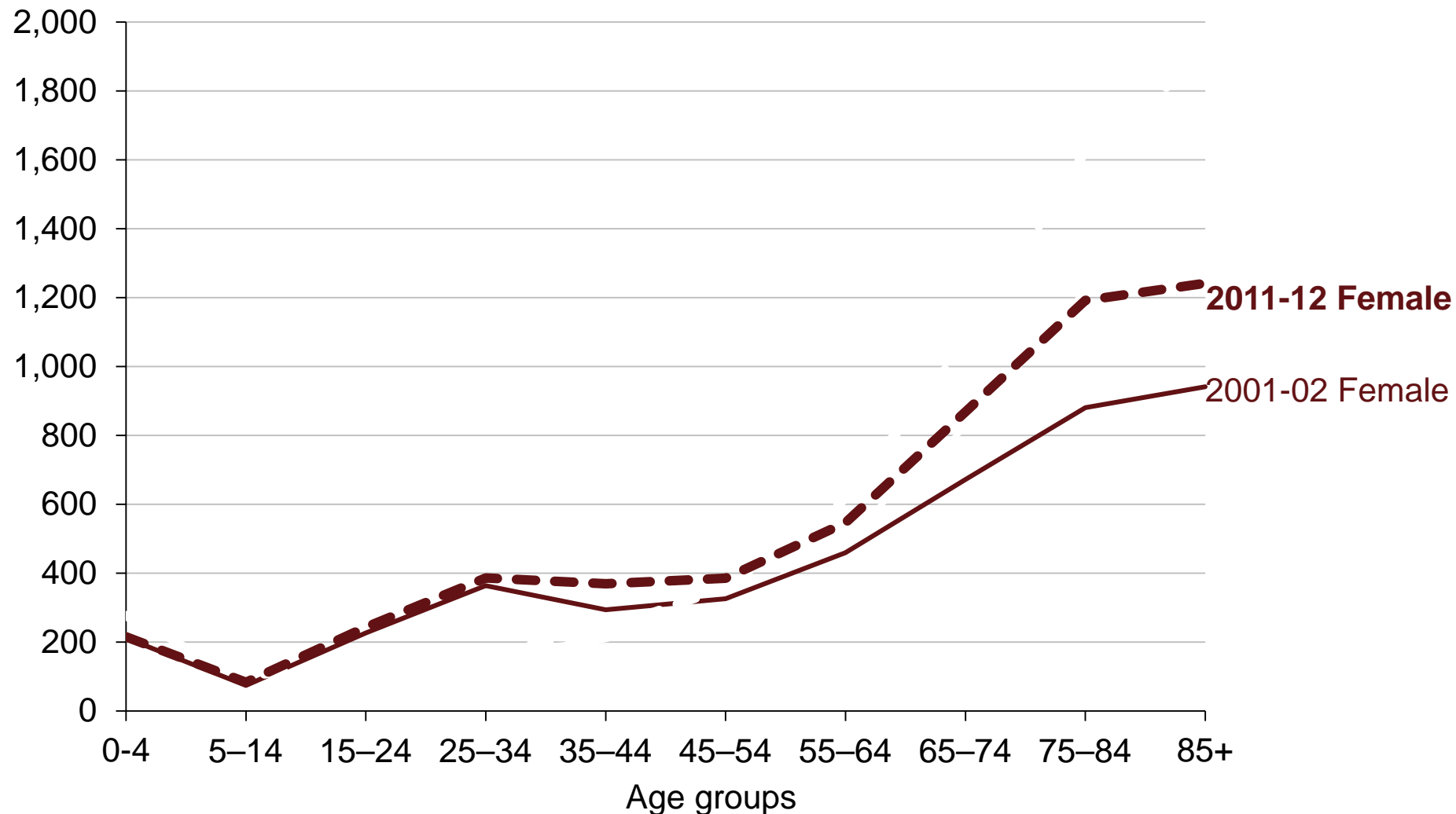
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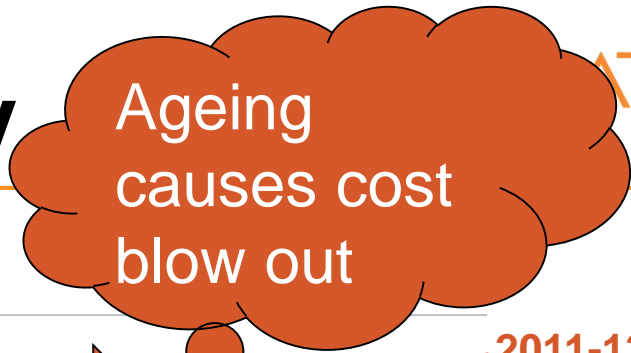


