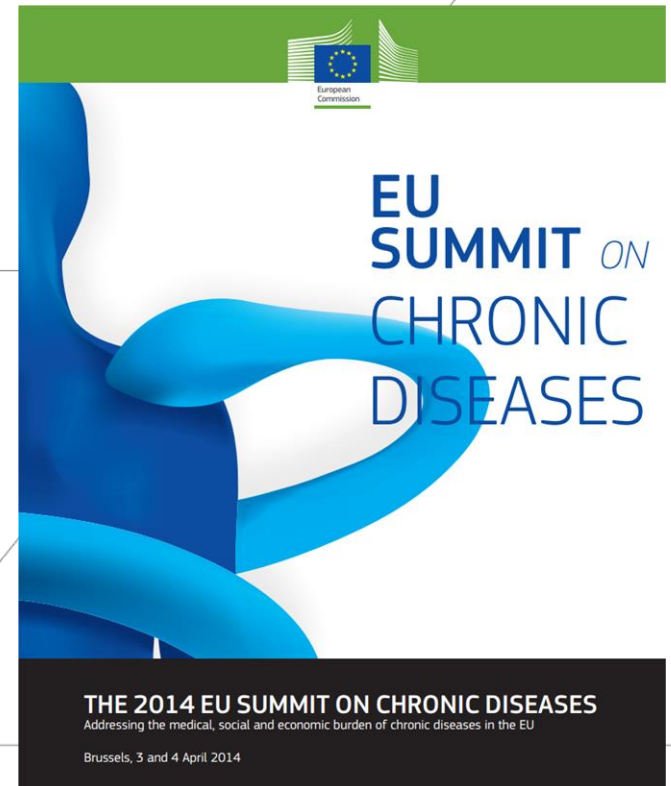




Effective spending to reduce the burden of chronic diseases: the pressure on health and social systems



Siniša Varga

Director of Croatian Health Insurance Fund

AIM Chairman of Disease Management & eHealth Workgroup



“Our Age of Anxiety is, in great part, the result of trying to do today's job with yesterday's tools and yesterday's concepts.”

Marshall McLuhan







World in figures



- World population:
>6,9 billion
- Chronic diseases account for up to 80% of THC budget
- Increasing number of chronic and long term patients
- Low birth rate, unhealthy lifestyle..
- 1.6 billion adults overweight
- 300 million people (4.3%) suffer from asthma
- 214,4 million people (3.1%) suffer from COPD
- 382 million adults (8.3%) have diabetes (2013)





Why are chronic diseases a big issue?

- Becoming a global **epidemic** issue
- Cause of **majority of deaths** worldwide for all ages are due to chronic diseases
- Impact of chronic diseases is **underestimated**
 - Especially diabetes (“the silent killer”)
- Under-appreciated cause of **hindered economy**
- First line of cuts in 2008-2012 **austerity measures** that will cause unnecessary costs in 10-15 years





To mention just the cost side

Annual costs of:

