Value-Based Payment Reform in Primary Health Care in Croatia

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Why Value-Based Healthcare (in PHC) Matters Today

- Health systems worldwide face three major challenges:
  - **Rising healthcare costs**
  - **Increasing burden of chronic diseases (NCDs)**
  - **Fragmented care delivery**
  - **Shortage of health professionals**
- Traditional payment systems reward: volume of services, number of visits, number of procedures, **not better health outcomes**.

Value-Based Healthcare shifts the focus from volume to value: Better patient outcomes for every euro spent.

Importance of Primary Health Care - focus on prevention, management of chronic diseases, care coordination, measurable outcomes - **long-term system sustainability.**

Croatia introduced value-based payment reform in PHC in 2013.

Croatian Health in a Nutshell

3.88M people

64 hospitals

2213 GPs

115 LABs

1250 Pharmacies

2000 Dental practises

1 state insurance (2400 employees)

1300 $ Per capita gov. health expenditure

390 doctors per 100.000 inhabitants

7.15% of GDP spent on Health

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Primary Healthcare in Croatia

- Andrija Štampar (1888–1958) - one of the founders of WHO, introducing PHC principles in Croatia
- 1960. first specialization in family medicine in the world
- „Free" entrance to health care system (co-payment in PHC 1,3 EUR)
- Four main specialities in PHC: General Practice / Family care, Paediatrics, Gynecology, Dental care
- Health care center (45%) / private practices (55%)
- 10% of all PHC doctors has special standard (contract) due to rural parts/islands
- Concept of „chosen" doctor, 1700 patients GP
- Referral to other (higher) levels of care, prescription only from PHC, gatekeeping role

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Review of the financing model through time (GP)

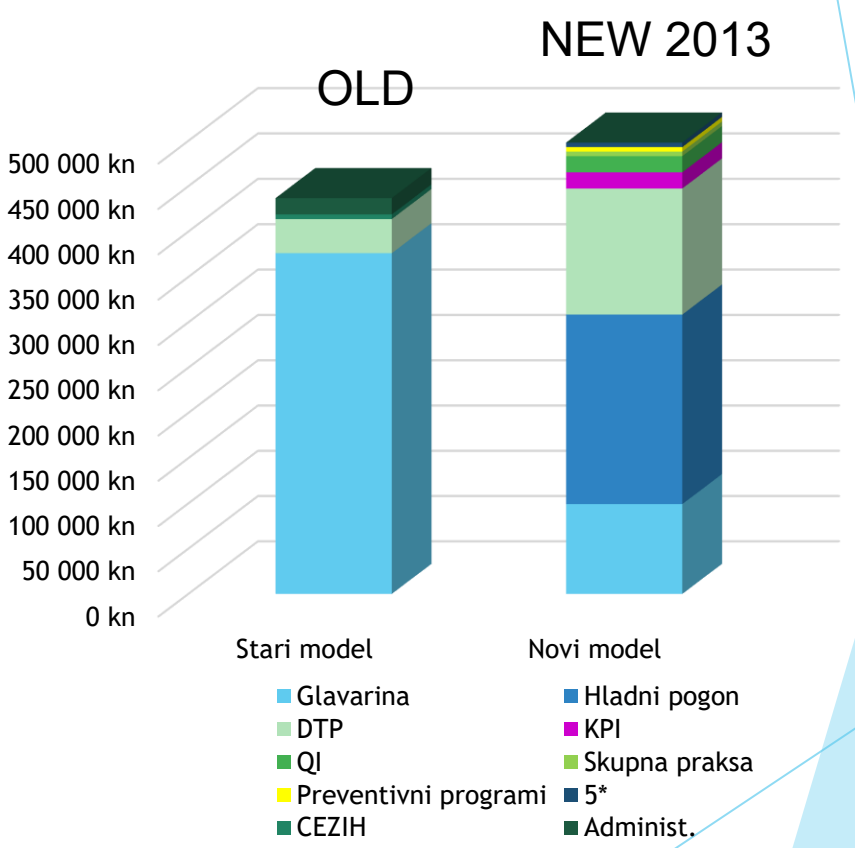
FIRST MODEL in 1997:
- **100% capitation teritorialy**