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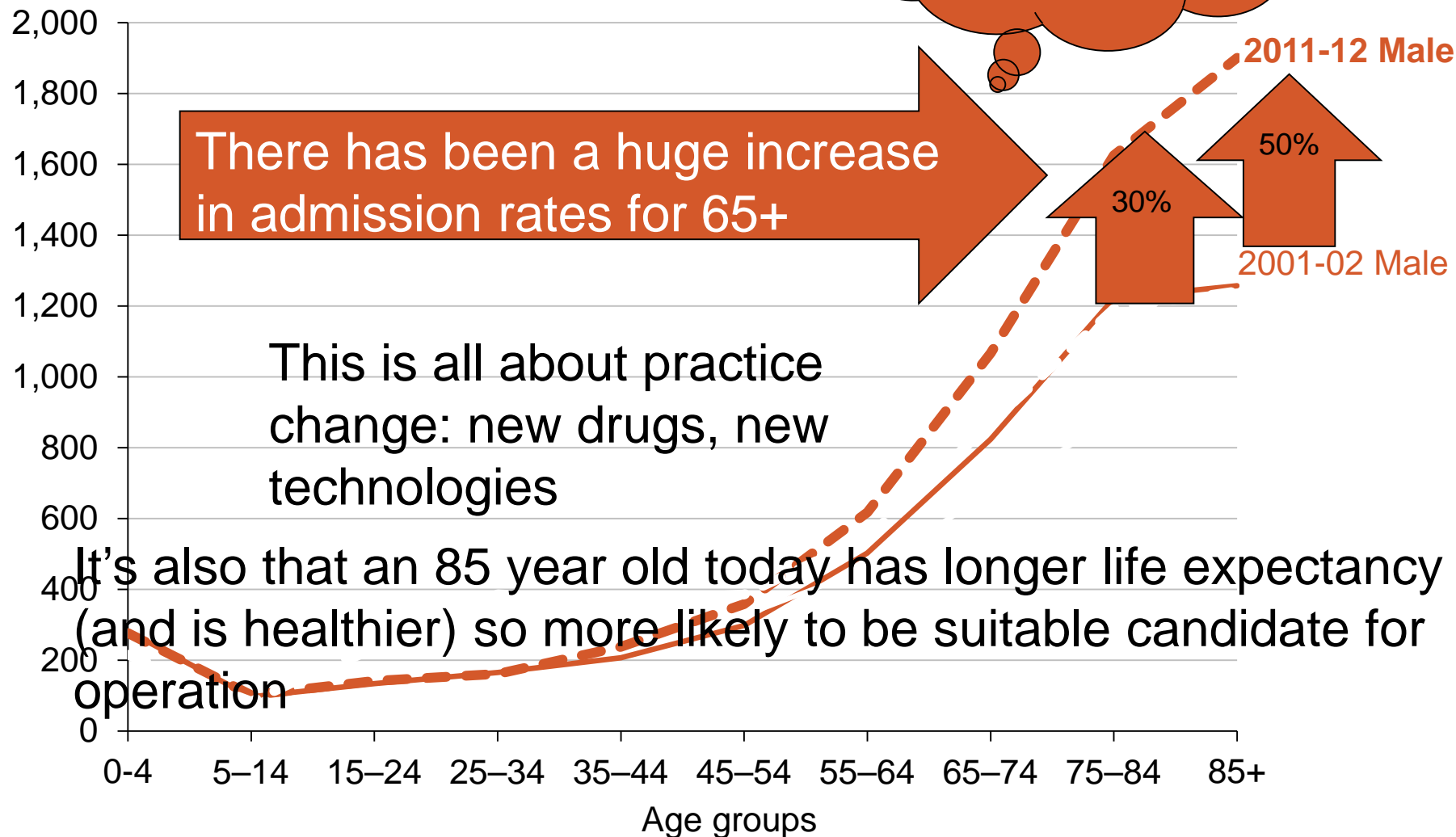
Hospital admissions per 1,000 people