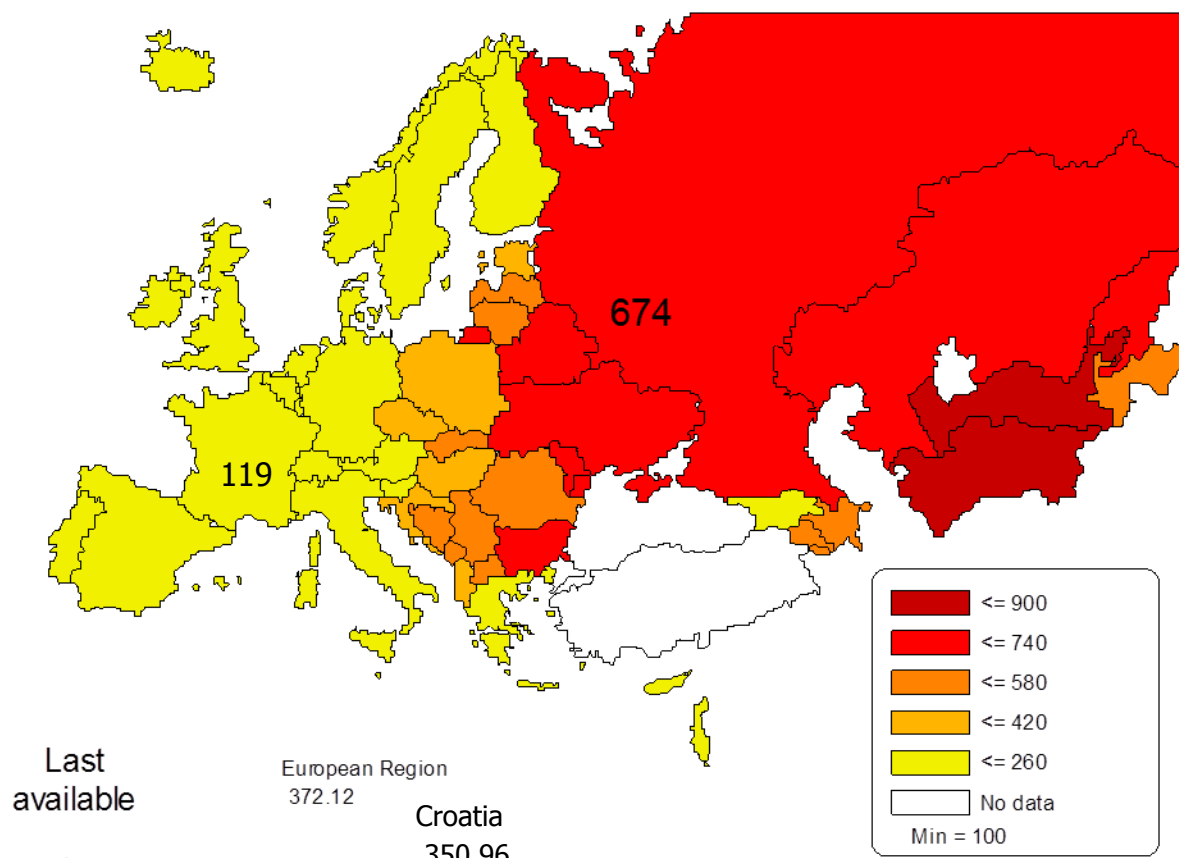
- ❑ CVDs: €169 billion in the EU
- ❑ Cancer: €117 billion in the EU
- ❑ Tobacco: €362 billion globally
- ❑ Alcohol: €125 billion in 2003 in the EU





