AIHW developing performance indicators for the new health care agreements

At the request of all nine health ministers (Commonwealth, states and territories), a team of Institute staff is busy researching and consulting on the development of performance indicators for the next round of Australian Health Care Agreements.

AIHW Director Penny Allbon outlined the Institute's task as 'developing a set of indicators that get to the heart of how Australians think their health and aged care system should be judged'.

The new health care agreements are moving beyond their previous focus on public hospitals to cover the whole health and aged care system, including public health, primary and community health, and long-term care. The indicator suite that the AIHW recommends to ministers must therefore be broad in scope, suitable for public reporting, relate to accountabilities and responsibilities of different levels of government, and reflect the aspirations and goals of the health system, as well as specific priority reform areas. Candidate indicators are assessed against a number of criteria, including that they are amenable to action, are important to the public and policy makers, are unlikely to encourage perverse incentives, and relate to a clear direction for reform.

A number of related strands of work on health and aged care sector goals and performance and the new health care agreements are also currently in full swing. For example, the Australian Government has established the National Health and Hospitals Reform Commission, which has been asked to provide advice on performance benchmarks and practical reforms to the Australian health system. One of its terms of reference is: 'By April 2008, the Commission will provide advice on the framework for the next Australian Health Care Agreements (AHCAs), including robust performance benchmarks in areas such as (but not restricted to) elective surgery, aged and transition care, and quality of care.'

The AIHW and the Health Reform Commission have been communicating regularly to ensure that these exercises inform each other.

The Institute project team of Jenny Hargreaves, John Goss, Louise York and Louise O'Rance has assessed hundreds of potential indicators and consulted with representatives from a wide range of stakeholders. Further consultation, including with Commonwealth, and state and territory governments, is underway.

Ms Hargreaves commented: 'The project is providing a terrific opportunity for us to talk to a wide range of stakeholders about what aspects of the health and aged care system are important to them. Their inputs are invaluable for our work to develop the indicator set and will also help to shape other work developing and reporting health sector information.'

'It has been fantastic working on a project so integral to health system reform', enthused Louise O'Rance, reaching for (yet another) coffee.

Consultations so far have highlighted the great interest that many sectors of the health and aged care system have in developing and using comparable, meaningful performance indicators. A number of stakeholders are already engaged in developing and considering indicators relevant to their particular place in the system.

The project team is not restricting the selection of indicators to existing indicators or those that relate to an existing data source. In fact, sometimes the data to measure potential indicators are 'aspirational', or simply non-existent. This is one of the most challenging aspects of the task.