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10:00

Frederico Guanaís

**Tackling Wasteful
Spending on Health**

WHAT ARE THE MAIN METHODS USED TO ASSESS THE EFFICIENCY?

- **Doing things right** – how resources are used during service provision (technical efficiency)
- **Doing the right things** – providing high value health services for available resources (allocative efficiency)

FOCUS ON WASTEFUL SPENDING

A pragmatic definition of waste:

- Services and processes which are harmful or do not deliver benefits;
- Excess costs which could be avoided by replacing them with cheaper alternatives with same benefits.

WHY DO WASTEFUL ACTIVITIES HAPPEN?



DON'T KNOW BETTER

- Imperfect knowledge
- Cognitive biases



CAN'T DO BETTER

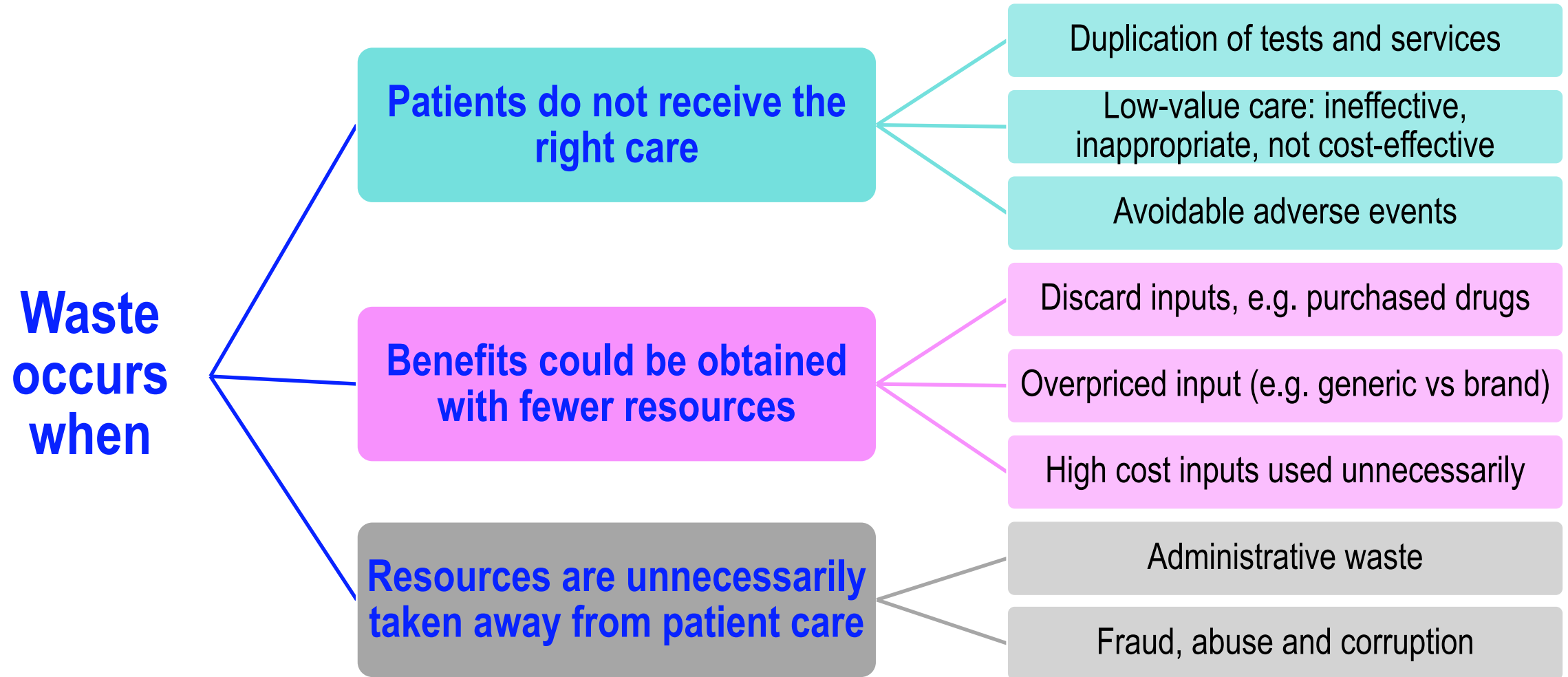
- Poor management
- Poor organisation and coordination