Comparison of morbidity from CVD in Europe

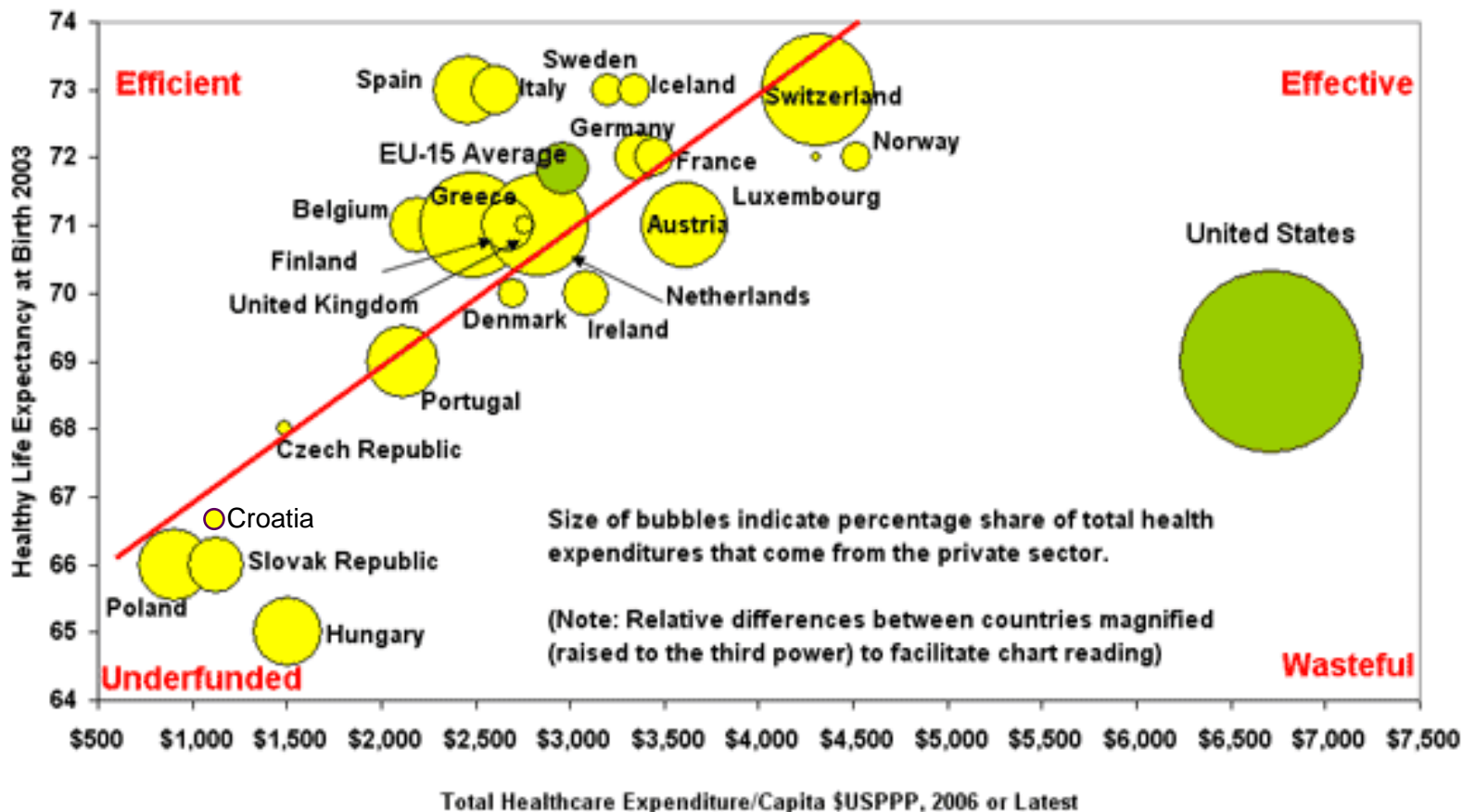
SDR, diseases of circulatory system, all ages per 100000



