

Improving focus on quality healthcare outcomes

Healthscope and Bupa today announced a landmark agreement that sets a new quality benchmark between a private healthcare provider and health insurer.

While the majority of patients within the Australian healthcare system experience excellent health outcomes, there are rare occasions when clearly identifiable and preventable errors occur. These incidents, known as 'Never Events', should never happen.

Healthscope has agreed to forgo payment, from Monday 21 October, if a Bupa member experiences one of 14 defined Never Events in a Healthscope hospital – such as a patient being given the wrong blood for a transfusion, or a medication error resulting in serious disability.

Healthscope Managing Director and Executive Chairman, Robert Cooke, said: "We are confident in our quality health offering and ultimately would like to drive systematic payment for quality outcomes. Never Events are essentially the reverse of being paid for quality.

"If a Never Event occurs in a Healthscope hospital, and it is due to hospital error, then we do not expect to receive payment from Bupa. We are prepared to stand by our commitment to quality and safety; it's the right thing to do.

"We were the first private hospital group to publicly report on quality outcomes and we're proud to be the first Australian private hospital group to develop a link between funding and quality.

"There is currently no industry-wide agreement on what should happen in the rare instance when a Never Event occurs. We hope that this agreement will drive change and set a precedent for the consistent provision of quality healthcare."

Bupa Chief Medical Officer, Paul Bates, said Australian healthcare is among the best in the world, but even one Never Event is too many.

"Quality and safety is the cornerstone of what every member – and patients in general – should be able to expect and we believe this initiative sends the right message to our customers and the community," Dr. Bates said.

"This shared commitment to quality leads the industry in terms of improving hospital outcomes for patients, which is something the industry has grappled with for many years.

"We're extremely proud to partner with Healthscope to put customers and quality at the forefront of everything we do."

Never Events affect a small but significant number of patients treated in hospitals. For example, in a comparable scheme in the US (the Medicare Never Events scheme) 0.6 per cent of all hospital patients are affected by Never Events (as defined in that Scheme). The consequences are avoidable harm and suffering for patients and wasted health care resources.

In a recent study it was found that the cost of medical errors in Australia was estimated at more than \$2.2 billion per year¹, with the Quality in Australian Health Care Study finding that about half of mistakes made were potentially preventable¹.

"We see the Never Events agreements as a natural extension of the *MyHealthscope* initiative. Our quality healthcare message is fully supported by our transparent reporting. This level of accountability is unmatched in Australia's public and private hospitals," Cooke said.

As part of the agreement, Bupa will contribute to a Healthscope quality initiative that focuses on education and training, including the review of Never Events, writing case studies and disseminating shared learning across Healthscope to further increase the quality of its healthcare services.



Media Release



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Background

About Never Events

Never Events are a specific set of adverse events considered to be serious. The US National Quality Forum defines Never Events as: "Errors in medical care that are clearly identifiable, preventable and serious in their consequences for patients."

Investigation of Never Events allows health services to identify risks and develop ways to reduce or remove the risk where possible.

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.

i Smallwood, RA. The safety and quality of health care: from Council to Commission. Med J Aust 2006; 184: S30-S40.

ii Wilson RM, Runciman WB, Gibberd RW, et al. The Quality in Australian Health Care Study. Med J Aust 1995; 163: 458-471.