# This graph tells a story



Hospital admissions per 1,000 people

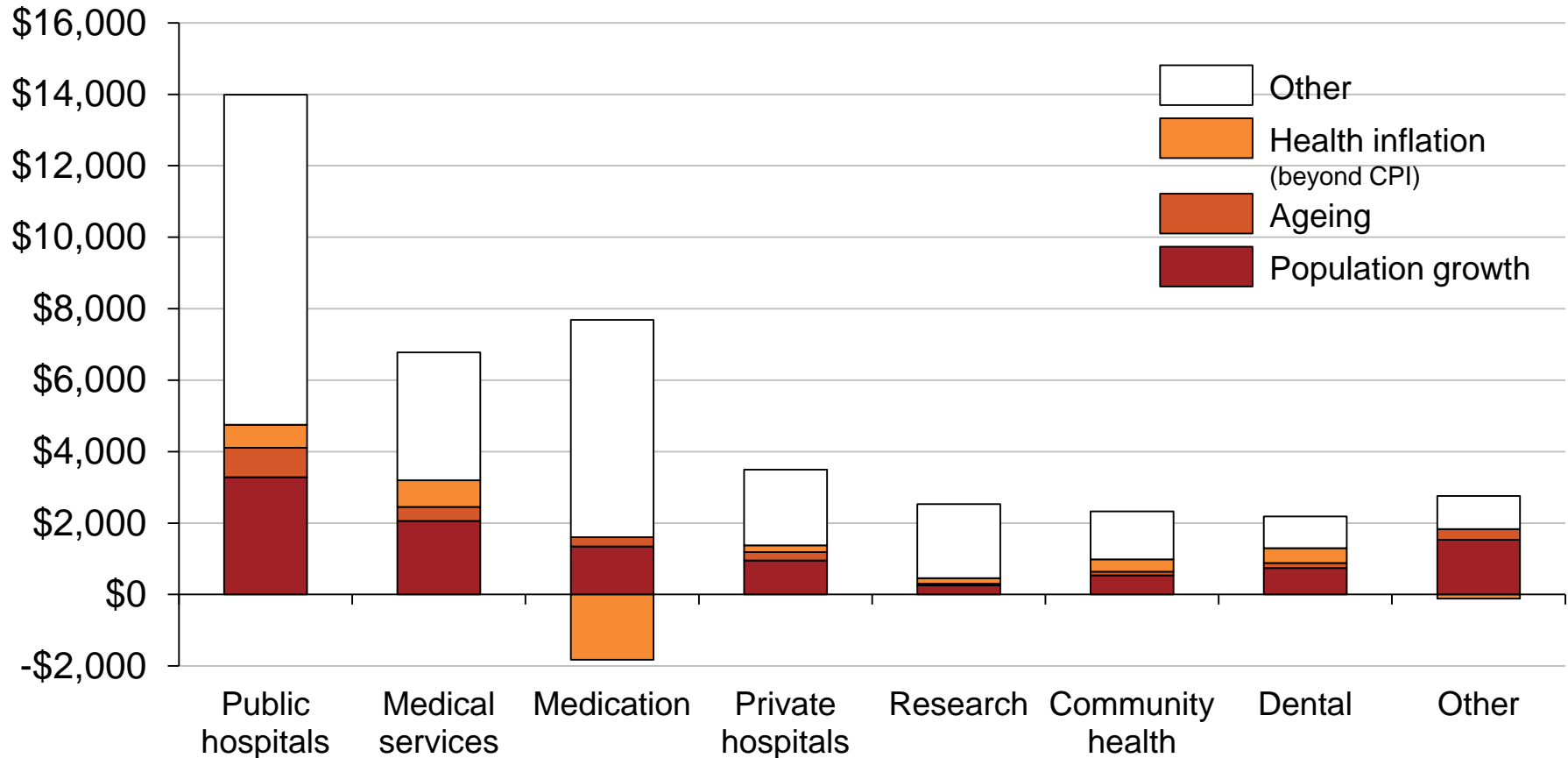




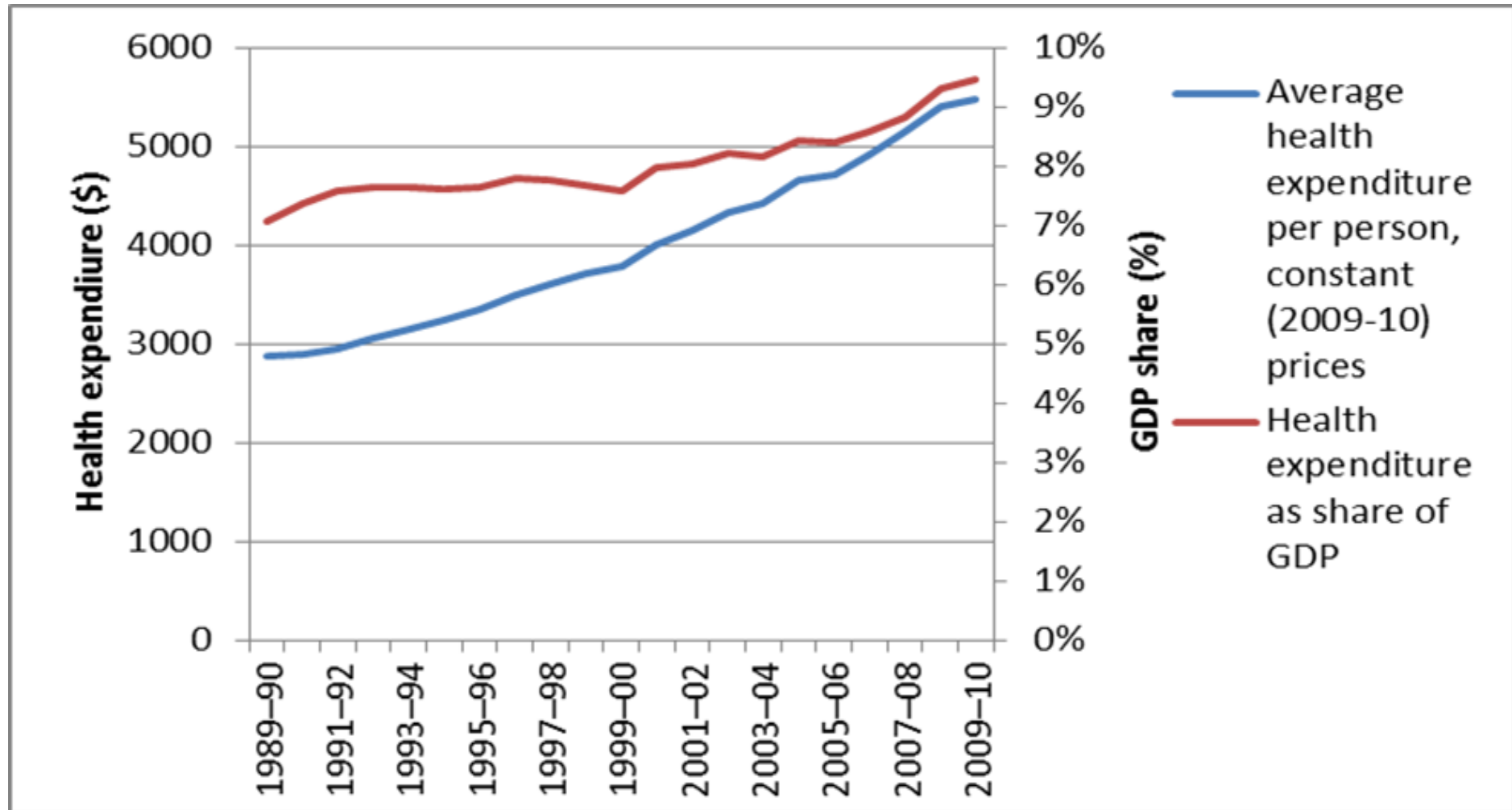
# Almost 2/3<sup>rd</sup>s of real health spending increases came from factors other than population growth, ageing, and inflation