Source: WHO, Health for All, 2013



Figure 1: Healthy Life Expectancy Total Population and Total Healthcare Expenditure/capita, 2003/2006

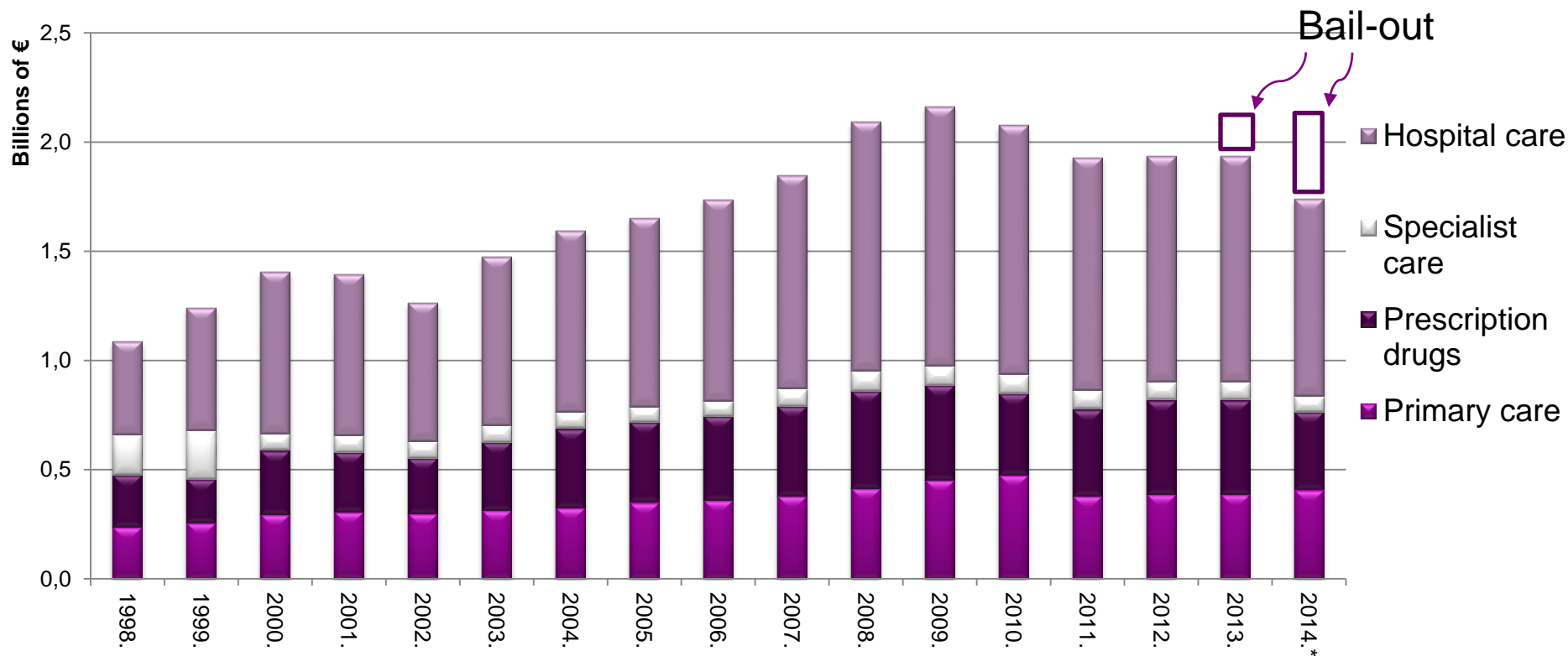


Source: OECD Health Database, June 2008 Version; WHO World Health Data 2008. EU-15 average is the GDP weighted average