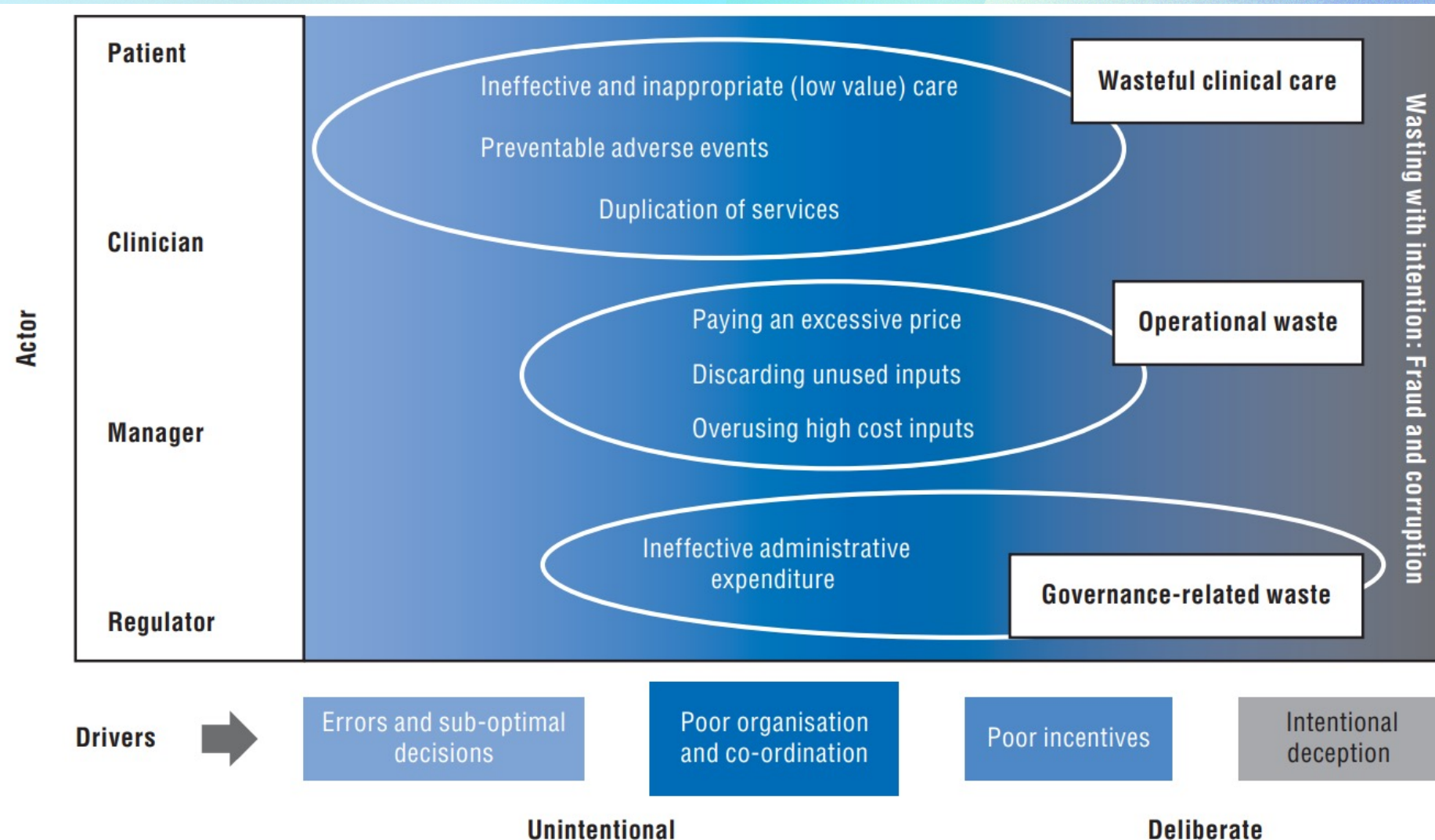
STAND TO LOSE BY DOING BETTER

- Incentives misaligned with system goals

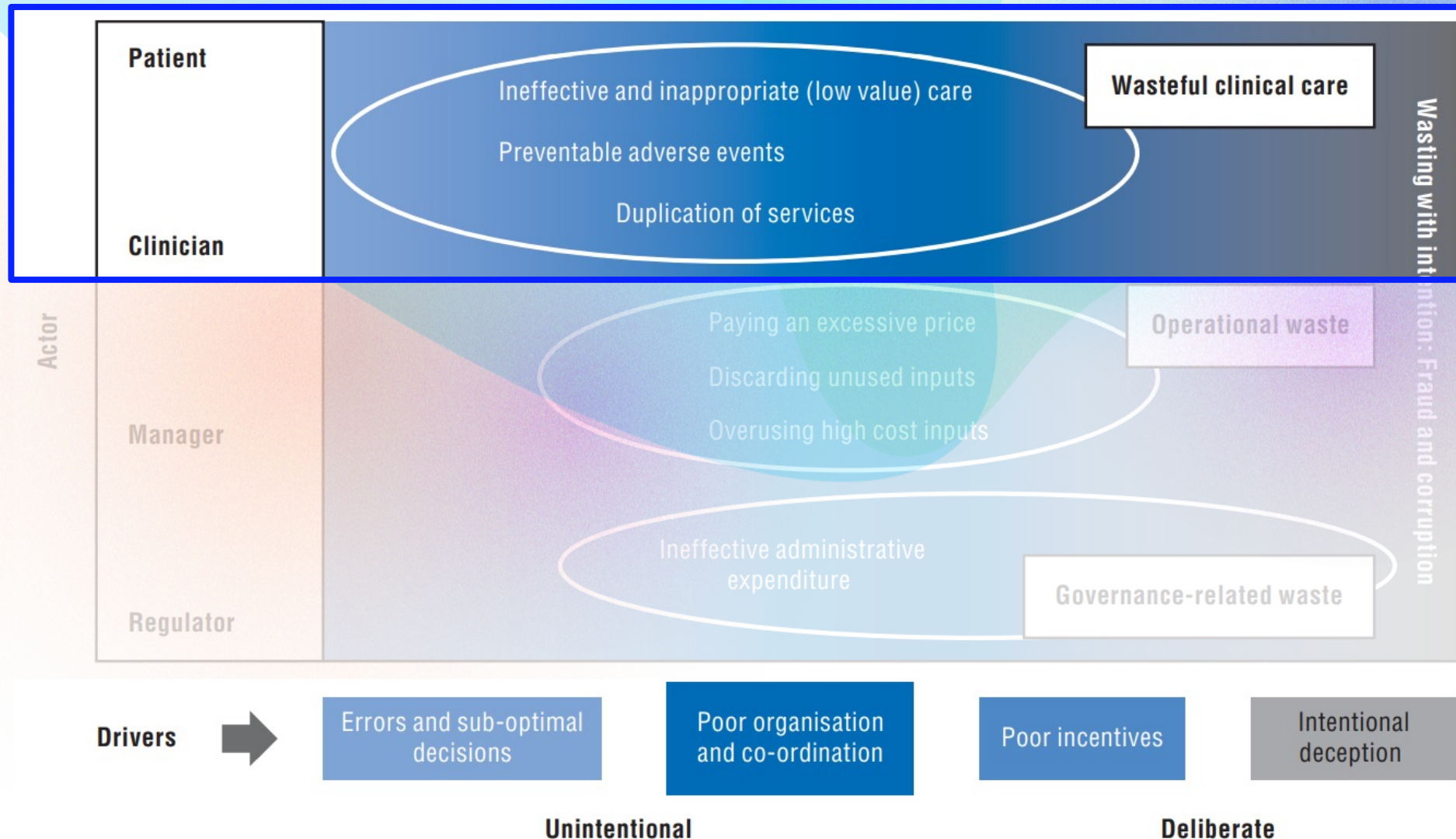
THREE CATEGORIES OF WASTE



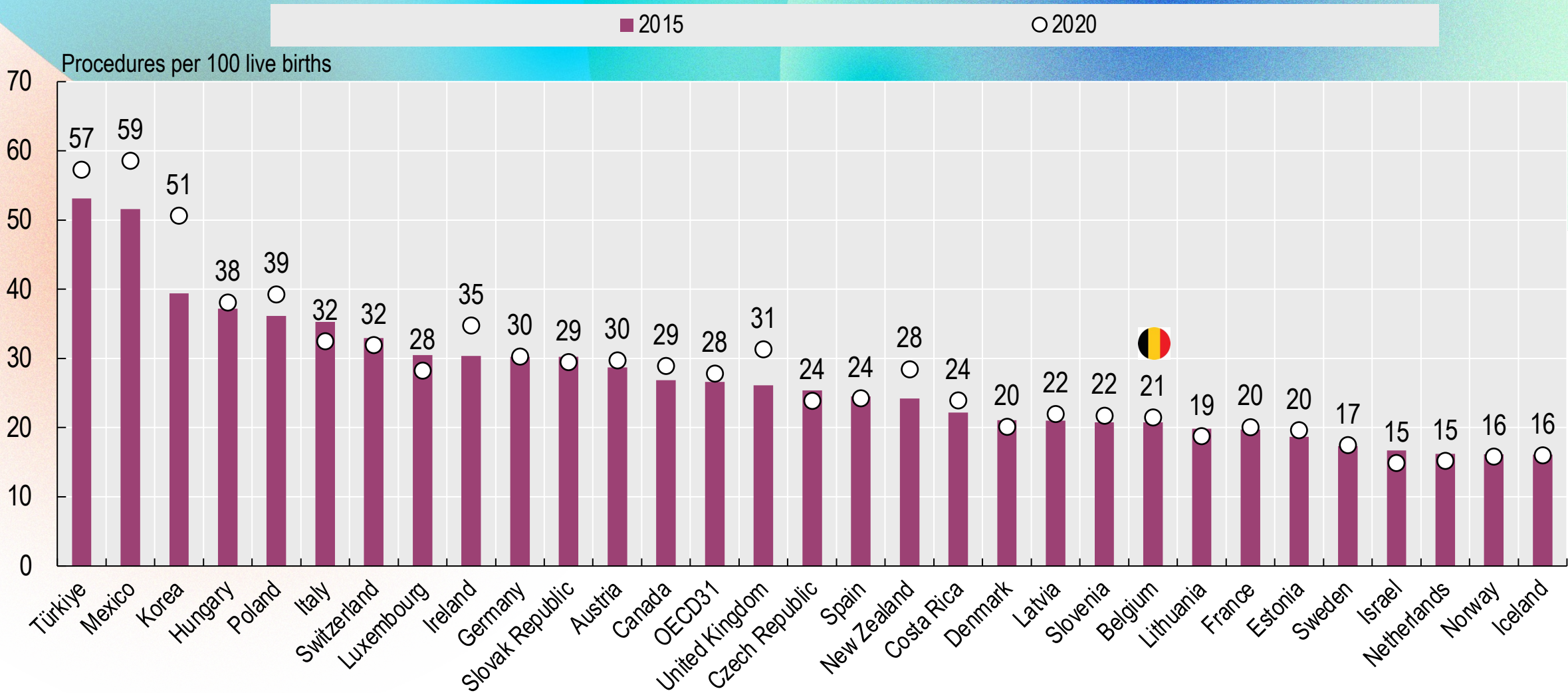
Three categories of waste mapped to actors involved and drivers



Three categories of waste mapped to actors involved and drivers



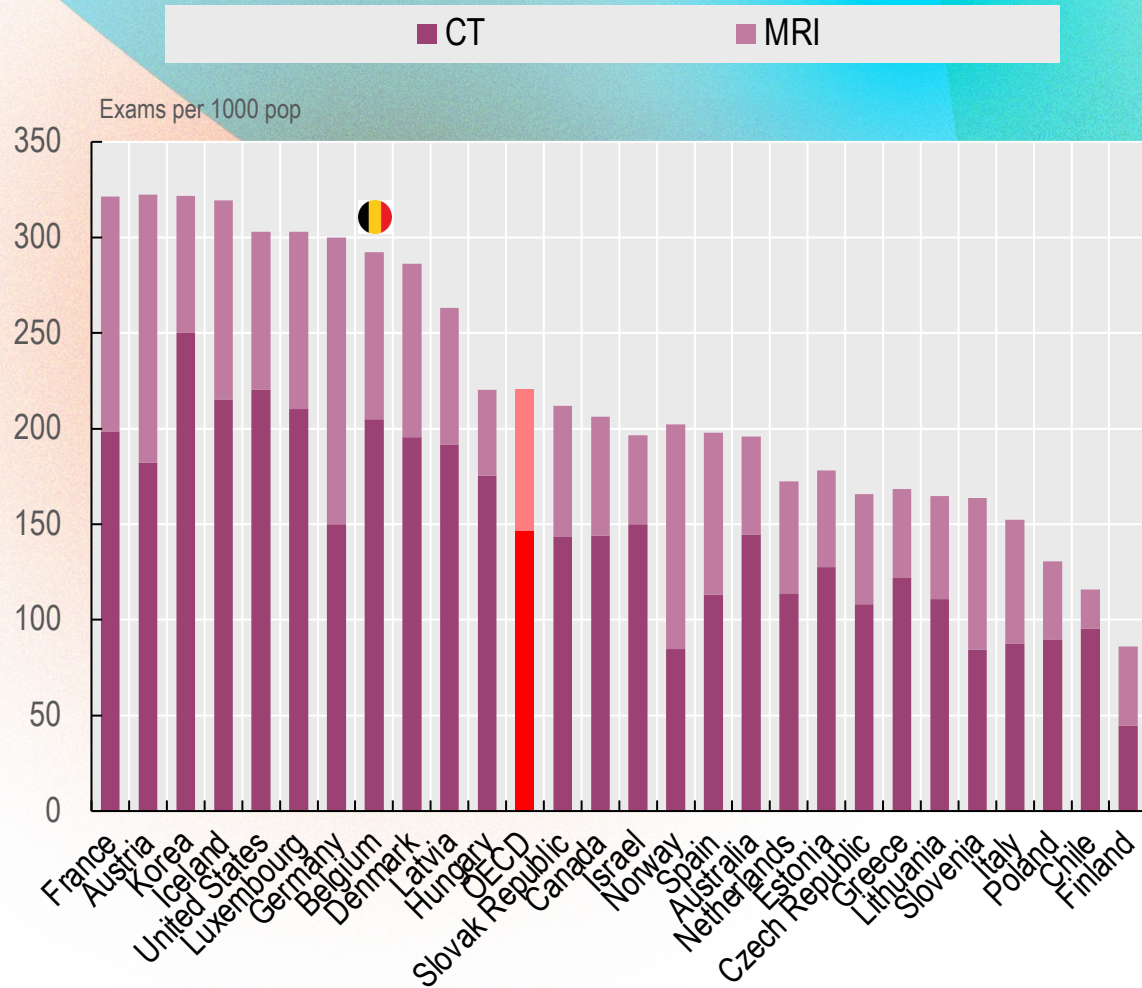
C-section procedures per 100 live births, 2020 (or nearest year)



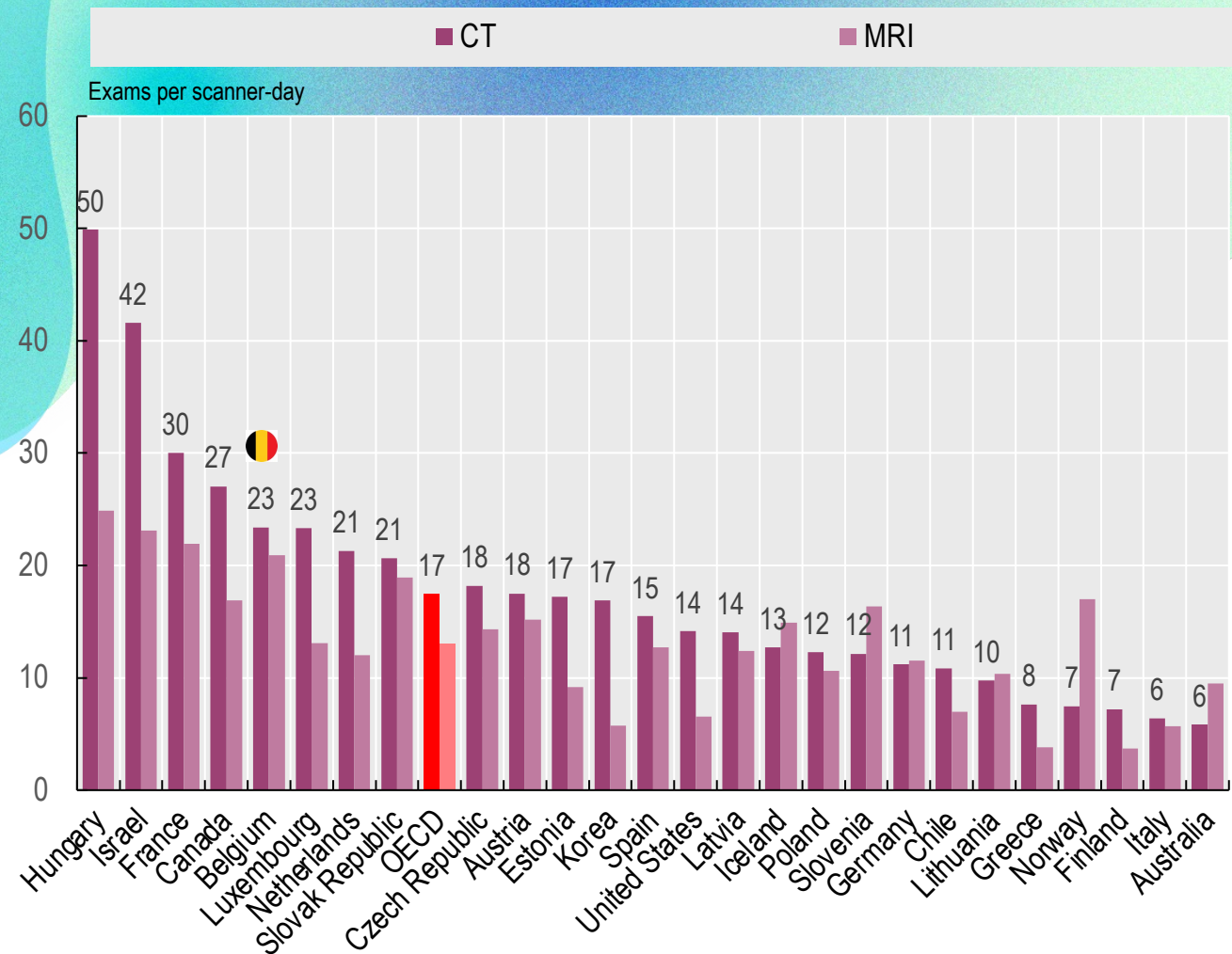
Source: OECD Health Statistics 2022.