## Breakdown of total real spending growth in health (2003-4 to 2010-11)

Millions of 2010-11 dollars

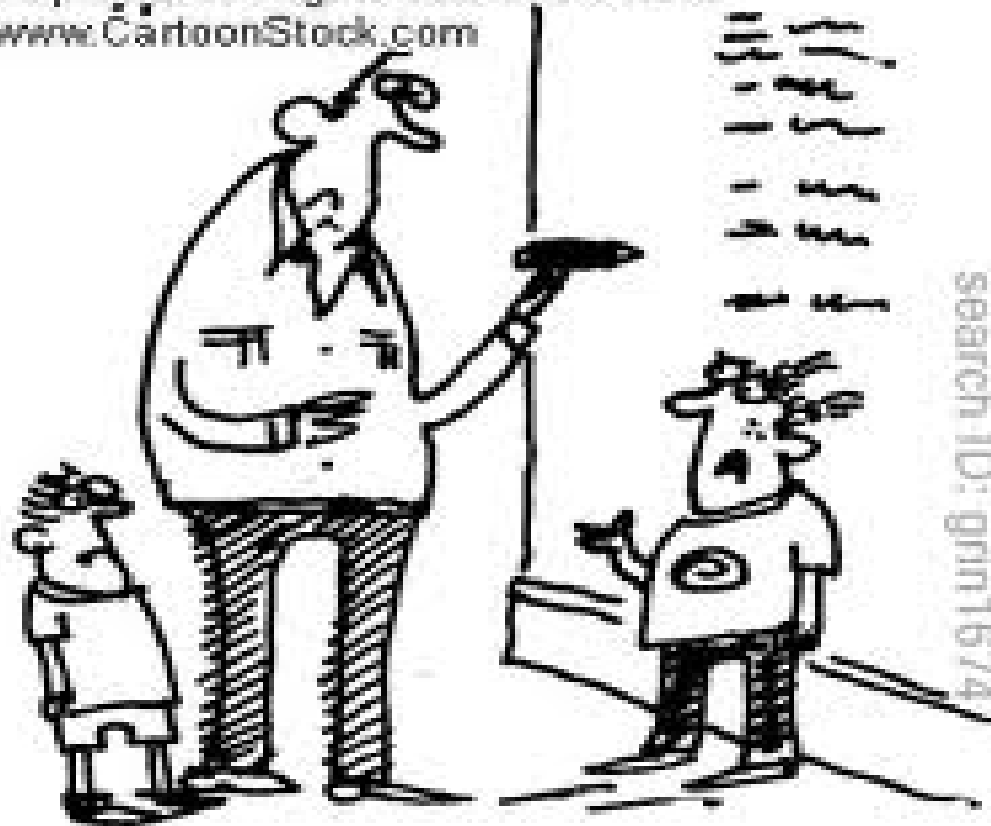


# Did we get anything for the increase in costs?



# The 'sustainability' meme

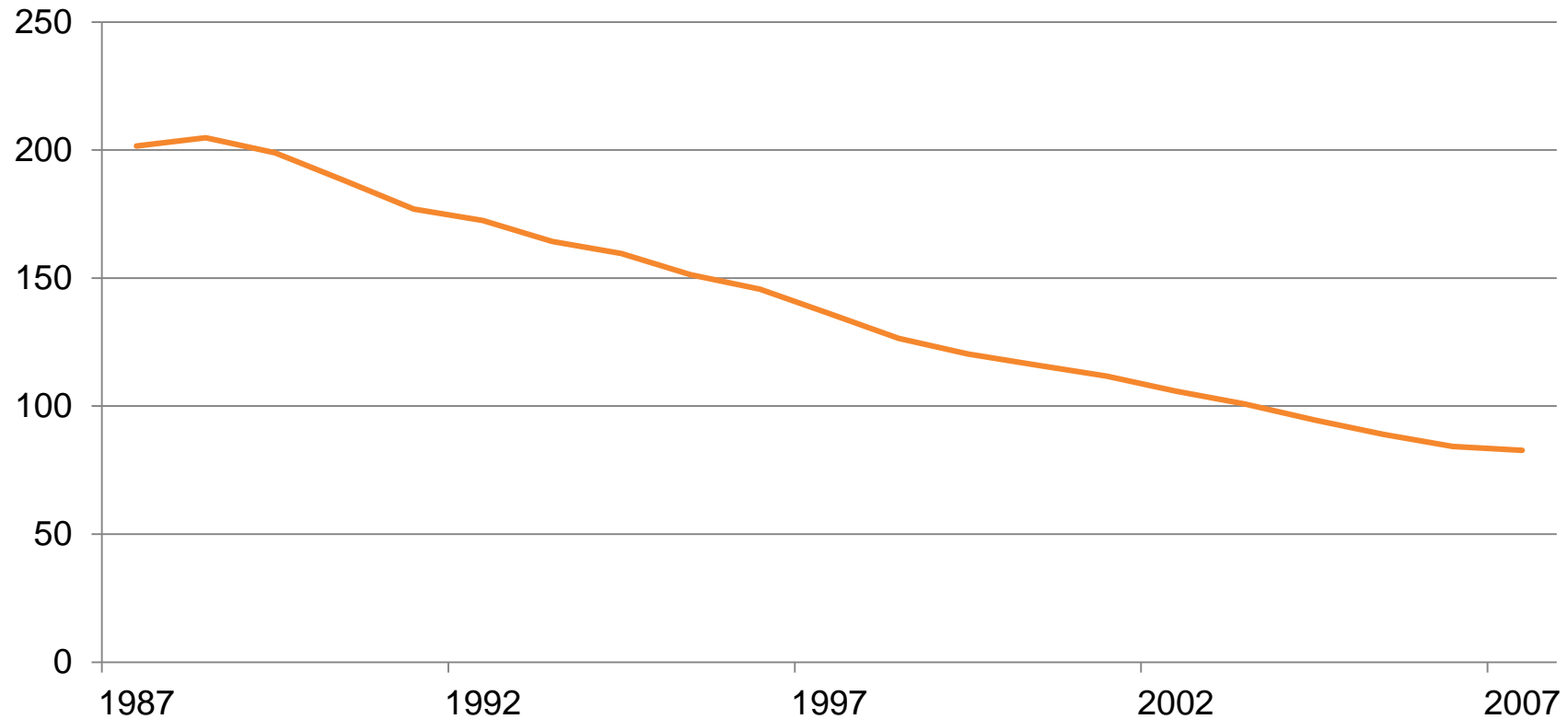