Expenditure on health care from CHIF funds from 1998 until 2014

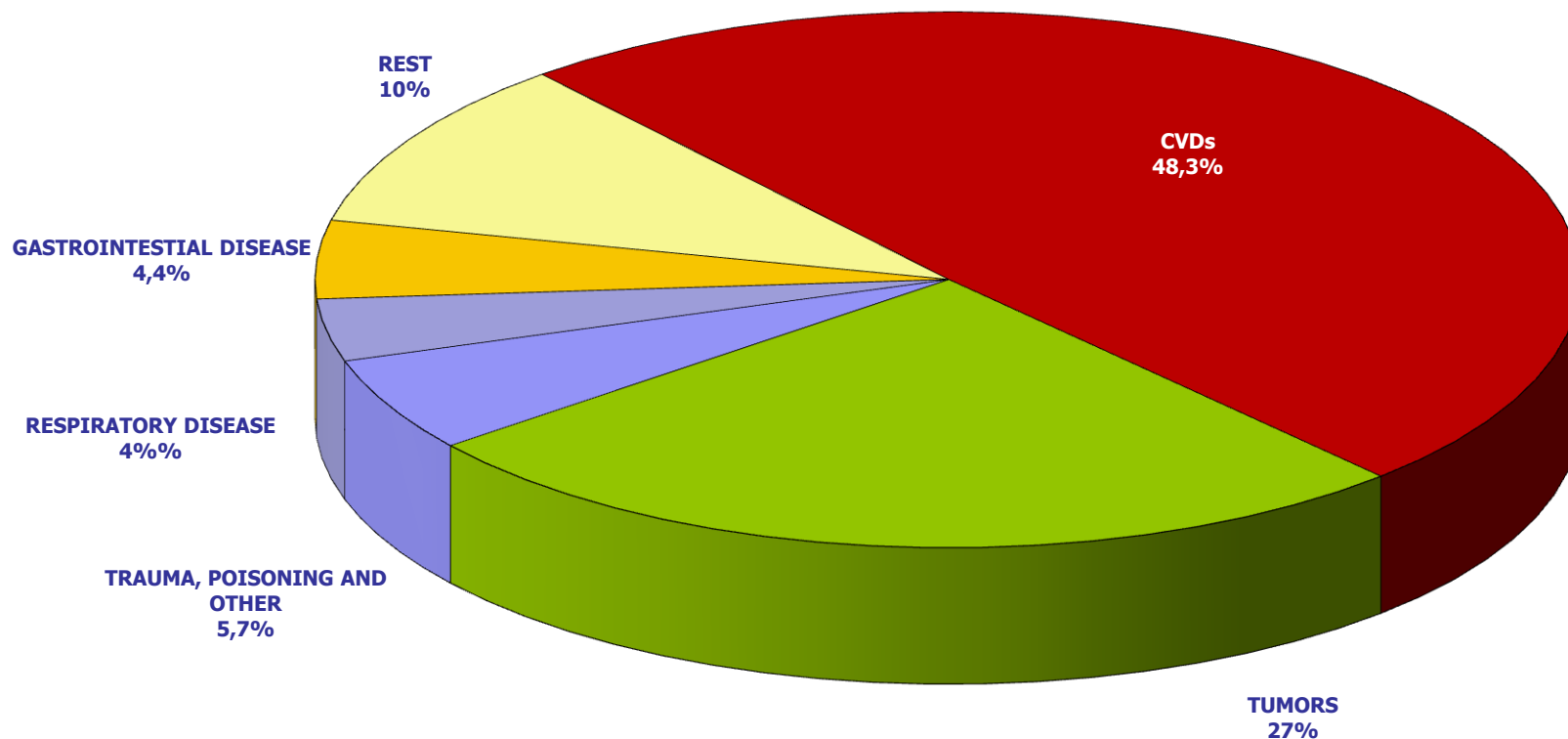


* 2014 – planned expenditure





Causes of death in Croatia in 2012...



Source: Croatian bureau of statistics

Data analyses: National Institute of Public Health





... in figures



- Population of Croatia: 4,284,889
- 20.37% (860,893 of 3,632,461) adults (15+) overweight
- Increasing number of chronic and long term patients
 - 4% (170,000) people suffering from asthma
 - 8,6% (366,500) people suffering from diabetes
 - 4% (170,000) people with COPD
 - 48.3% (24,988) deaths from cardiovascular diseases
- Steadily increasing elderly population (65+)
 - 2007 – 17% of Croatian population
 - 2025 – 25%
 - 2050 – 35%

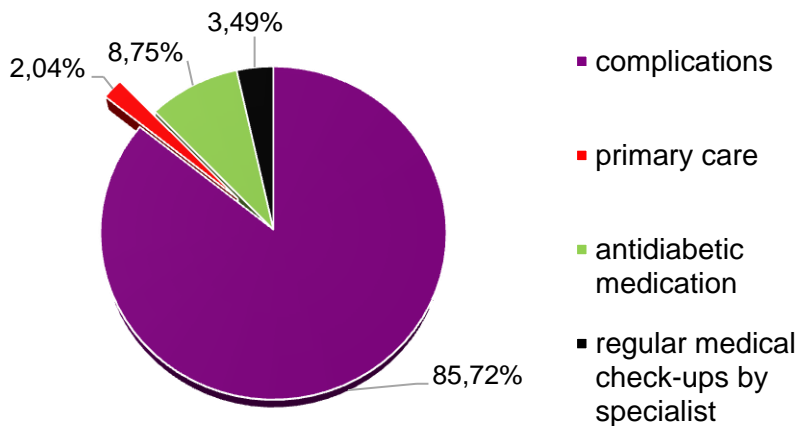




Distribution of healthcare costs for treatment of diabetes type 2

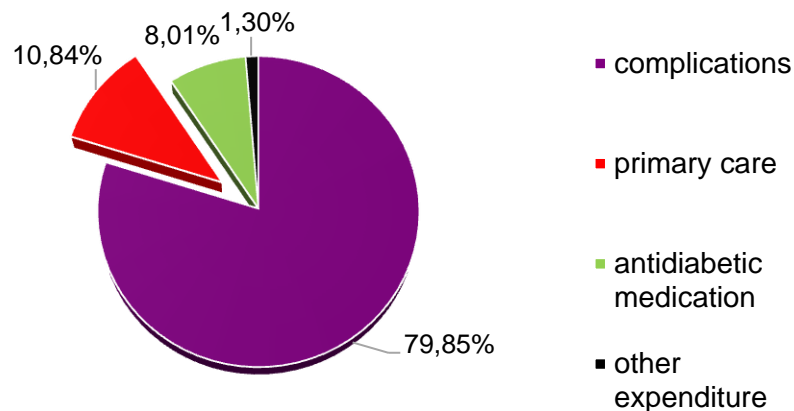
Croatia (2009)

Total: €349 mill



UK (2010)