Diagnostic exams

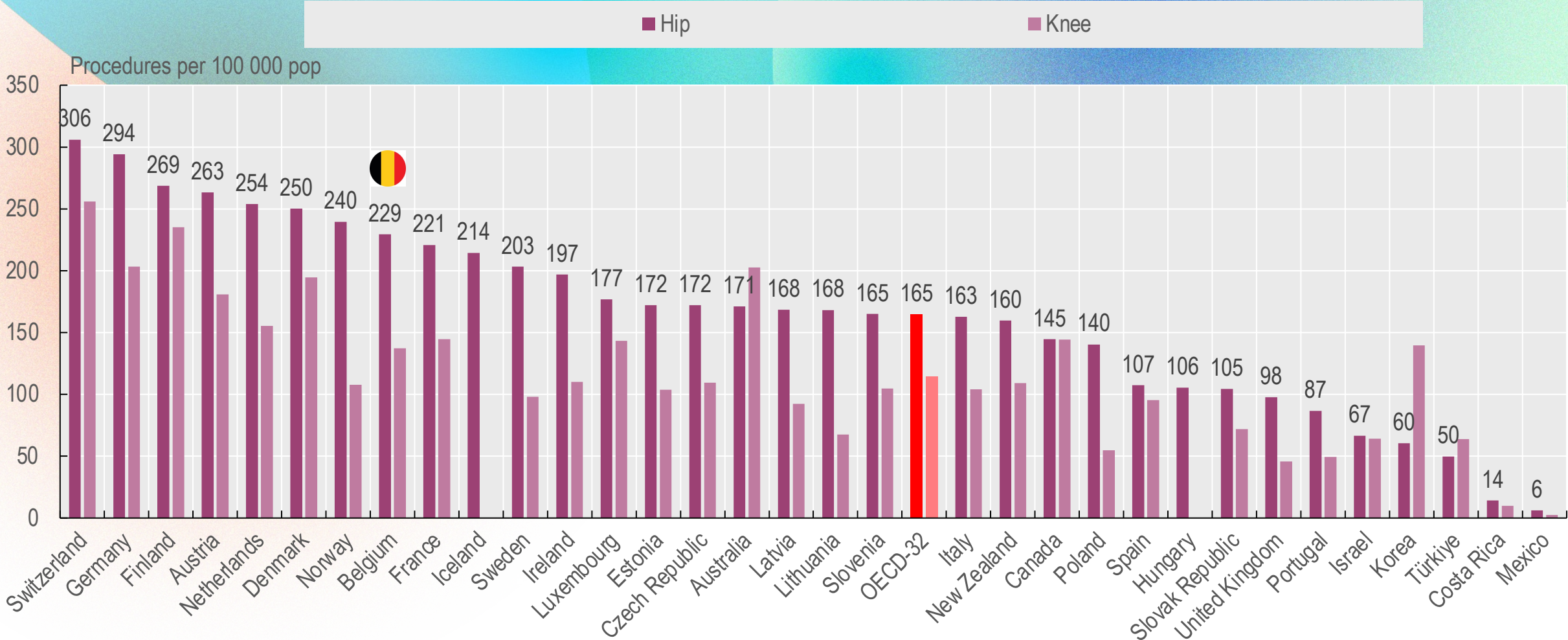
Diagnostic exams per 1000 population, 2020 (or nearest year)



Diagnostic exams per scanner-day, 2020 (or nearest year)

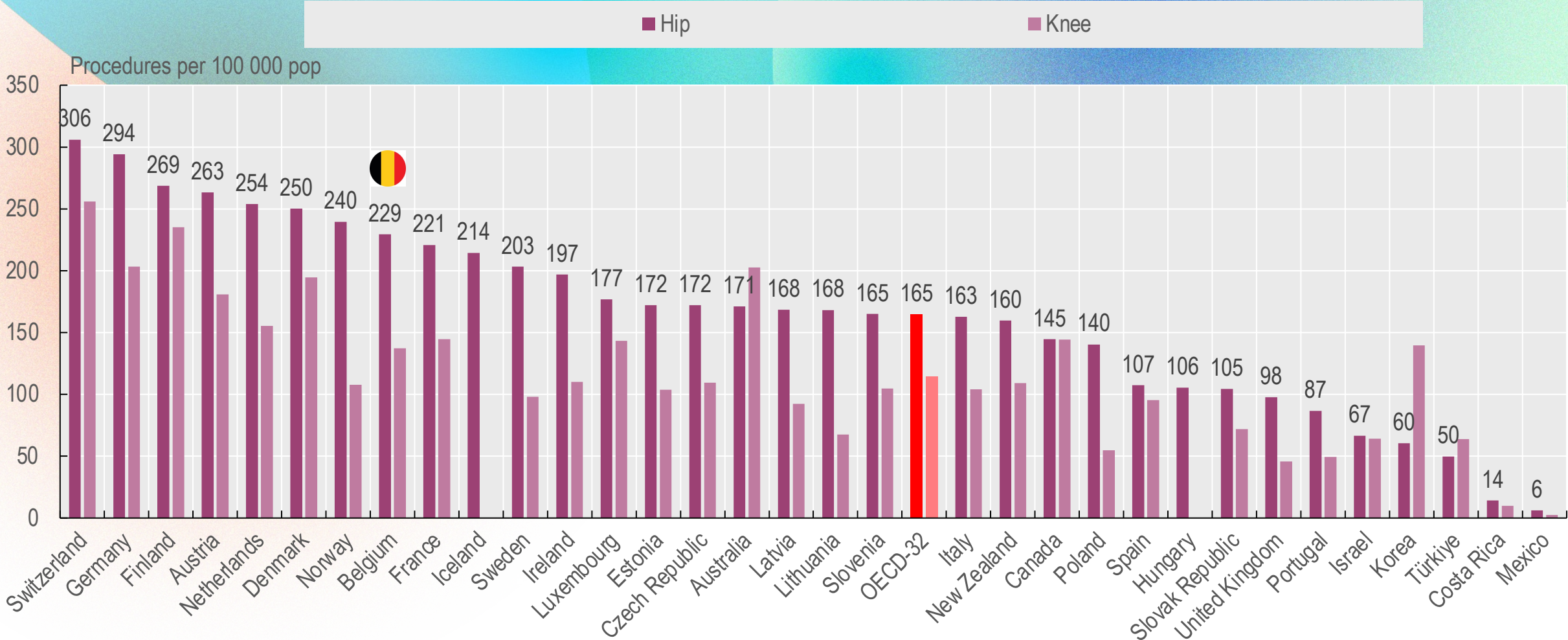


Hip and knee replacement surgery, 2020 or latest year



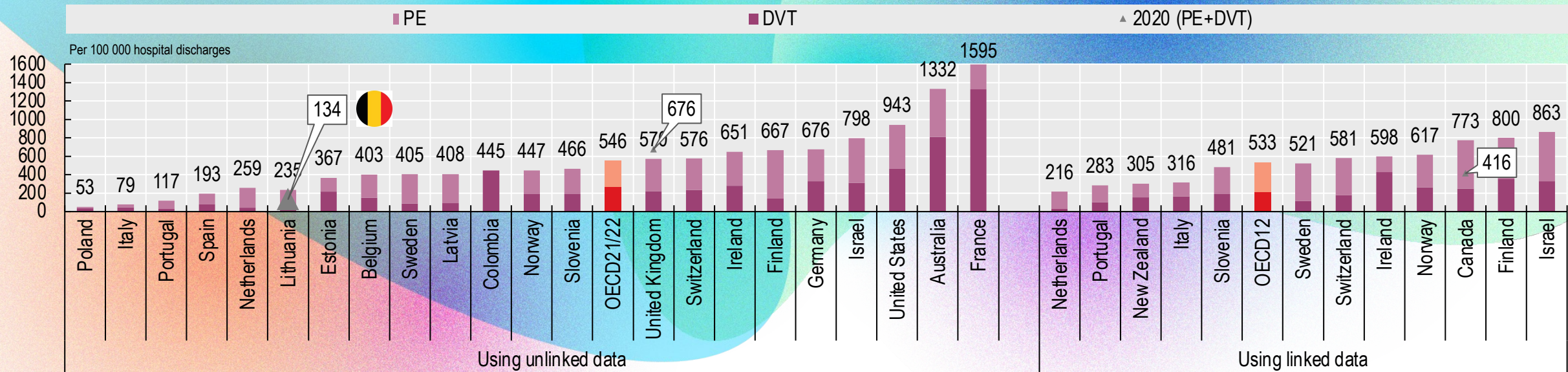
Source: OECD Health Statistics 2022.

Hip and knee replacement surgery, 2020 or latest year

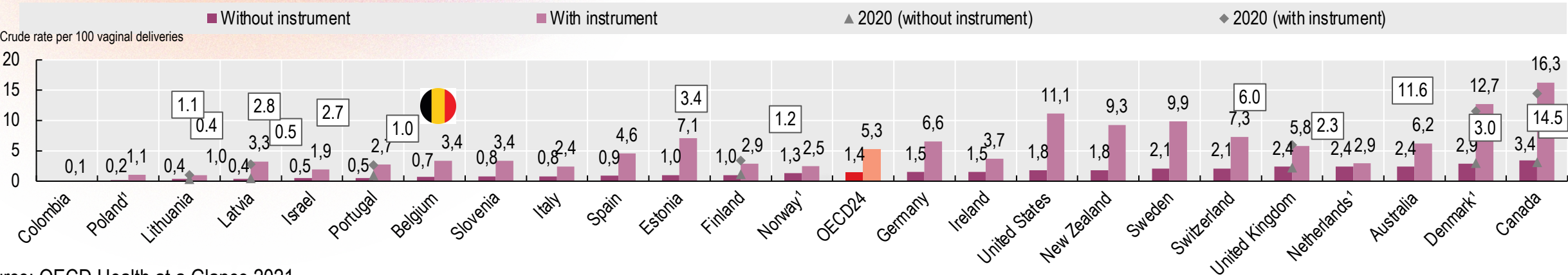


Source: OECD Health Statistics 2022.

Postoperative pulmonary embolism or deep vein thrombosis in hip and knee surgeries, 2019 (or nearest year) and 2020

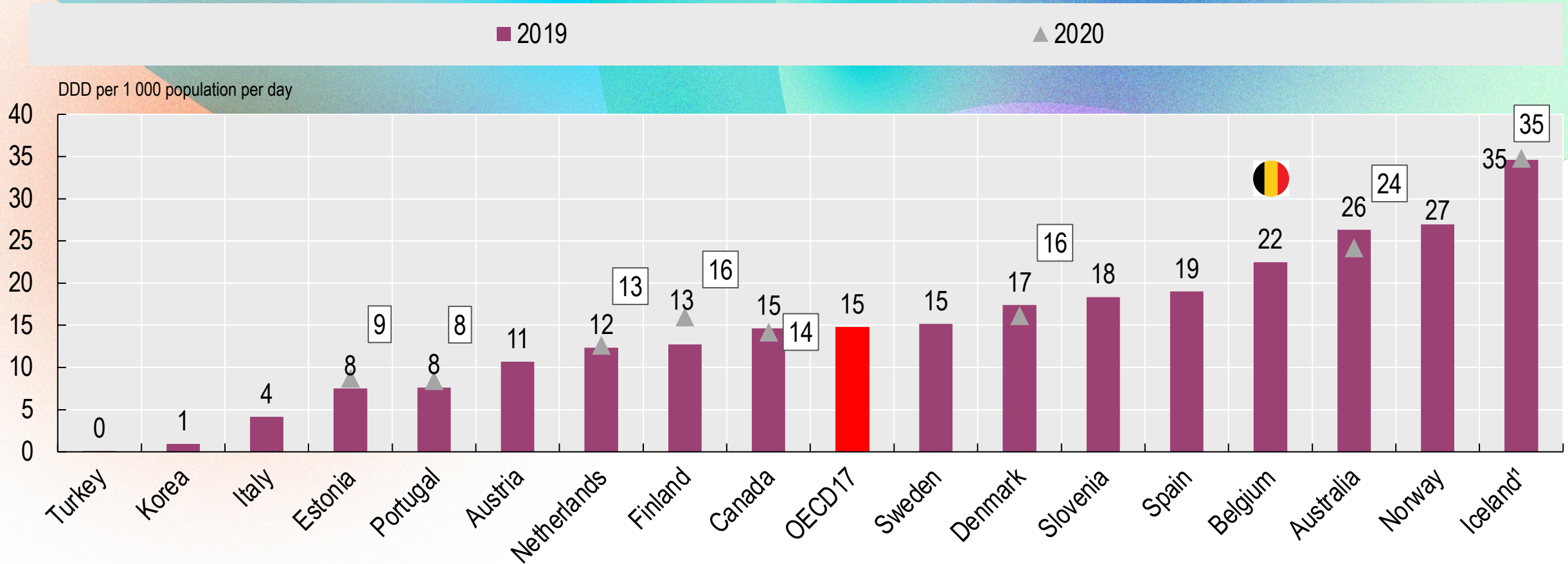


Obstetric trauma, vaginal delivery with and without instrument, 2019 (or nearest year) and 2020