SECOND MODEL 1998:
- **100% capitation list**

THIRD MODEL 2008:
- **90% capitation list per ages**
- **9% diagnostic therapeutic procedures (15)**
- **1% administration and eHealth**

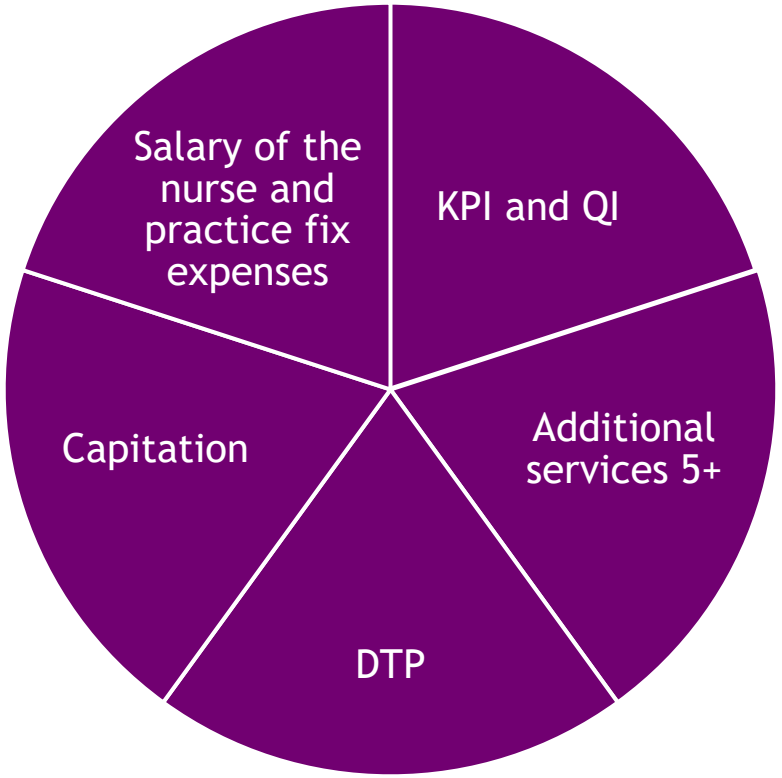
NEW MODEL 2013

+ NEW MODEL OF REFFERING!!!
- keeps patient with NCD on primary level



Health care contracting and payment – 2013

Primary Health Care: General/Family Medicine, gynecology, pediatrics, dental care



- Fixed part of income
  - Salary of the Nurse and Operating costs
  - Capitation (age-based)
- Variable part of income
  - Diagnostic -Therapeutic procedures (DTP – Preventive and Curative) - 200
  - Incentive part: Key Performance Indicators (KPI) Quality Indicators (QI)
  - Additional possibilities: 5+
    - Prevention
    - Group Practice
    - 5 Star Practice (5*)

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KPI & QI (GP)

KPI

- Prescribing prescription drugs
- Sick leave rate
- Referral to laboratory
- Referral to hospital

QI

- Clinical indicators
- Specific areas (hipertension, diabetes, COPD)
- Organizational indicators / education
- Peer groups
- Antibiotics use

Health care contracting and payment

Primary Health Care: General/Family Medicine, gynecology, pediatrics, dental care

Additional possibilities :

- Preventive programs
- Group Practice
- 5 stars Practice (5*)

→ every element generates revenues in the amount of **5%** of the amount of capitation

Patient and family counseling

E-referral

Specialist appointment- e-ordering

Sampling for primary laboratory (GP, PED, GIN)

Dental health care for persons with disability (DENT)

Time reserved for phone consultations (GP)

Sampling for microbiology (GIN)

Emergency calls (PED, DENT)