Total: €10,1 bill



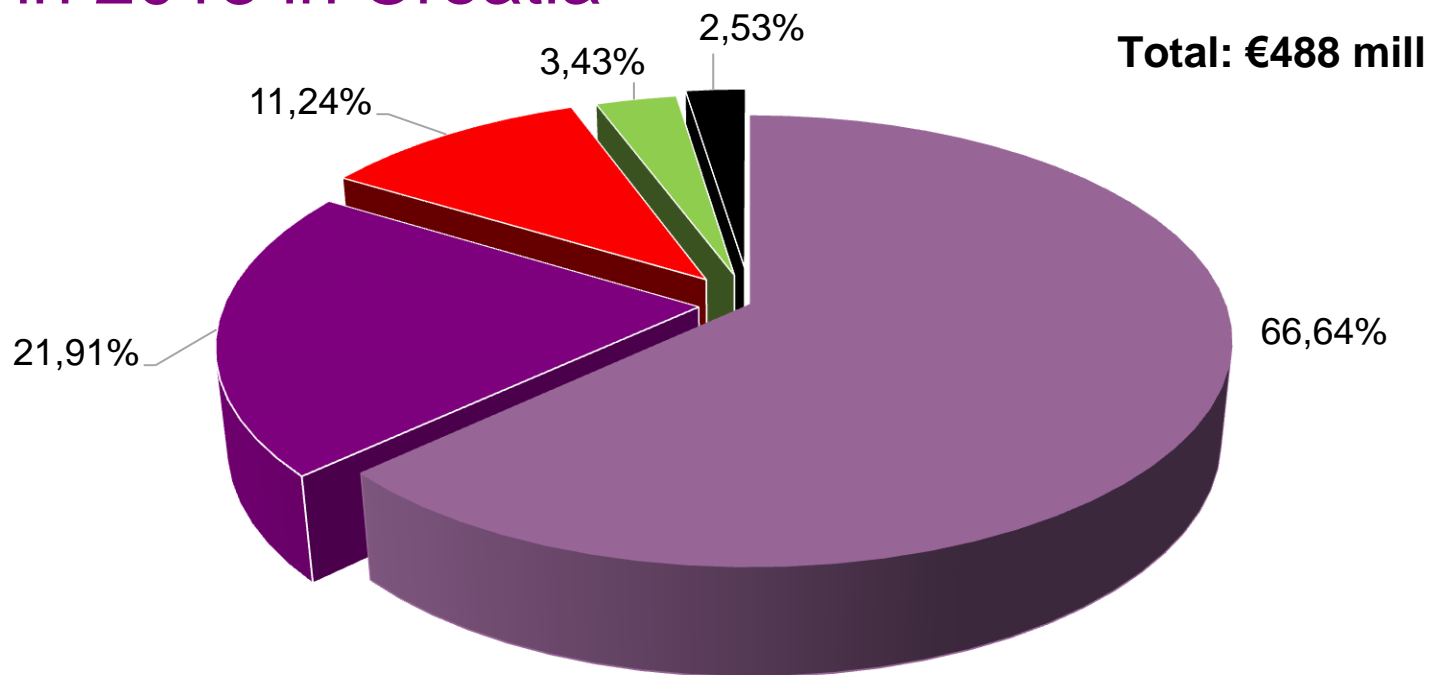
Source: Costs of diabetes treatment in Croatia, Study provided by Croatian Society for pharmacoconomics and health economics

Source: Estimating the current and future costs of Type 1 and Type 2 diabetes in the UK, DIABETICMedicine





Percentage of expenditure on chronic and other diseases in total expenditure on prescription drugs in 2013 in Croatia



■ Total other diseases (non-chronic) ■ Hypertension ■ Diabetes ■ Asthma ■ COPD





How can we improve the system?

- Get to know the **genesis of all costs** incurred by treatment of chronic diseases – prior to building a strategy
- Better **prevention** (through patient panels) leads to better cost management
- **P4P reimbursement model** with KPI and QI implementation for benchmarking





How can we improve the system?

- Monitor trends in chronic diseases in other countries; **knowledge exchange**
 - Through active engagement in AIM disease management working group
 - Through active engagement in ESIP workshops on chronic diseases
- Engaging patients into **disease self-management** through education



New tool - Chronic disease patient panels



Dosadašnja stanja
Datum: 24.09.2013

TEŽINA, VISINA
Visina:
Težina:

TLAK
Sistolički:
Dijastolički:

GUK - HbA1c - 24h MI
GUK: 9,20
HbA1c:
24h Mikroalb.:

LIPIDOGRAM
UK. kolesterol: 4,70
HDL kolesterol: 1,60
LDL kolesterol: 2,20
Trigliceridi: 1,90
Kreatinin: 98,00

KLINIČKI PREGLED S
 Znakovi dijabetičkog
 Amputacija udova diab.