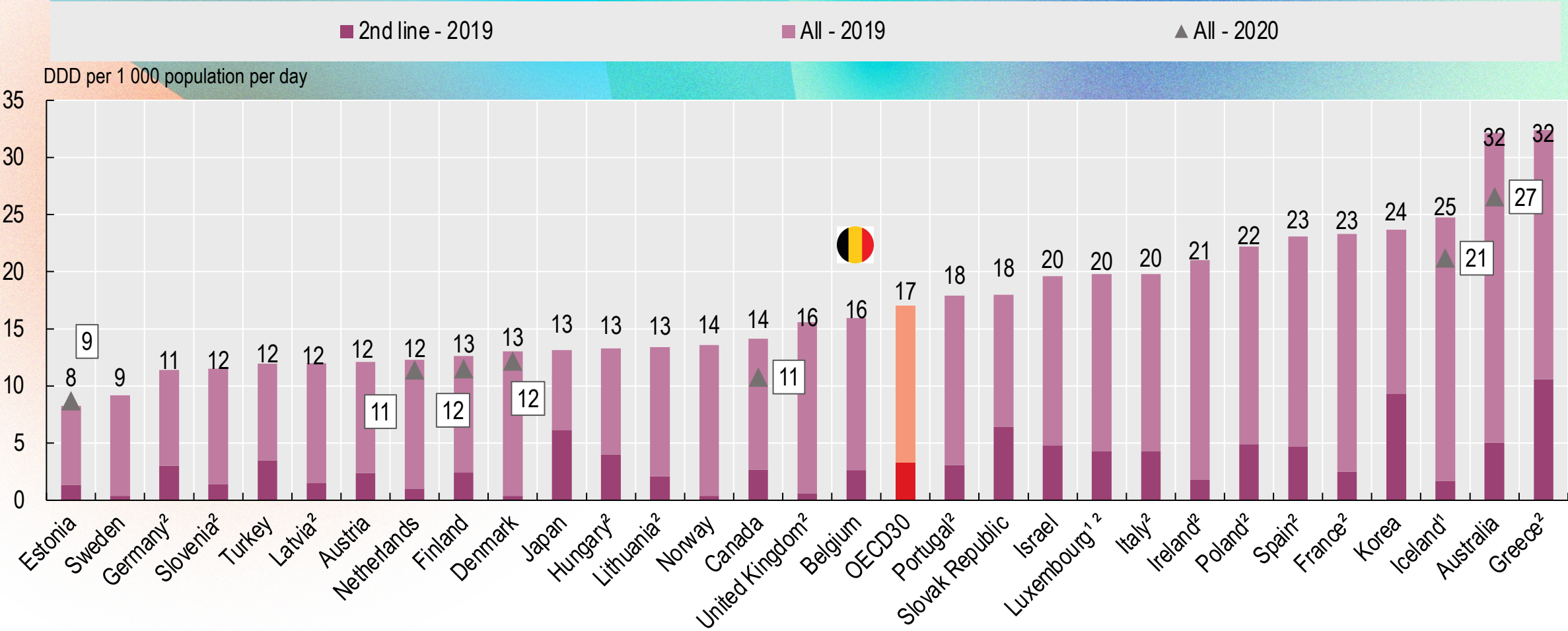


Source: OECD Health at a Glance 2021.

Overall volume of opioids prescribed in the adult population, 2019 (or nearest year) and 2020




Overall volume of antibiotics prescribed, 2019 (or nearest year) and 2020



Source: OECD Health at a Glance 2021.


Choosing Wisely Campaign – United States

- > **Inappropriate use of medical equipment:**
- > Overuse of tests and procedures
- > **Policy change:**
- > The United States launched the Choosing Wisely Campaign in 2012 (now in place in more than 10 countries)
- > Its mission is to “promote conversations between clinicians and patients” by helping patients choose care that is supported by evidence, does not duplicate other tests or procedures patients have already received, is free from harm, and is truly necessary (i.e., low value care)
- > The campaign provides a list of “do not do’s” across multiple medical specialties.
- > **Result:**
- > An analysis of early trends in the United States found a modest decrease in the use of imaging for headaches from 14.9% to 13.4% (OECD, 2017)



An initiative of the ABIM Foundation

American Academy of Family Physicians



Five Things Physicians and Patients Should Question

- 1

Don't do imaging for low back pain within the first six weeks, unless red flags are present.

Red flags include, but are not limited to, severe or progressive neurological deficits or when serious underlying conditions such as osteomyelitis are suspected. Imaging of the lower spine before six weeks does not improve outcomes, but does increase costs. Low back pain is the fifth most common reason for all physician visits.
- 2

Don't routinely prescribe antibiotics for acute mild-to-moderate sinusitis unless symptoms last for seven or more days, or symptoms worsen after initial clinical improvement.

Symptoms must include discolored nasal secretions and facial or dental tenderness when touched. Most sinusitis in the ambulatory setting is due to a viral infection that will resolve on its own. Despite consistent recommendations to the contrary, antibiotics are prescribed in more than 80 percent of outpatient visits for acute sinusitis. Sinusitis accounts for 16 million office visits and \$5.8 billion in annual health care costs.
- 3

Don't use dual-energy x-ray absorptiometry (DEXA) screening for osteoporosis in women younger than 65 or men younger than 70 with no risk factors.

DEXA is not cost effective in younger, low-risk patients, but is cost effective in older patients.
- 4

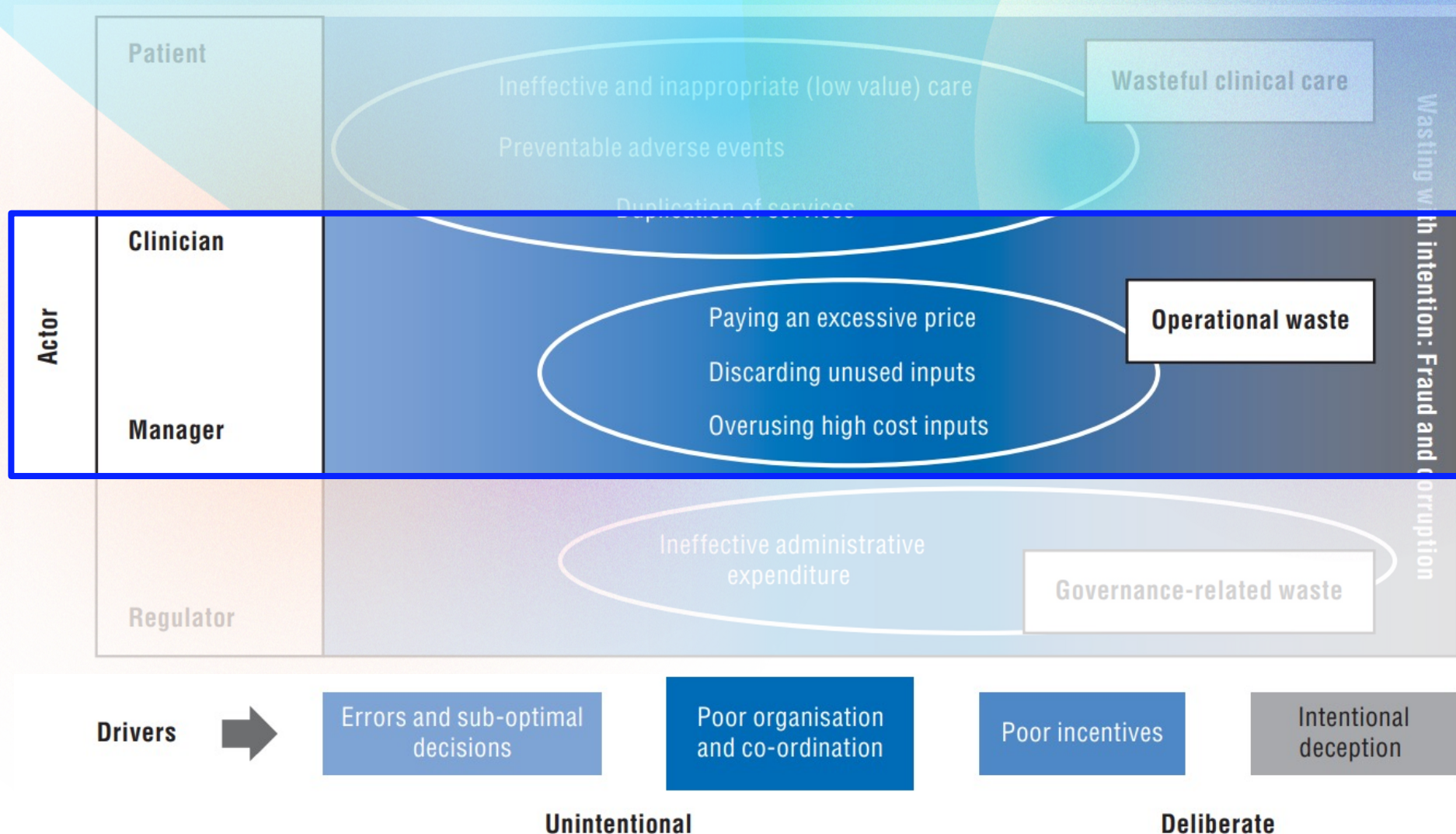
Don't order annual electrocardiograms (EKGs) or any other cardiac screening for low-risk patients without symptoms.

There is little evidence that detection of coronary artery stenosis in asymptomatic patients at low risk for coronary heart disease improves health outcomes. False-positive tests are likely to lead to harm through unnecessary invasive procedures, over-treatment and misdiagnosis. Potential harms of this routine annual screening exceed the potential benefit.
- 5

Don't perform Pap smears on women younger than 21 or who have had a hysterectomy for non-cancer disease.

Most observed abnormalities in adolescents regress spontaneously, therefore Pap smears for this age-group can lead to unnecessary anxiety, additional testing and cost. Pap smears are not helpful in women after hysterectomy (for non-cancer disease) and there is little evidence for improved outcomes.

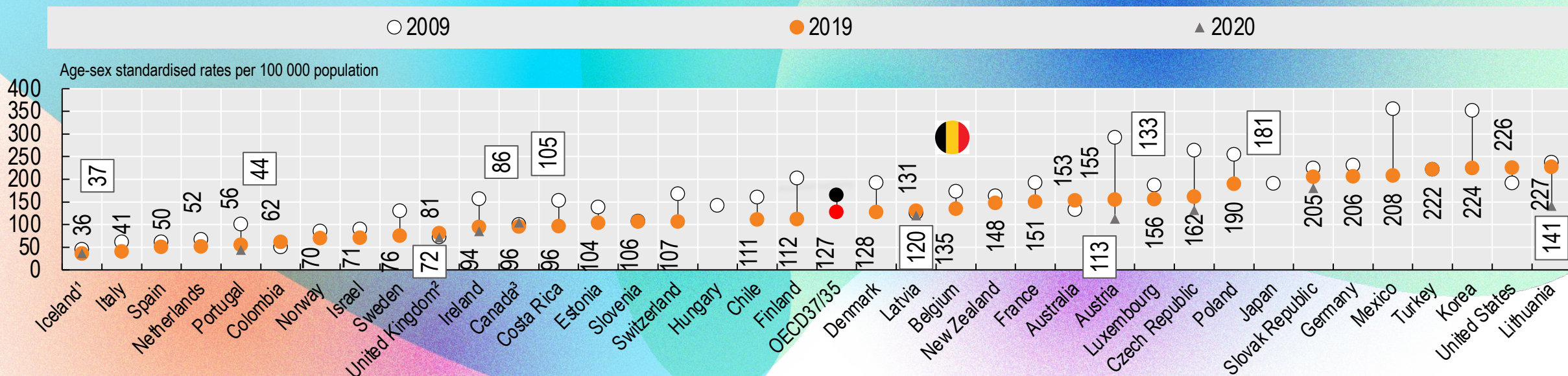
Three categories of waste mapped to actors involved and drivers



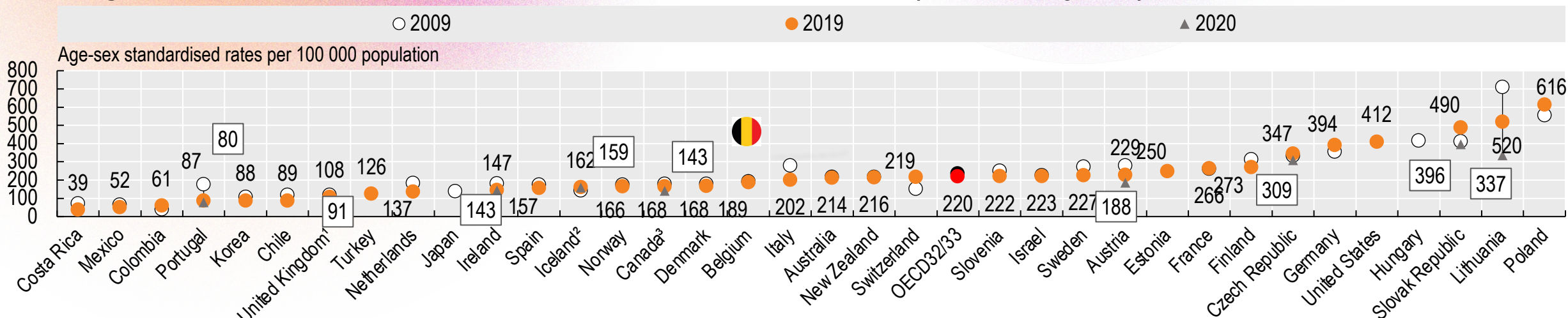
Avoidable hospital admissions

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Diabetes hospital admission in adults, 2009, 2019 (or nearest years) and 2020



