



Media Release



26 June 2014

Building upon a shared commitment to quality healthcare

Healthscope and Bupa have built upon their shared commitment to further improve quality in the private healthcare sector with the launch of the Pay for Quality initiative.

Shifting focus from cost to value-for-money, Pay for Quality provides a funding platform whereby Bupa rewards Healthscope for providing better healthcare outcomes in clinical quality and safety.

Robert Cooke, Healthscope Managing Director and Executive Chairman said: "Whilst patients have always experienced high quality hospital care in the private sector, the Pay for Quality initiative sets the benchmark for the delivery of healthcare services for the future."

Dwayne Crombie, Managing Director, Bupa Health Insurance explains: "We have a responsibility to be unrelenting in pursuing value for our members and this landmark agreement highlights the importance of the sector working in partnership to create a sustainable system focussed on better outcomes for patients."

The foundation of the initiative is based on two critical elements 'payment for participation' and 'payment for performance'.

'Payment for participation' links funding to Healthscope's participation in key benchmarking activities, clinical quality registries and clinical indicators, such as returns to theatre, instances of staph infections and inpatient falls.

'Payment for performance' links funding incentives and/or disincentives for a certain level of safety and quality processes and outcomes.

At the centre of Pay for Quality is the delivery of certainty in respect of quality healthcare to the 150,000 Bupa members treated at a Healthscope hospital every year.

"As part of the initiative, special projects will also be established that include working to improve the hospital experience of Bupa members by focussing on facilitating better discharge planning which assists in improving patient outcomes and reducing the complications of a hospital stay as well as helping patients make informed decisions about their health," said Dwayne Crombie.

Healthscope and Bupa agree that due to the complexity of healthcare delivery a multifaceted approach to measuring and reporting of the quality and safety elements is key to ensuring the success of the Pay for Quality initiative.

"Reporting will play a big part in this initiative as we will use our findings on participation and performance to drive quality and safety which will ultimately impact patient outcomes – which is the ultimate objective for both Bupa and Healthscope," said Dwayne Crombie.

"Transparency in public reporting has been a main focus for Healthscope since the launch of the MyHealthscope website in 2011. We stand behind our quality healthcare service and the Pay for Quality initiative is allowing us to ensure that payment is made only for the provision of high quality healthcare – the way it should be," said Robert Cooke.

The Pay for Quality initiative is effective from the 26 June 2014.



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Background

This initiative follows Bupa and Healthscope's industry leading Never Event initiative launched in 2013, where Healthscope agreed to forego payment for 14 defined Never Events and disseminate the shared learning's to all Healthscope hospitals as well as Bupa - a level of transparency unmatched in Australia's private health industry.

Other current Bupa and Healthscope partnership initiatives also aimed at improving quality and affordability for Bupa members include:

- Bulk billing for GP visits at selected Healthscope Medical Centres
- 50% reduction to the out of pocket costs of a Health Check at selected Healthscope Medical Centres
- 50% reduction in the out of pocket costs for skin checks at selected Healthscope/Molescan Skin Cancer Clinics
- Bupa Home Support Program – telephonic health coaching program, assisting patients (and carers) after discharge from hospital who are at high risk of readmission.

- Ends -

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About Healthscope

Since its inception in 1985 Healthscope has grown to become Australia's largest provider of integrated healthcare. Healthscope plays a vital role in the health and wellbeing of Australians working cohesively within the medical community to offer innovative services. Healthscope provides private hospital, medical centre and pathology services in every state and territory of Australia. Healthscope also operates an expanding network of pathology services in New Zealand, Malaysia, Singapore and Vietnam.

About Bupa Australia and New Zealand

Bupa Australia and New Zealand's purpose is to help people live longer, healthier, happier lives. It provides health insurance, aged care and related services and complementary healthcare services through Bupa Health Dialog, Bupa Wellness and Bupa Optical. Bupa focuses on providing sustainable healthcare solutions that represent real value, and on leading the industry in the promotion of preventive health and wellness. Bupa's Australian and New Zealand businesses are part of the international Bupa Group, which cares for more than 14 million people in over 190 countries.