

The Independent Hospital Pricing Authority's Clinical Advisory Committee



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Clinical Advisory Committee

- The IHPA Clinical Advisory Committee (CAC) is a key component of the National Health Reform Agreement and the *National Health Reform Act 2011* which recognises the critical role of clinicians in the development of activity based funding
- CAC was established to ensure that clinicians have a voice in the development of a national activity based funding system through the provision of timely and quality clinical advice to inform Pricing Authority decision making



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Clinical Advisory Committee

- Members are appointed by the Commonwealth Minister for Health and are drawn from a range of clinical specialties and backgrounds to ensure CAC represents a wide range of clinical expertise
- The 27 CAC members provide high level technical and clinical advice to the Pricing Authority on a range of issues such as activity based funding classification development and revision to guide policy development at IHPA and to inform the national efficient price and national efficient cost.



National Health Reform Act 2011

The Clinical Advisory Committee (CAC) is a statutory committee that was established under Part 4.10 of the *National Health Reform Act 2011*.

The functions of the CAC as described in s. 177:

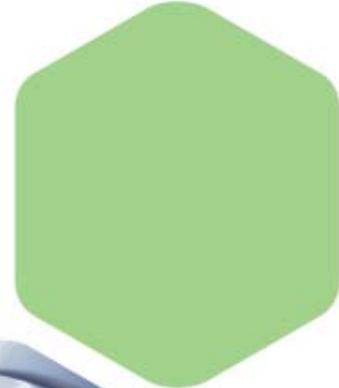
- a) to advise the Pricing Authority in relation to developing and specifying classification systems for health care and other services provided by public hospitals;
- b) to advise the Pricing Authority in relation to matters that:
 - i) relate to the functions of the Pricing Authority; and
 - ii) are referred to the Clinical Advisory Committee by the Pricing Authority;
- c) to do anything incidental to or conducive to the performance of the above functions.



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What has been achieved?

- Provided critical input into the development of the *Pricing Framework for Australian Public Hospital Services* around areas such as ICU adjustments and complex forms radiotherapy
- Informed the development of the National Efficient Price 2012-13, 2013-14 and 2014-15 and the National Efficient Cost 2013-14 and 2014-15 through the provision of clinically relevant and timely advice



Other Areas of Contribution

- Informing debate on multidisciplinary teams meeting and their funding models including in the aged care sector.
- Identification and engagement of Peak Clinical Bodies to offer content expertise.
- Reviewed Data discrepancies to look at clinical reasons such as can occur in complex such as the Syncope and Collapse data.
- Unpack differences in practice as can occur in some same day procedures in both admitted and non-admitted areas.



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Valuable work outside of funding

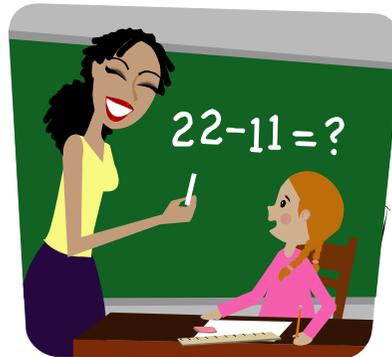
- Key role in the development and revision of clinically relevant classifications which support the implementation of a nationally consistent ABF framework
- Includes extensive work in the following areas:
 - Review of the non-admitted classification (Tier 2)
 - Review of emergency care classification
 - Development of mental health classification
 - Development of a teaching, training and research classification
 - Development of the options for inclusion of service quality in pricing
 - Development of new technology framework



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Teaching, Training and Research

Reviewed Consultancy work on the definitions and cost drivers of teaching, training and research.



Teaching and Training

- Definition

The activities provided by or on behalf of a public health service to facilitate the acquisition of knowledge or development of skills. These activities must be required for an individual to:

- attain the necessary qualifications or recognised professional body registration to practice;
- acquire sufficient clinical competence upon entering the workforce; or
- undertake specialist/advanced practice
in medicine, dentistry, nursing, midwifery or allied health.



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Possible cost drivers of teaching and training that were identified:

1. The volume and mix of trainees (a greater number, level and varying type of trainees will result in higher T&T costs);
2. Geography (more remote health services will have higher T&T costs);
3. Teaching and training requirements of different registration bodies and colleges (health services with a proportionally larger surgical caseload will have higher T&T costs as a result of more complex training requirements for medical professionals);
4. The number of international medical professionals in training (a greater number of international medical professionals in training will result in higher T&T costs).



Research

- Definition

The activities undertaken in a public health service where the primary objective is the advancement of knowledge that ultimately aims to improve consumer and patient health outcomes and/or health system performance. The activity must be undertaken in a structured and ethical way, be formally approved by a research governance or ethics body, and have potential for application outside of the health service in which the activity is undertaken.

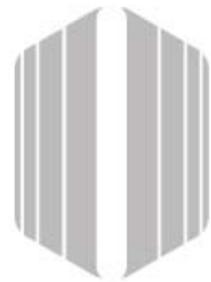
For ABF purposes, the definition of research relates to:

the public health service's contribution to maintain research capability, excluding the costs of research activities that are funded from a source other than the state or territory or provided in kind.



Possible cost drivers of research that were identified:

1. The type of research being conducted (scientific / clinical / epidemiological / other);
2. The number of FTE staff engaged to deliver research (a higher number of research personnel will result in greater research costs);
3. The volume of approved research projects (a greater volume of approved research projects will result in higher research costs);
4. The value of research grants (in dollar terms) (a higher average grant amount per project will result in higher research costs); and
5. The number of patients participating in clinical research trials (a higher number of participants on-site will result in higher research costs).



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CAC role in Quality and Safety

JWP Safety and Quality ACSQHC and IHPA
Developing indicators for Quality and Safety

ABF Benchmarking Portal Development Project

Discussed in context of other work in the area such as:

- Health Round Table role in benchmarking
- NSW Benchmarking Portal Process

Protect the link between the role of ABF data and quality through the evolution of the organisation and jurisdictions.



What next?

- Continue to advise IHPA on Work Program for 2014-15 and work towards the creation of an amalgamated Health Productivity and Performance Commission
- Continue to inform future key policy development at IHPA including the provision of key clinical input into the *Pricing Framework for Australian Public Hospital Services 2015-16*
- Work on activity based funding classification development for admitted acute care, non-admitted care, sub-acute care and emergency department care
- Advise on the plan to develop AR-DRG v 8 and ICD-10-am 9TH edition for acute admitted care



- Assess the proposed approach to sub-acute and non-acute services classification revision and development (AN-SNAP) and the revision of emergency department classifications
- Continue to provide input into mental health and teaching training and research classification systems
- Undertake an evaluation of the implementation of activity based funding in Australia
- Play a key role in future policy development and pricing determinations through its assessment of the impact of new technology on hospital services delivery.



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