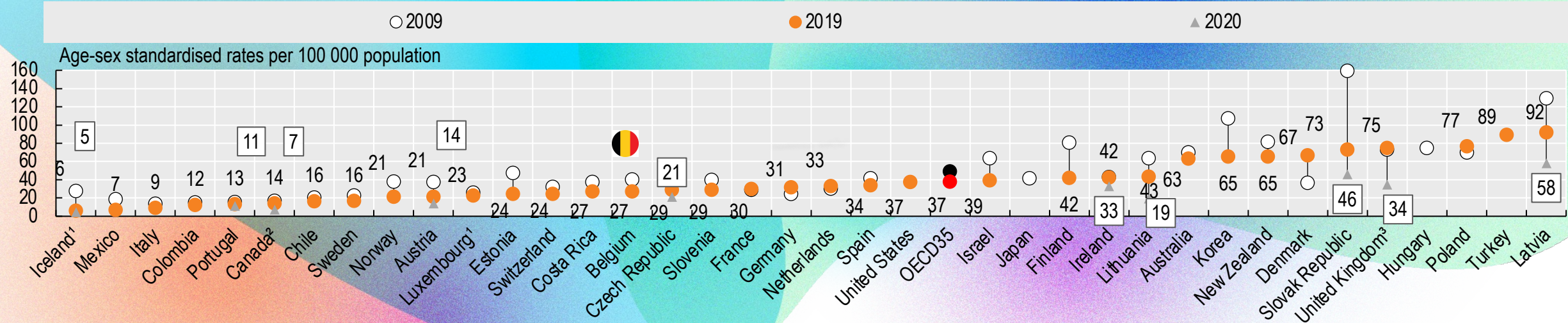
Congestive heart failure hospital admission in adults, 2009, 2019 (or nearest years) and 2020



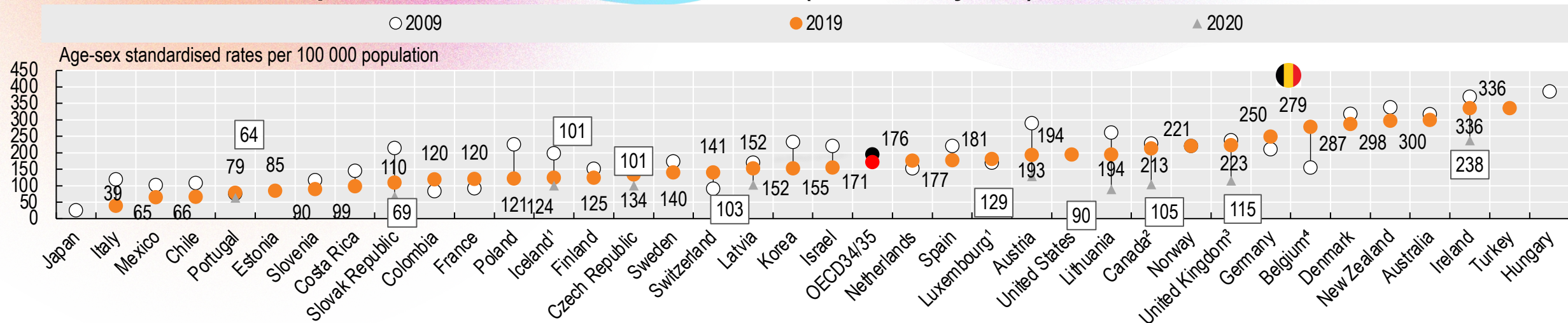
Avoidable hospital admissions

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Asthma hospital admission in adults, 2009, 2019 (or nearest years) and 2020



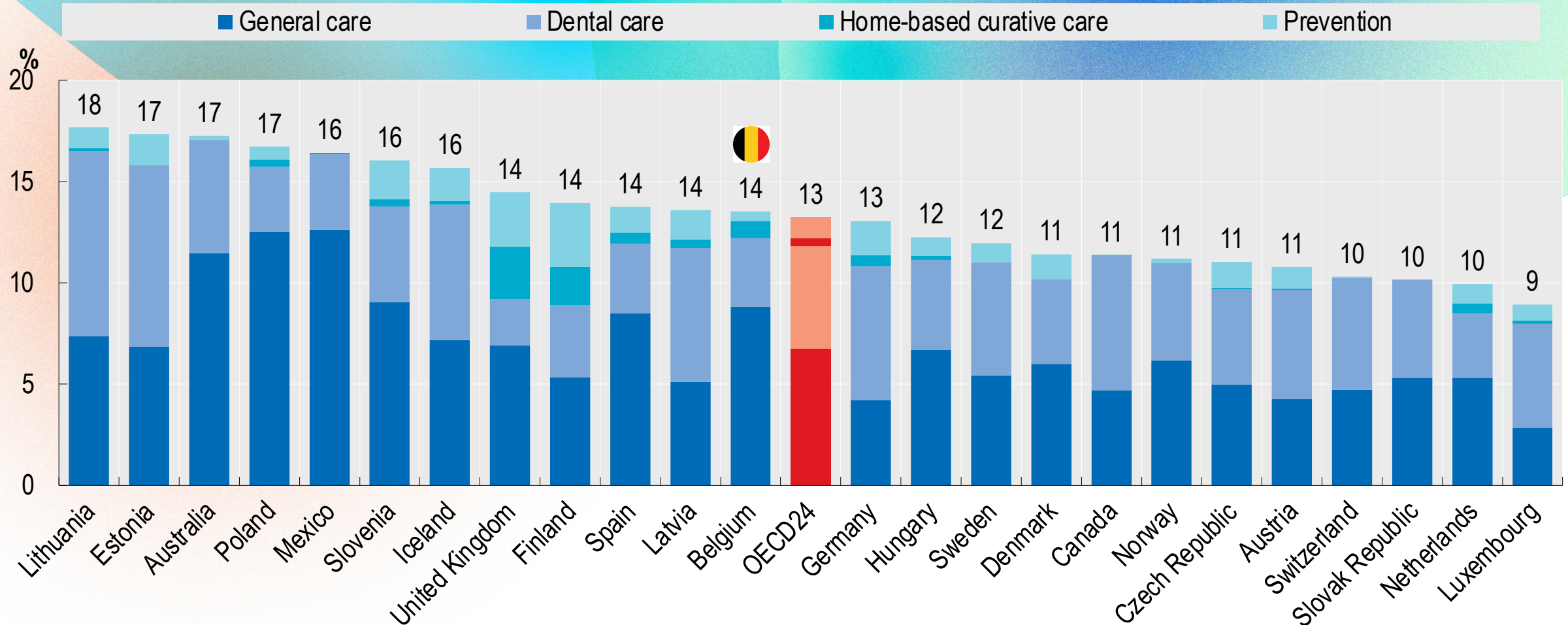
COPD heart failure hospital admission in adults, 2009, 2019 (or nearest years) and 2020



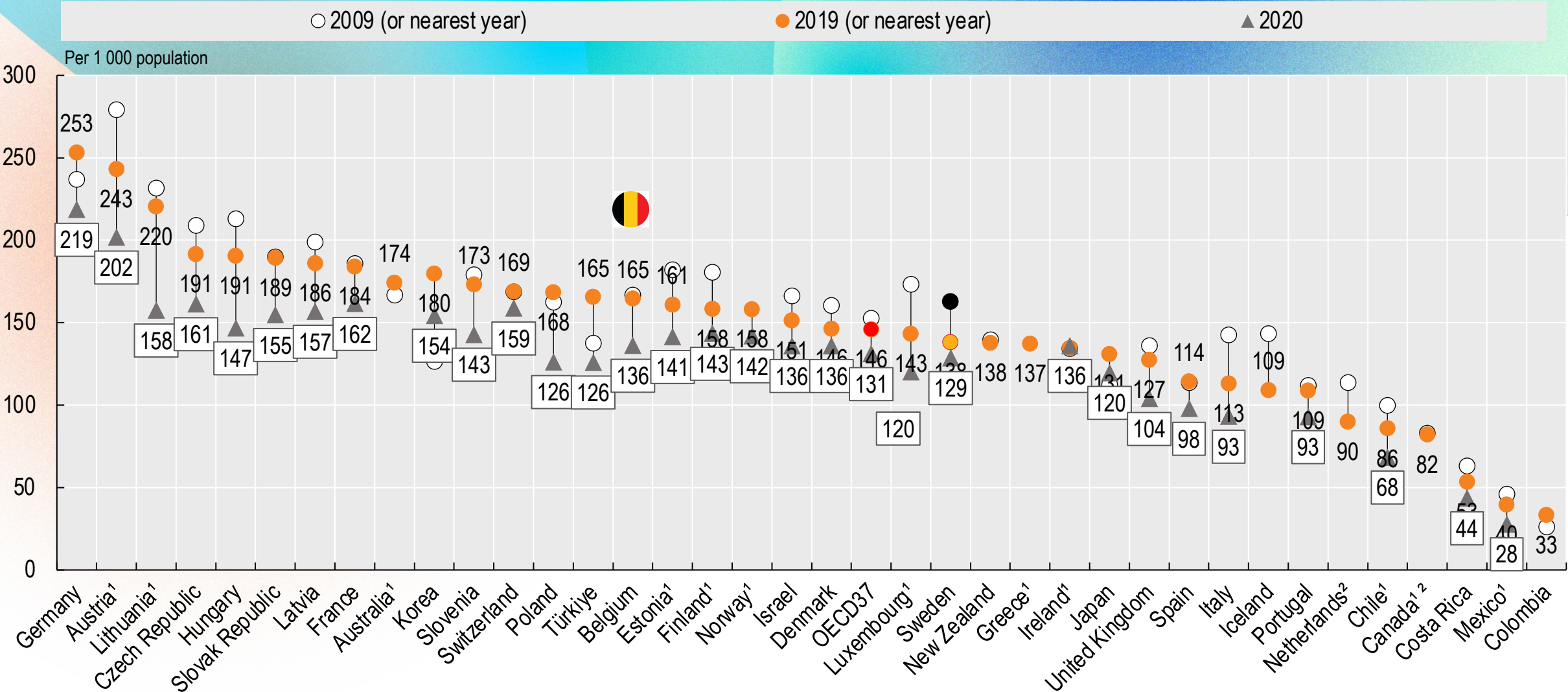
Spending on primary care

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Spending on primary health care services as a share of current health expenditure, 2019 (or nearest year)



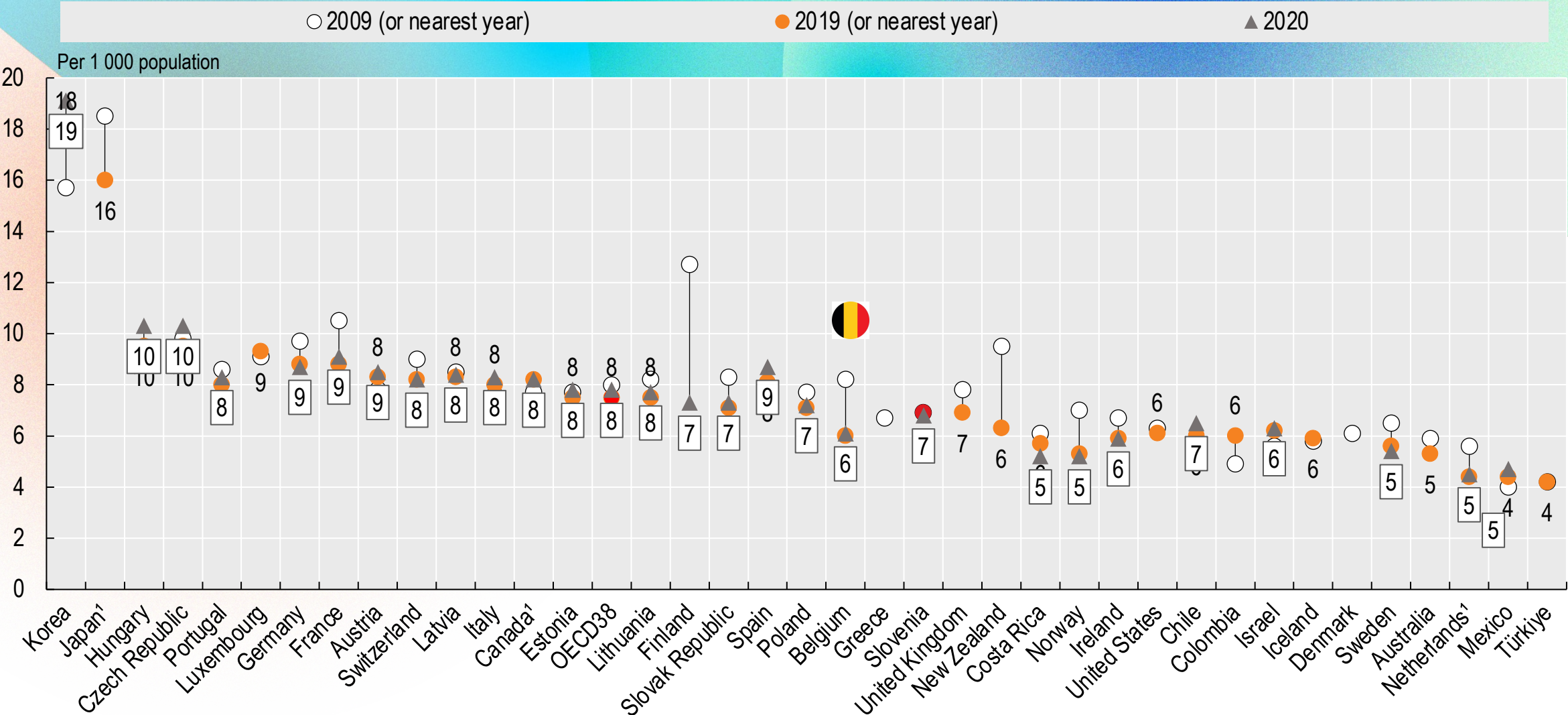
Hospital discharge rates, 2009, 2019 and 2020



Source: OECD Health Statistics 2022.