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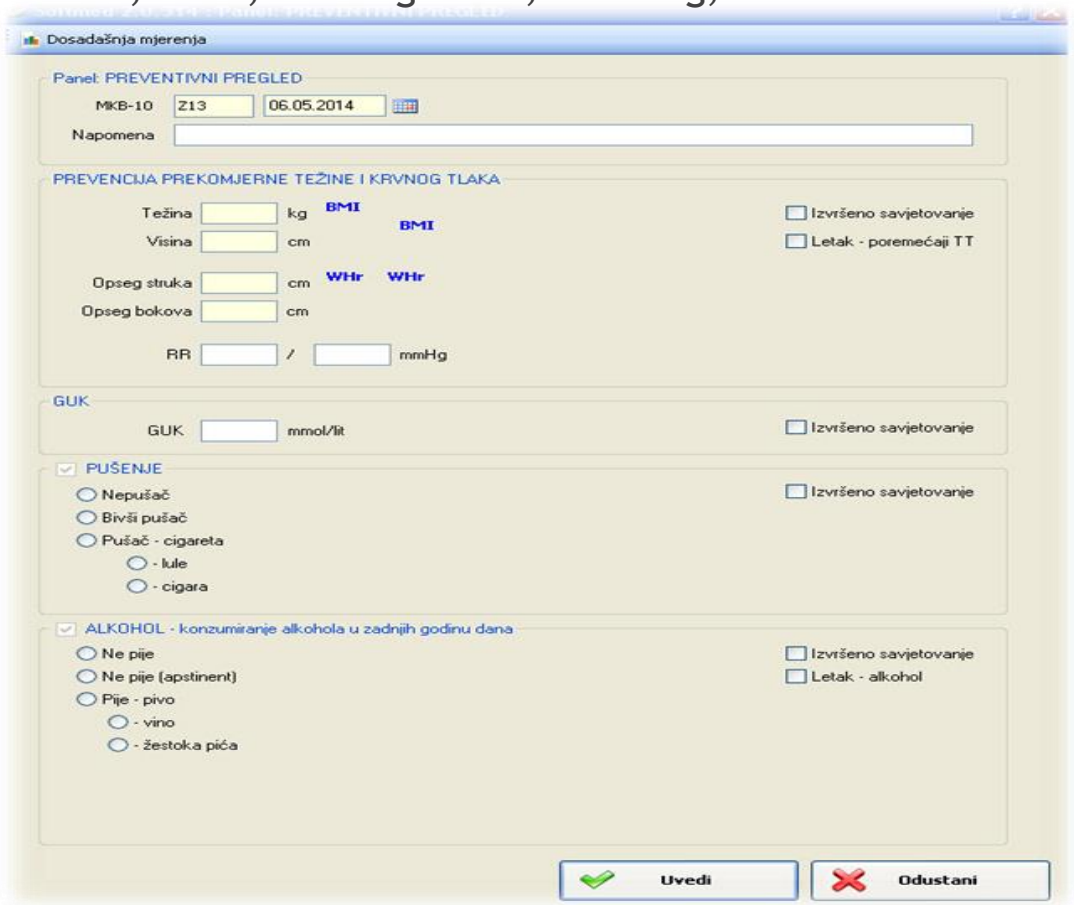
Group practice (GP)

- Monovalent and polyvalent group practice
- 3-24 affiliated doctors (GPs, pediatricians and gynecologists)
- Working in group two or more doctors at the same location
- Practices can not be at a road distant more than 5 km from each other (exceptionally 10 km in rural areas)
- Peer groups to renew licences
- Communicating!!!