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“But this endless growth is  
unsustainable.”

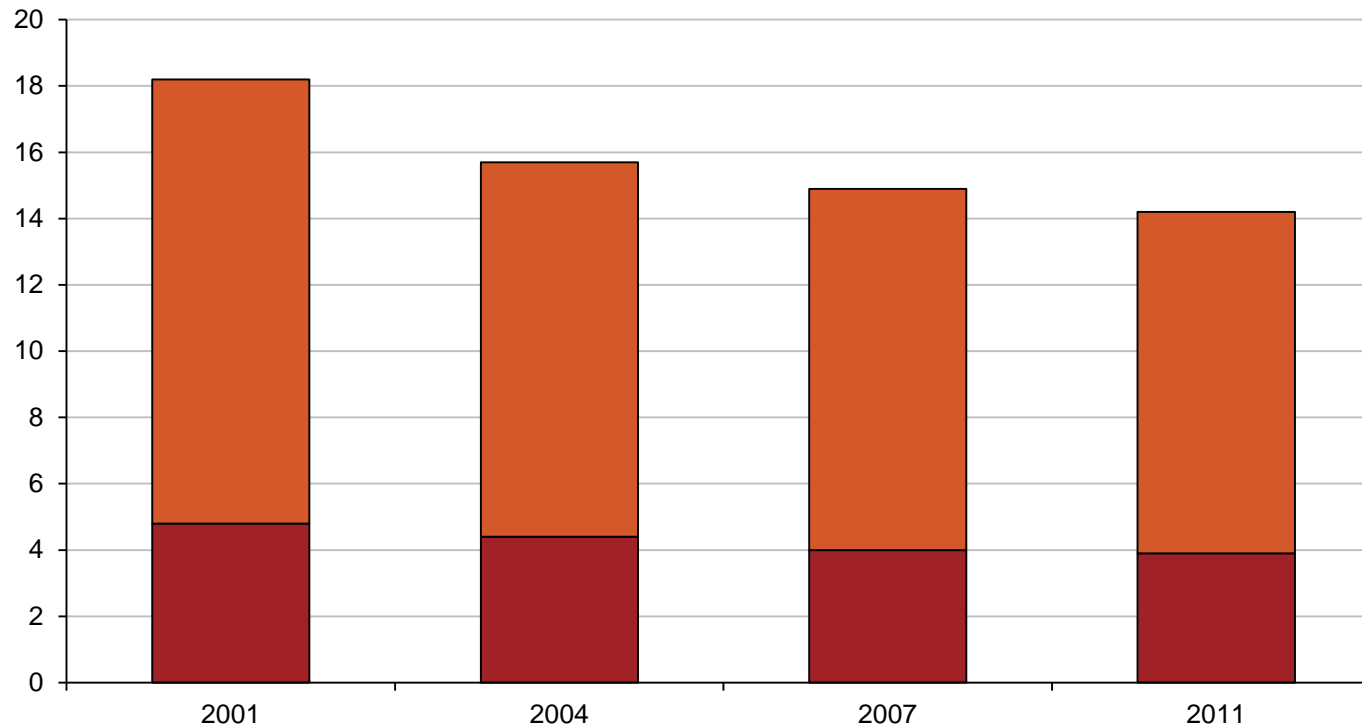
# Death rate for conditions amenable to health interventions is going down