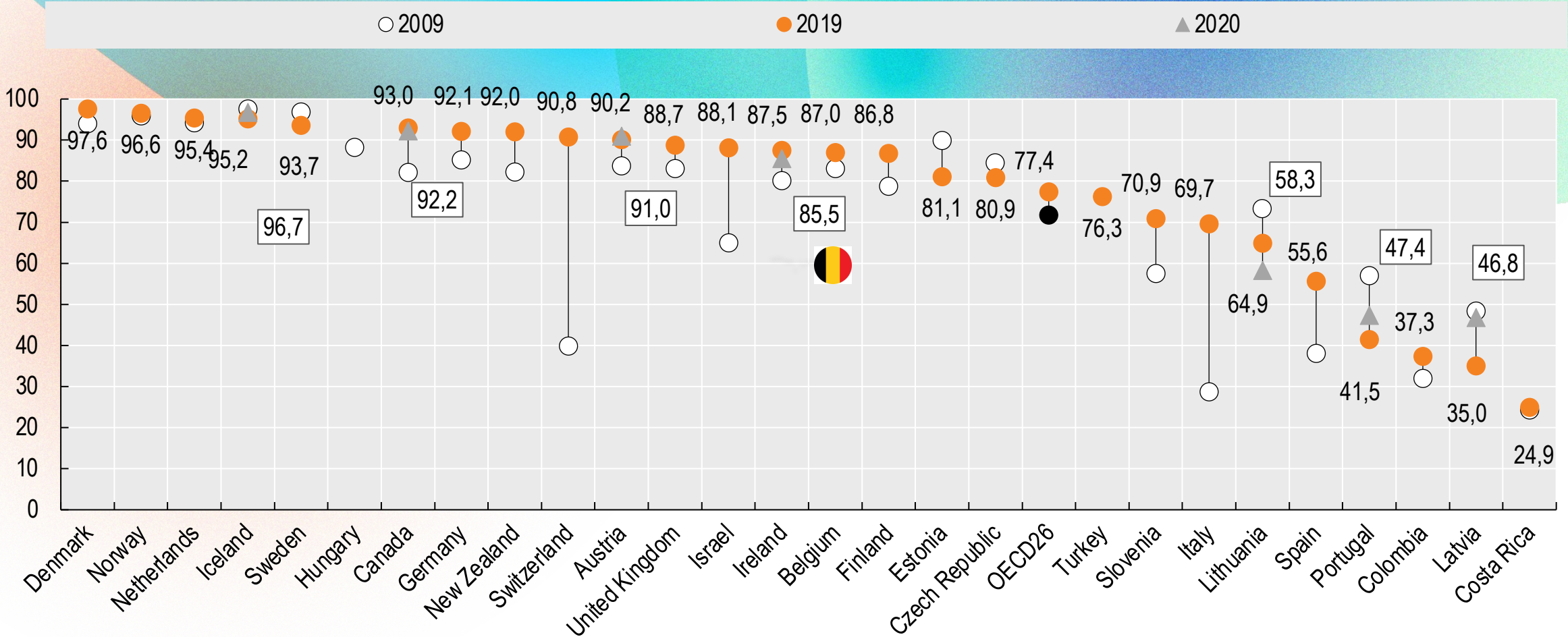
Hospital utilisation

Average length of stay in hospital, 2009 and 2019 (or nearest year)



Source: OECD Health Statistics 2022.

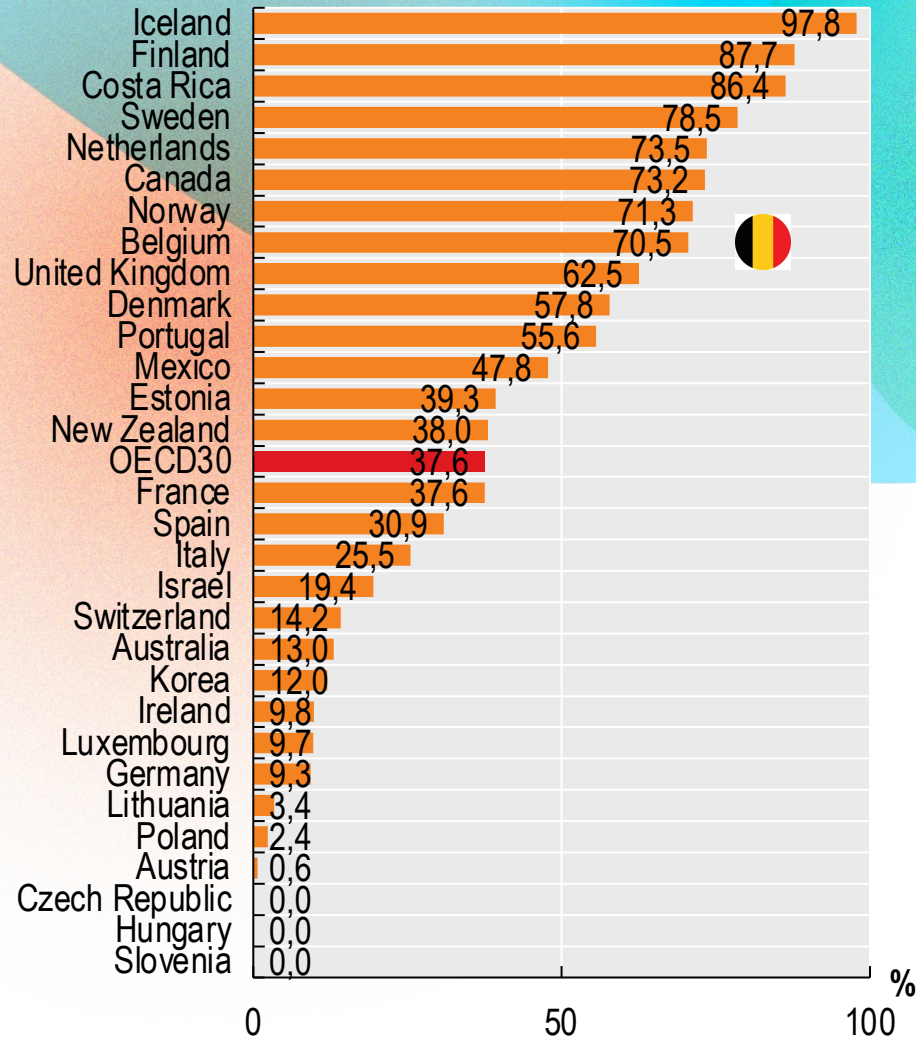
Hip fracture surgery initiation for patients aged 65 and over within two days of admission, 2009-19 (or nearest years) and 2020



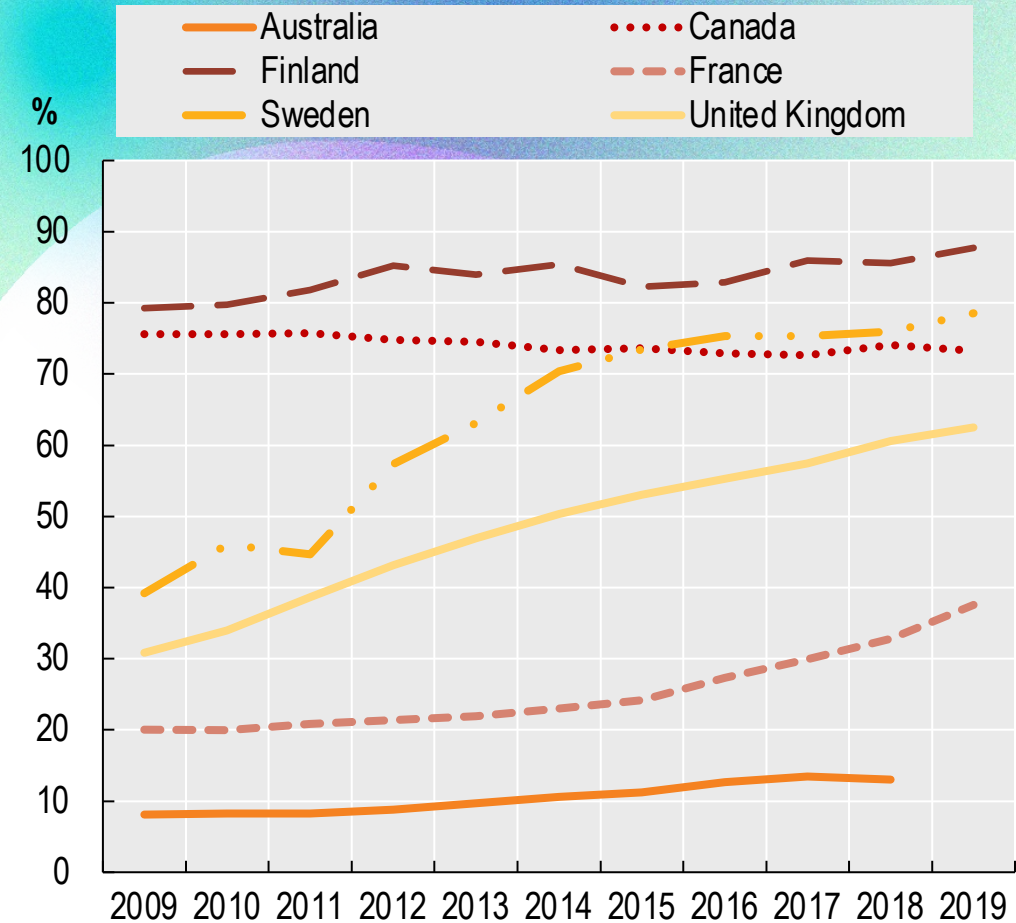
Hospital utilisation

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Share of tonsillectomies carried out as ambulatory cases, 2019 (or nearest year)