Innovation for NCD management and prevention

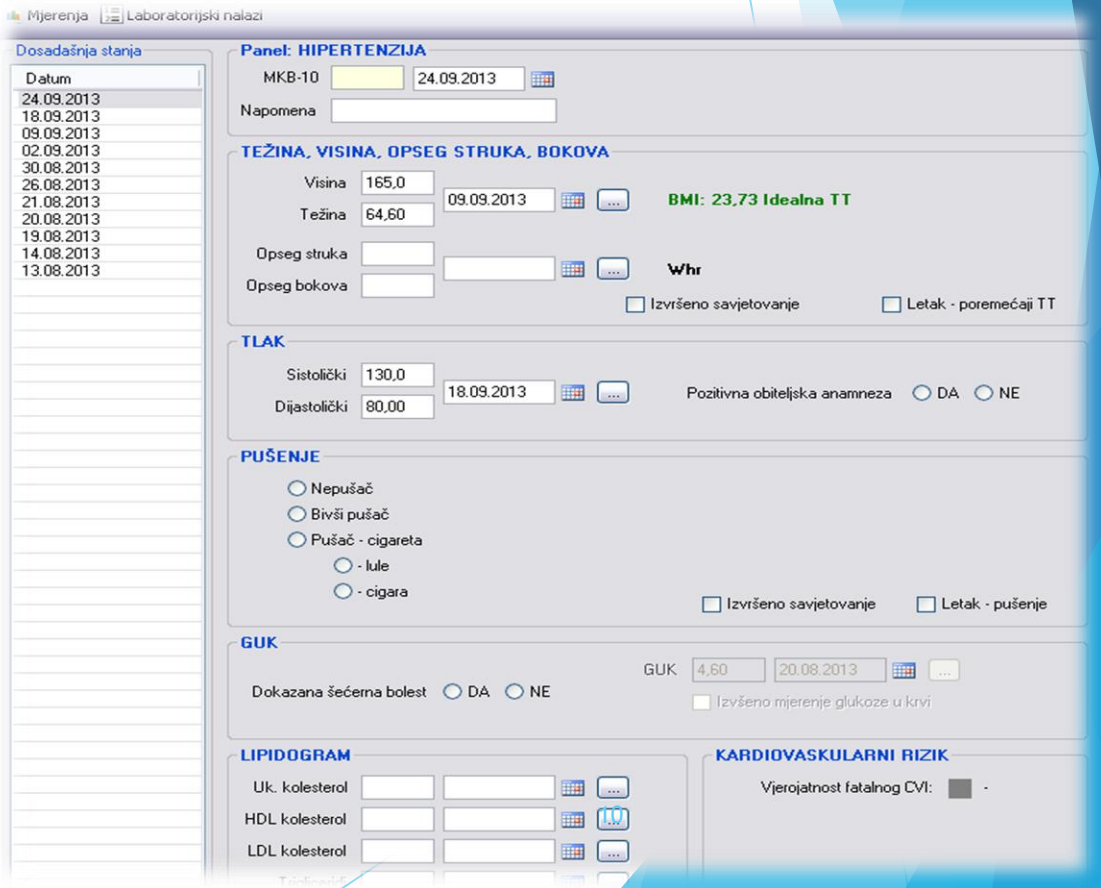
Prevention panel

BMI, WHR, blood gucose; smoking, alcohol

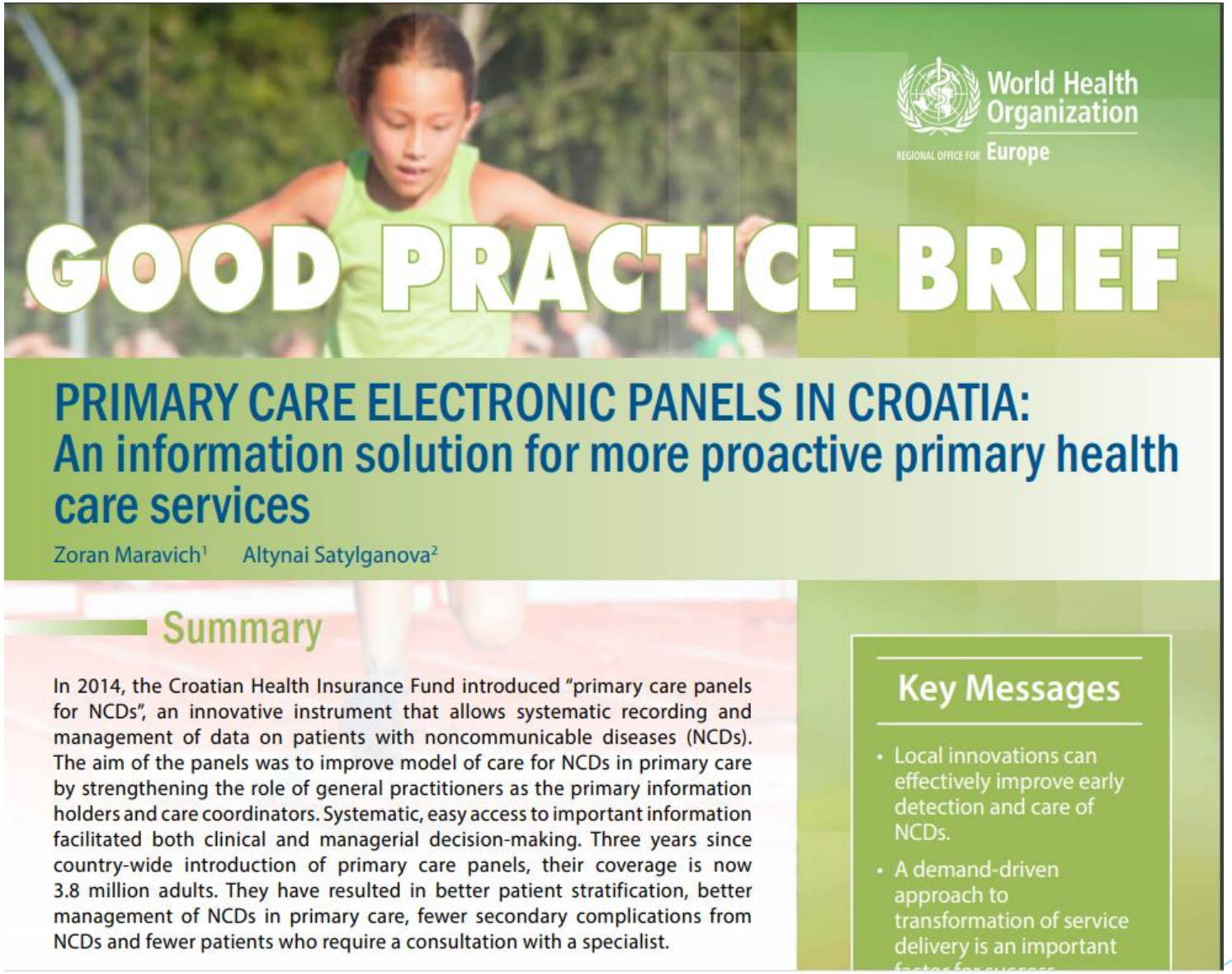


Panel for chronic diseases

Hypertension, diabetes, COPD



Panels



The panels represent an easy-to-access, uniform, systematized tool FOR PHYSICIANS for recording relevant patient data through visits to a doctor and/or nurse aimed at preventive and curative action.

https://www.euro.who.int/__data/assets/pdf_file/0009/359766/HSS-NCDs_Policy-brief_CRO_eng.pdf

Results in 6 months

- DTP execution 96% - 104,650,737 procedures
- Reduced sick leave rate from 3.11 to 2.85
- 20% reduced referral to the PZZ laboratory
- An decrease in the volume of antibiotic prescriptions/8% decrease in boxes and 23% financial
- 2213 doctors united in 718 group practices
- More than 776,319 preventive examinations per year - 40 TIMES more than before
- More than 515,712 extended consultations with chronic patients (250,000 completed panels for chronic patients - hypertension, diabetes, COPD)
- Almost 90% practices offering 5*
- Reduced influence of the pharmaceutical industry by gaining points through peer groups
- WHO positively evaluated new model of financing primary healthcare in Croatia (panels declared innovation)
- All health care centers are financially positive

Key Lessons from Croatia's Reform

- The Croatian PHC financing reform demonstrates that **value-based payment can work in practice.**
- Key results show:
  - stronger focus on **prevention and chronic disease management**
  - improved **efficiency of referrals, prescribing and diagnostics (keeping patient on PHC level)**
  - enhanced **collaboration through group practices**
  - measurable improvements in **service delivery and patient monitoring**
- Most importantly: **Primary Health Care became more proactive, coordinated, and outcome-oriented.**
- The experience shows that **aligning incentives with value can strengthen PHC and improve system sustainability.**
- **Slovakia already have the data!**

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Thank you for your attention

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