Amenable mortality per 100,000



# Self reported health status is improving

Per cent of population reporting fair or poor health status



# Sustainability panic

- Is a distraction, avoiding dealing with the inevitable
- Often leads to ‘panic type solutions’



1032 ~ DISCOVERY OF THE FIRST ANAGRAM

The tide is an inevitability – just deal with it



# Regional systems management

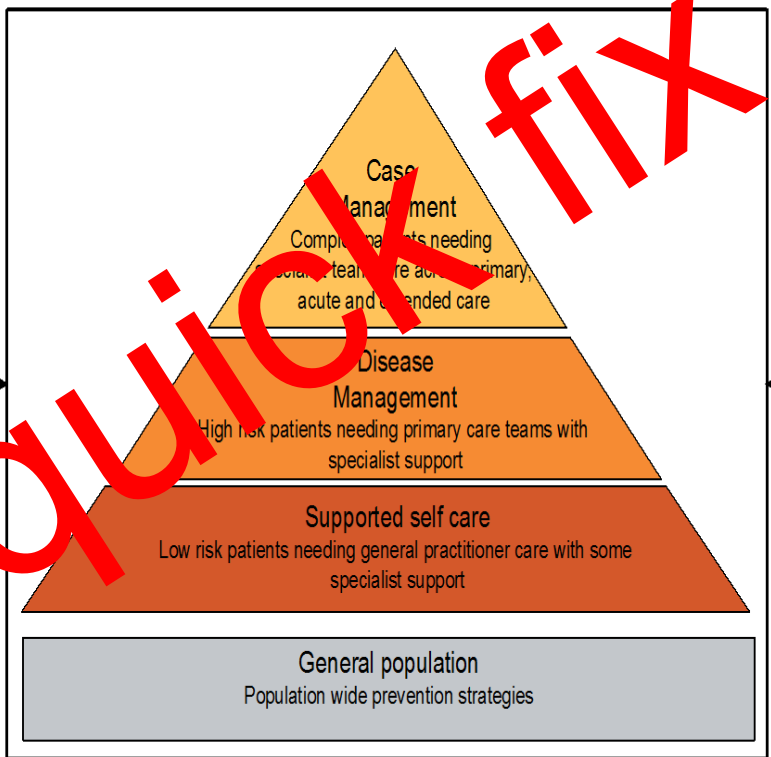
Primary Health Networks responsible for service innovation, practice performance and payment

## Incentives

Risk adjusted and payments for registered practice populations and performance payments with regional adjustments

## Service innovation

Practice collaboratives, clinical pathways, patient data systems, new service models



## Performance framework

Indicators for avoidable hospital admissions, quality of care and chronic disease outcomes



**NO**

**quick fix**