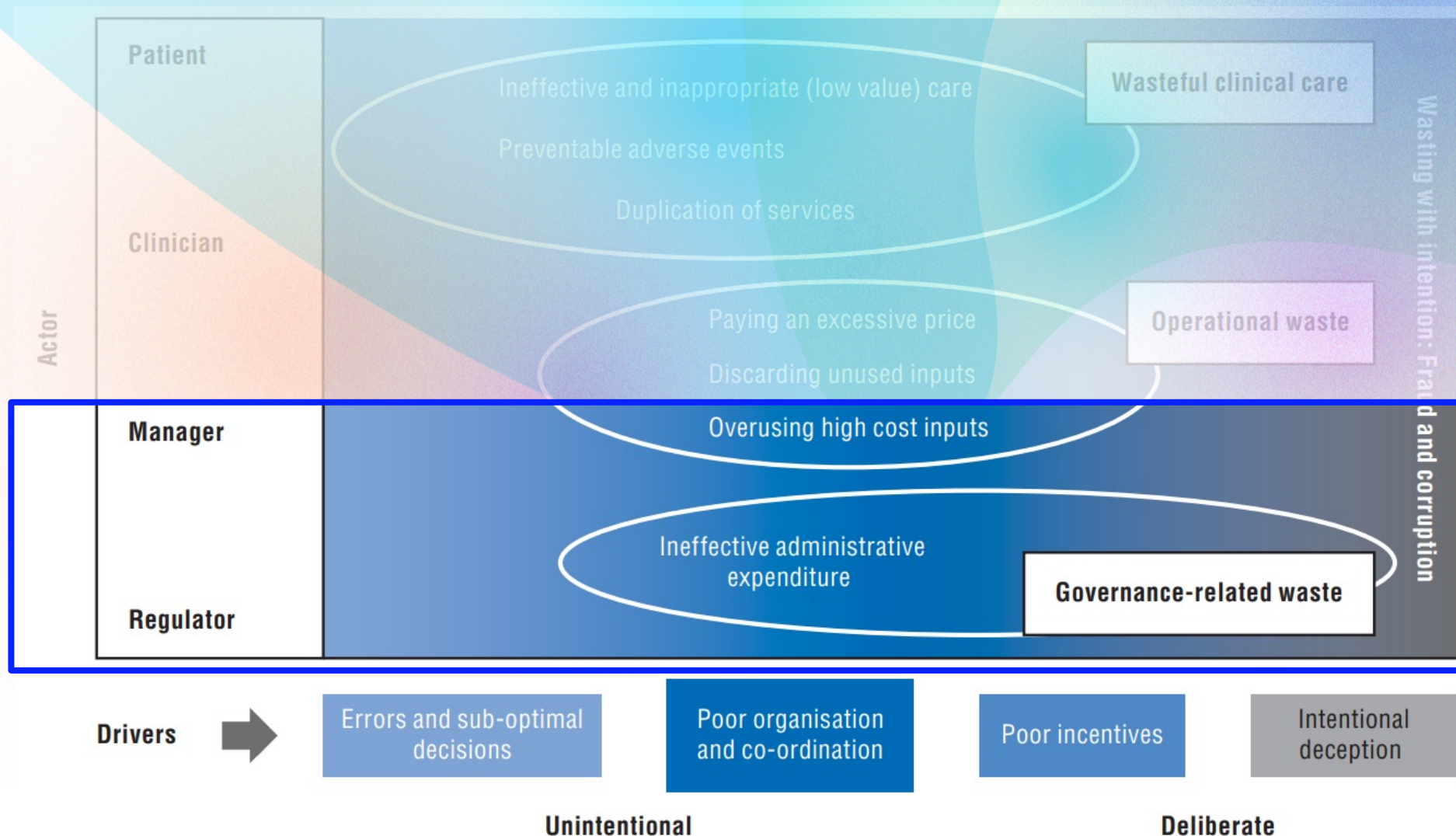


Trends in tonsillectomies carried out as ambulatory cases, selected OECD countries, 2009-19



Source: OECD Health at a Glance 2021.

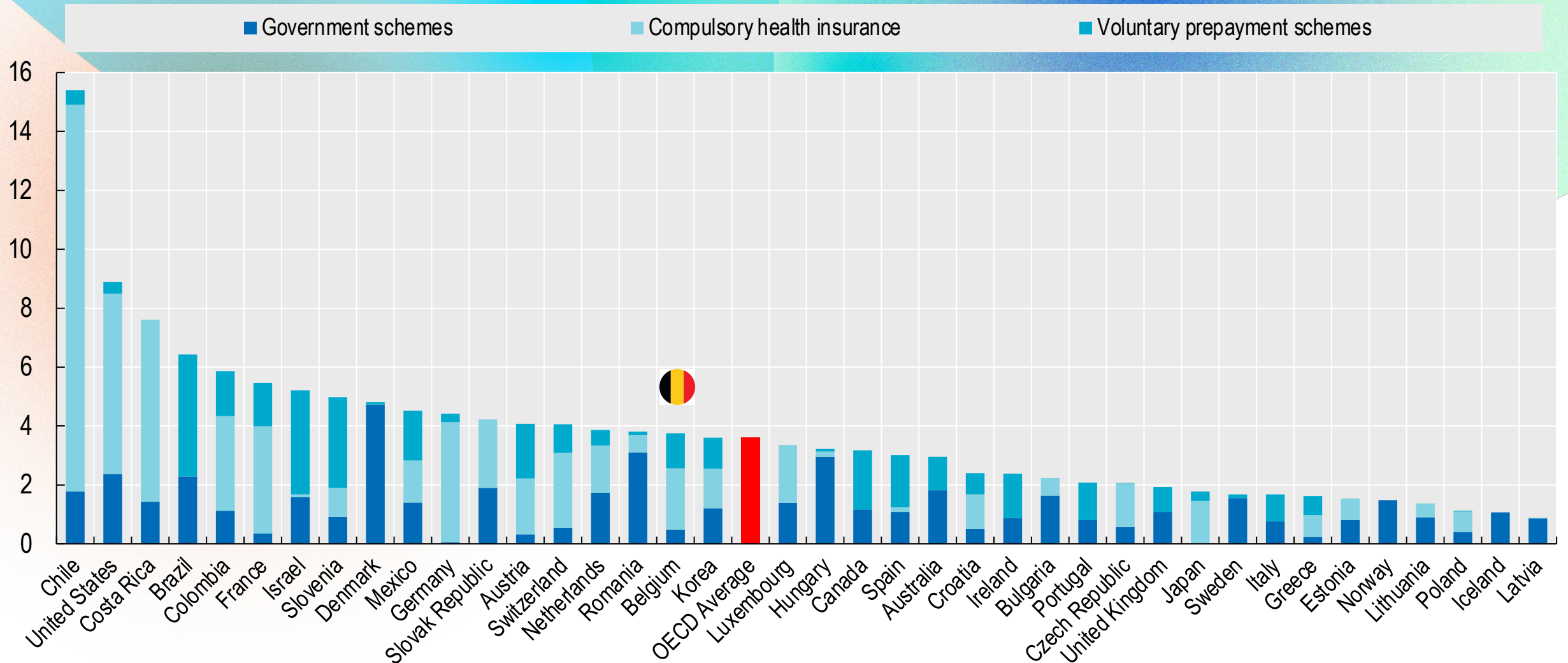
Three categories of waste mapped to actors involved and drivers



Administration costs

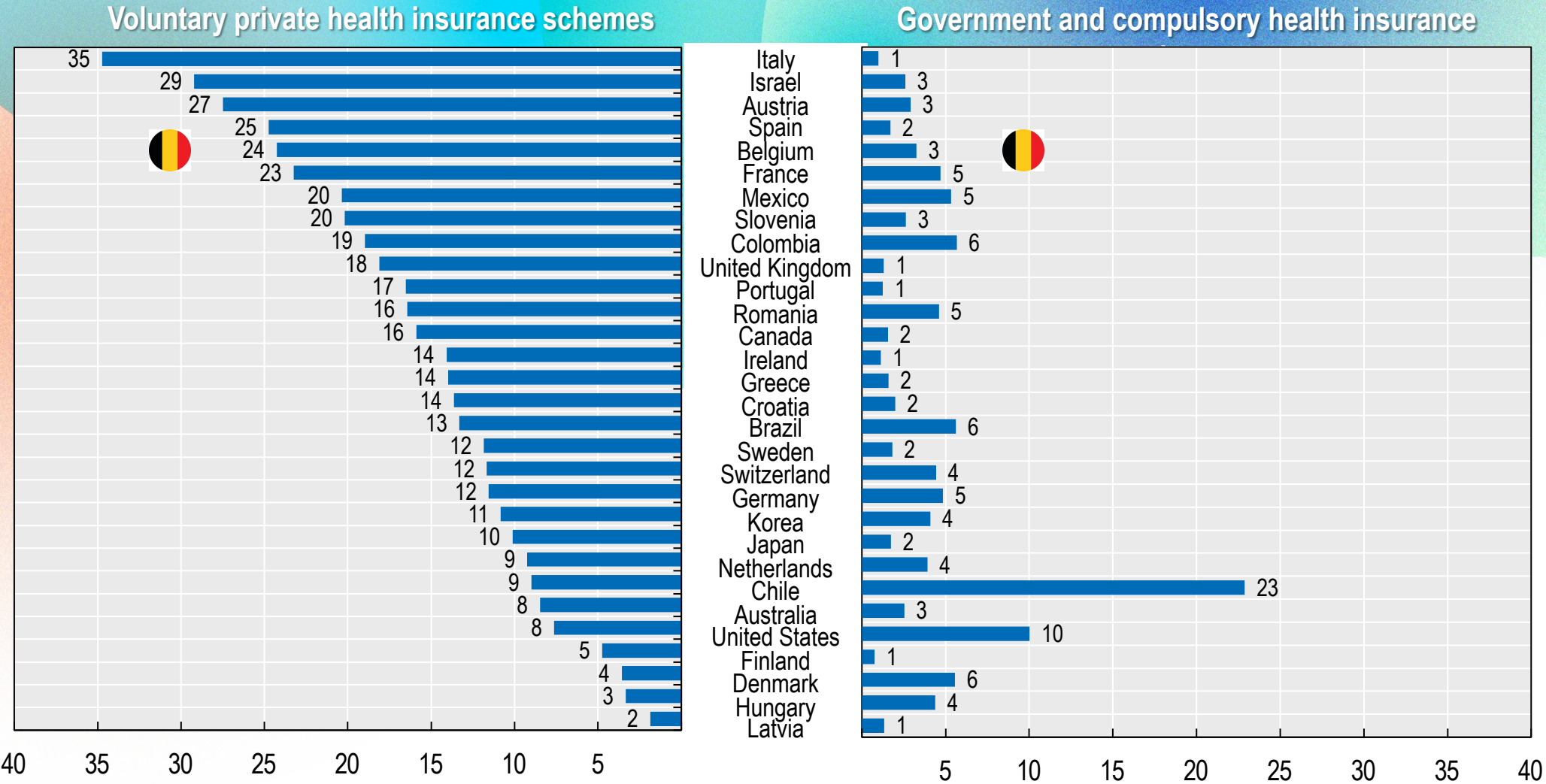
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Administration as a share of current health expenditure by financing scheme, 2020 (or nearest year)



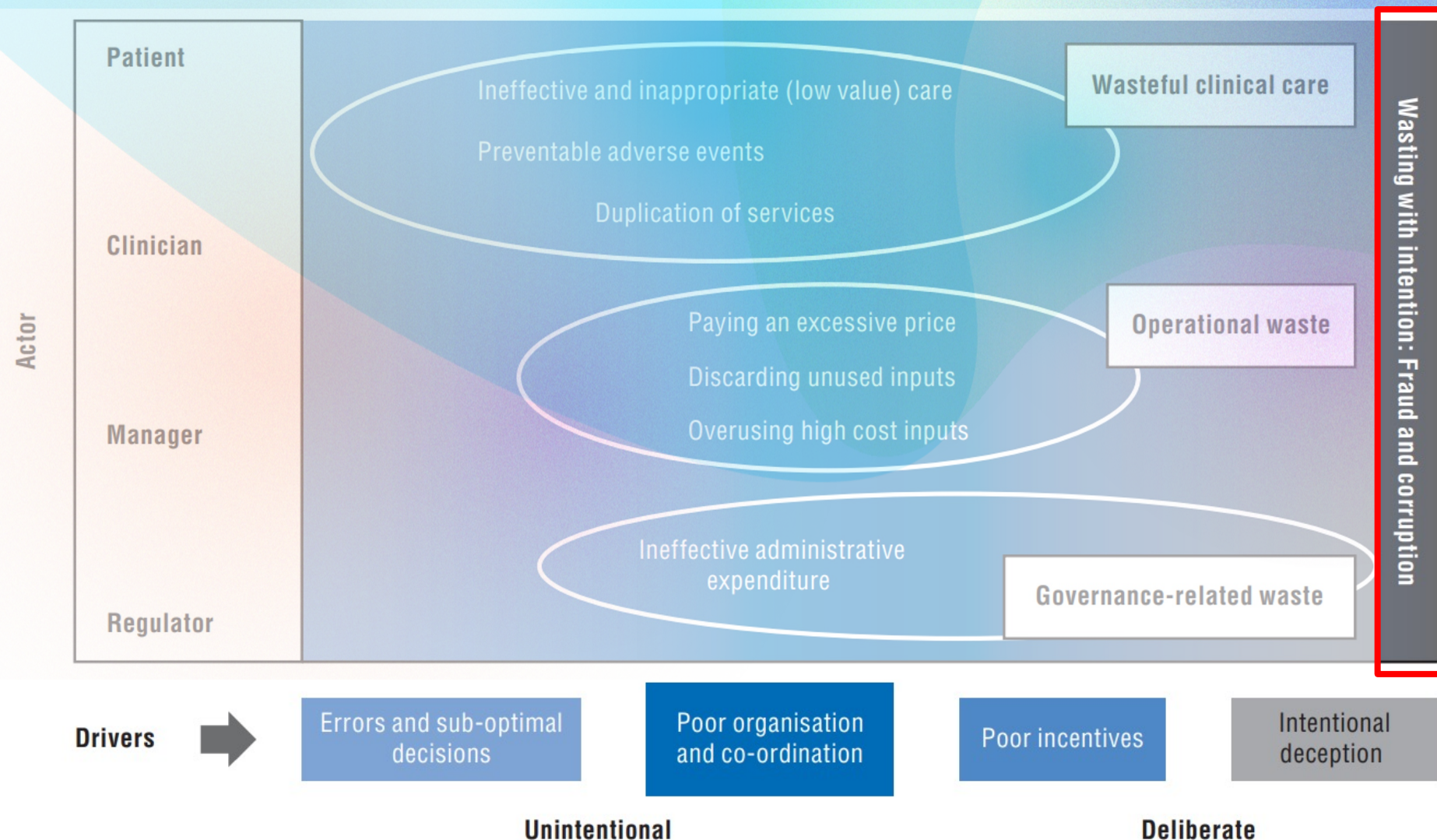
Administration costs

Health administration expenditure as a share of financing schemes' total health spending, 2020 (or nearest year)



Source: OECD Health Statistics 2022.