NALAZ OČNOG FUND
 nije obavljen
 nema znakova dij.
 blaga dijabetička n.
 srednje teška dijat
 vrlo teška dijabetič

Mjerenja | **Laboratorijski nalazi**

Panel: HIPERTENZIJA
MKB-10: Datum: 24.09.2013
Napomena:

TEŽINA, VISINA, OPSEG STRUKA, BOKOV.
Visina: 165,0
Težina: 64,60
Opseg struka:
Opseg bokova:

TLAK
Sistolički: 130,0
Dijastolički: 80,00

PUŠENJE
 Nepušač
 Bivši pušač
 Pušač - cigareta
 - lule
 - cigara
 Izvršeno savjetovanje

GUK
Dokazana šećerna bolest DA NE

LIPIDOGRAM
UK. kolesterol:
HDL kolesterol:
LDL kolesterol:
Trigliceridi:

Panel: KOPB
MKB-10: Datum: 24.09.2013

PUŠENJE
 Nepušač
 Bivši pušač
 Pušač - cigareta
 - lule
 - cigara
 Izvršeno savjetovanje

SPIROMETRIJA
FVC:
FEV1:
FEV1 / FVC: -

Broj akutnih egzacerbacija uz antibiotsku terapiju, u tekućoj godini:
Broj hospitalizacija u tekućoj godini:
Cijepljen protiv gripe DA NE Letak





10 policy changes to be addressed

1. **Macro-type controls** on resources and budget (aggregate cost–containment measures – e.g. cap on total HC expenditure), to be associated to **micro-type incentives-based reforms**
2. **Limit demand** by reducing tax deductions and increasing cost-sharing, while addressing equity and access concerns
3. Improve **decision making**, management and **contracting** within the system
4. Improve **data collection** and use information to support performance
5. Reduce **unnecessary use of hospital care** while reorienting on improved primary health care services





10 policy changes to be addressed

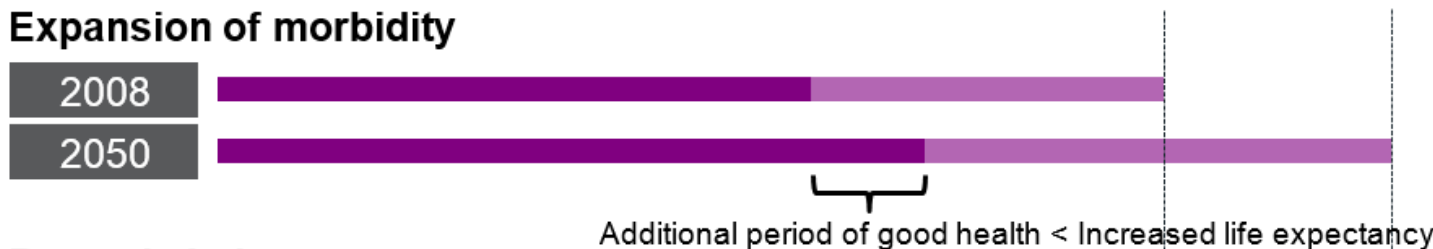
6. Cost-effective **use of medicines**
7. Enhance hospital's efficiency through increased use of **day surgery**
8. Ensuring balanced mix of **staff skills**
9. Use **health-technology assessment** to determine cost-effective treatment to be financed publicly
10. Promote more effective **health promotion and disease prevention** to improve overall health status