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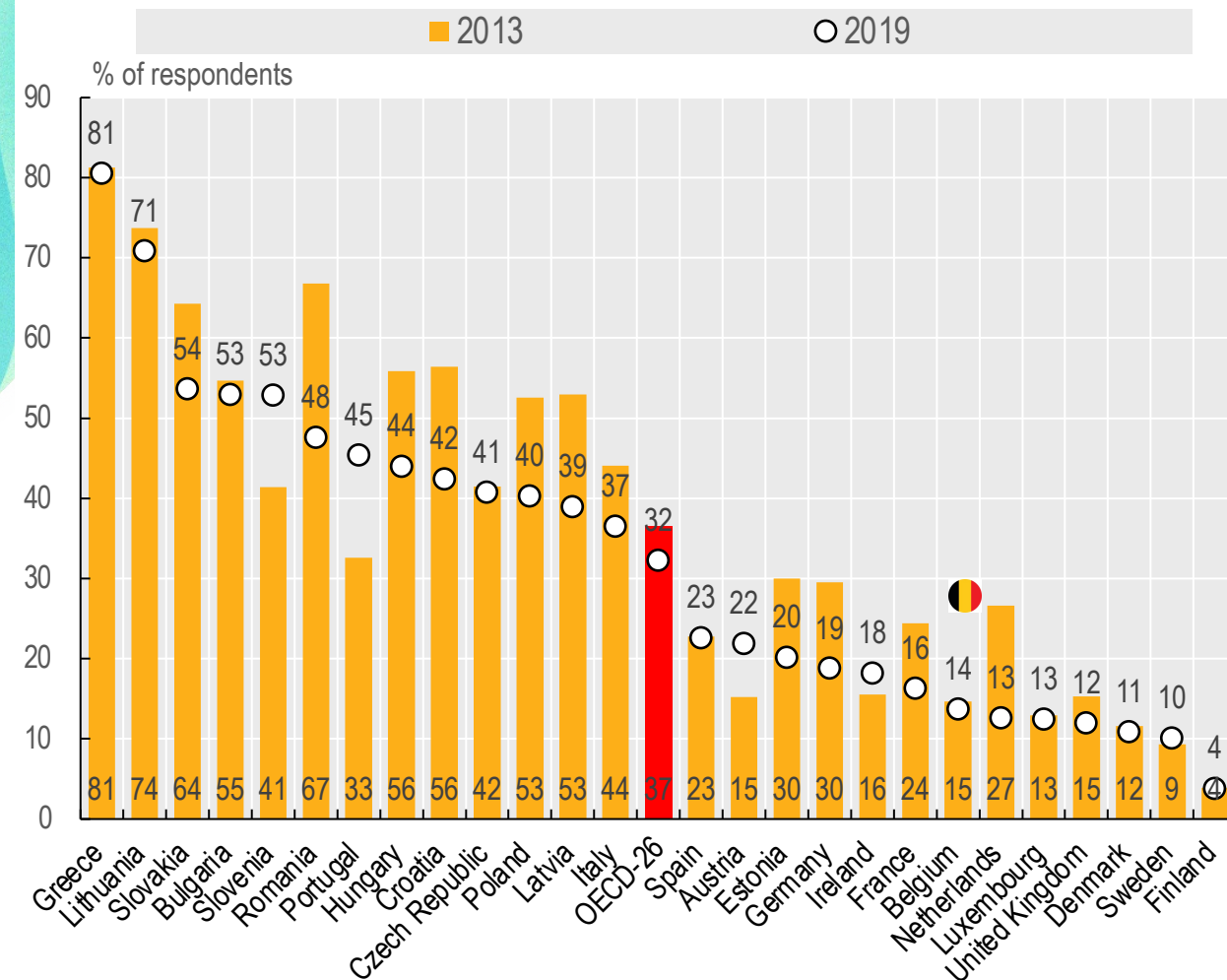
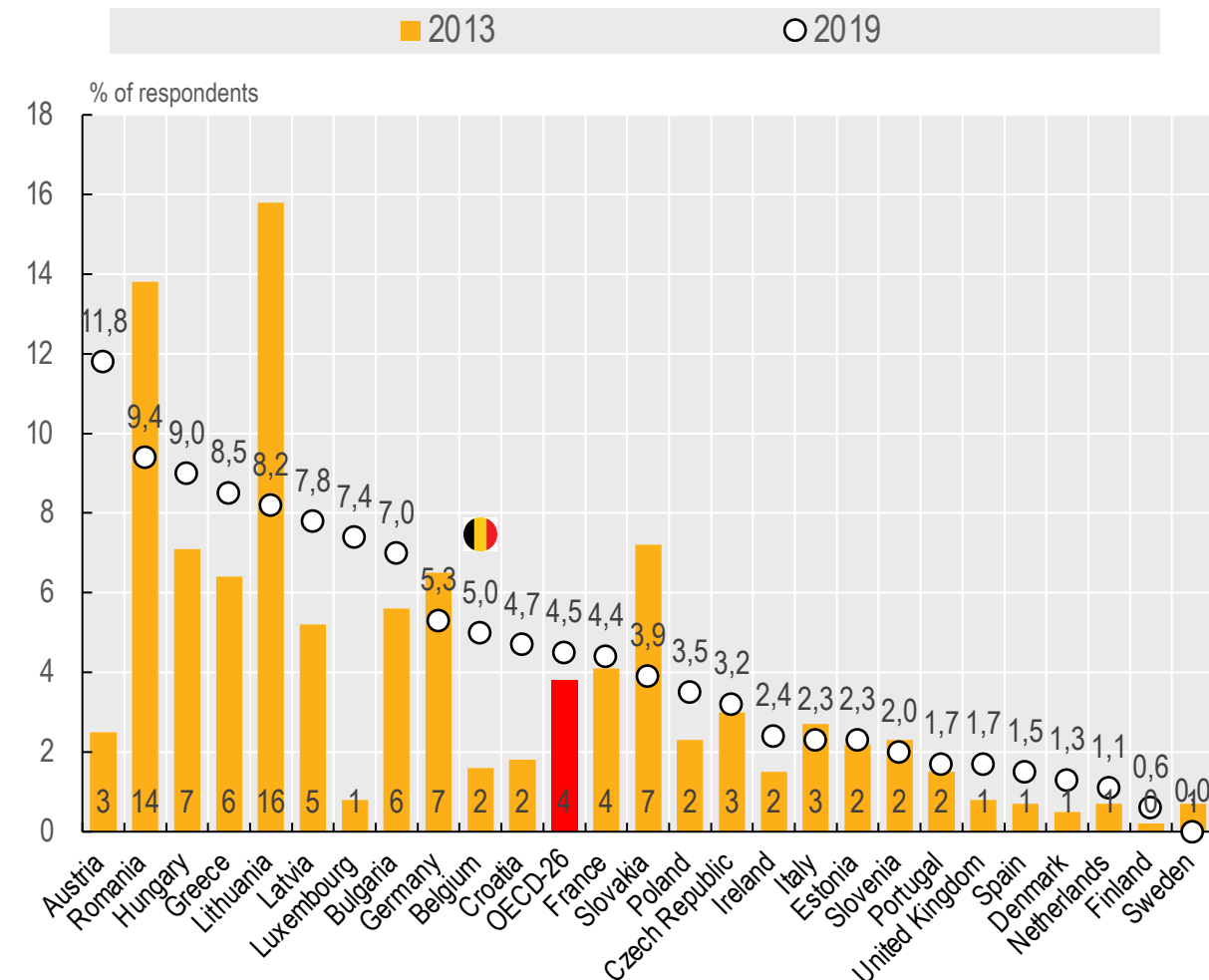


Fraud and corruption

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Respondents who reported having paid informally at least once to obtain public healthcare services in previous 12 months

Respondents who perceived corruption as widespread in their country's healthcare system

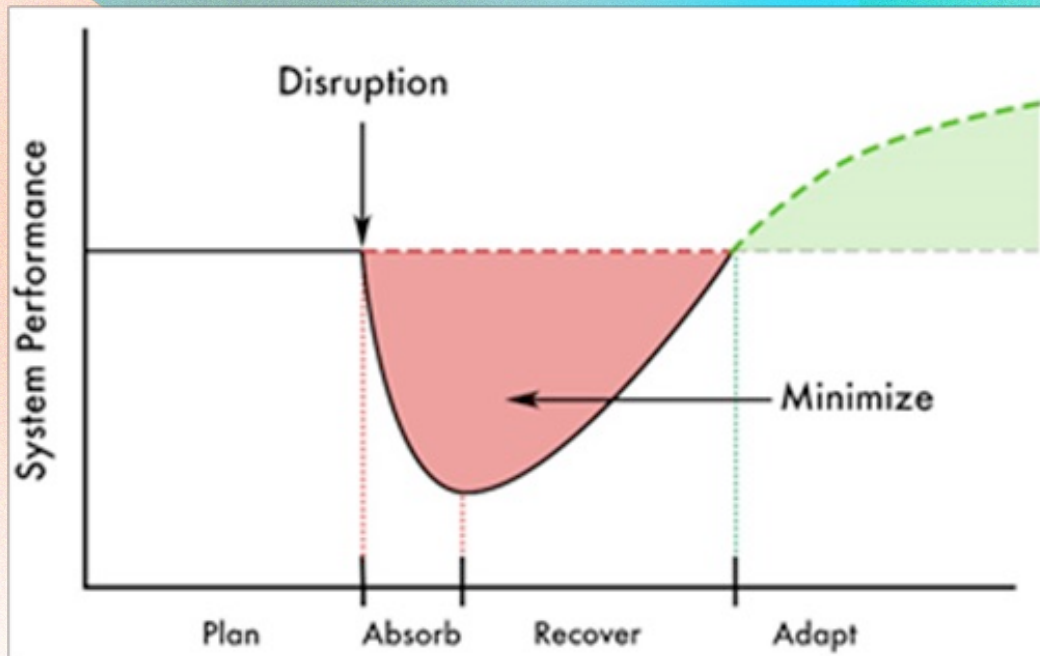


Source: "Corruption in health care systems: trends in informal payments across twenty-eight EU countries, 2013–19", by G. Dalleria, R. Palladino, and F. T. Filippidis, Health Affairs, 2022

A NOTE FROM COVID-19: BALANCING RESILIENCE AND EFFICIENCY

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The disruption cycle: the four stages of a response



Source: OECD (2020) A systemic resilience approach to dealing with COVID-19 and future shocks.



<https://www.nytimes.com/2022/09/13/business/hospitals-pandemic-flexible-space.html>

FIND OUT MORE: OECD PUBLICATIONS

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COMING SOON -
2022 EDITION

<https://www.oecd.org/health/>

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