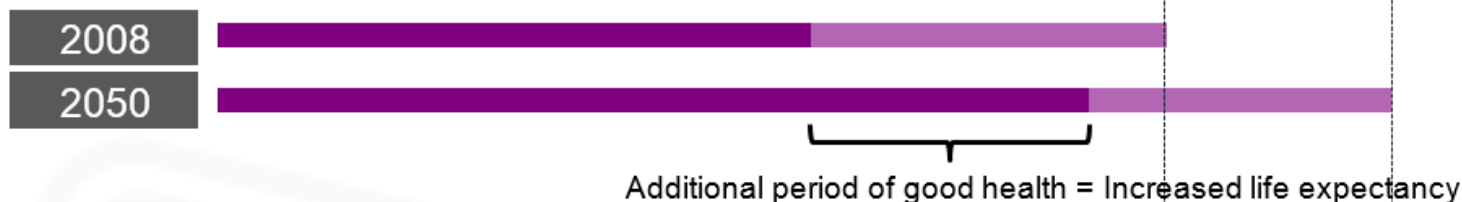


Expansion or compression of morbidity

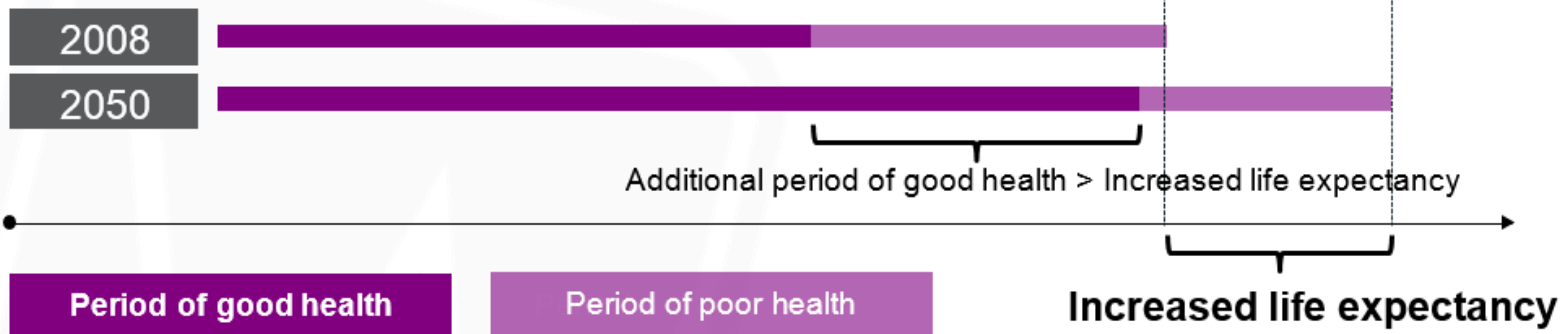
Expansion of morbidity



Dynamic balance



Compression of morbidity



Correlation (positive) between health and growth – three hypothesis to sum up the benefits



Healthy aging raises productivity



Healthy aging gives a demand side boost to GDP by growing private demand for non-reimbursable services



A healthy society saves money on treatment, rehabilitation, and nursing care (e.g. ambient assisted living)



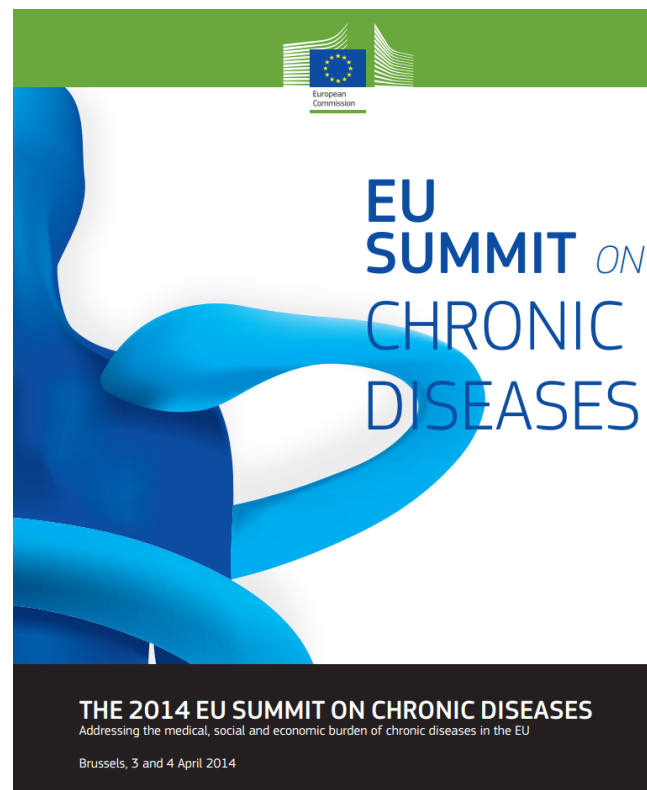


It is better to be healthy than ill or dead.
That is the beginning and end of the only
real argument for preventive medicine.
It is sufficient.

Geoffrey Rose

The Strategy of Preventive Medicine, 1992





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