

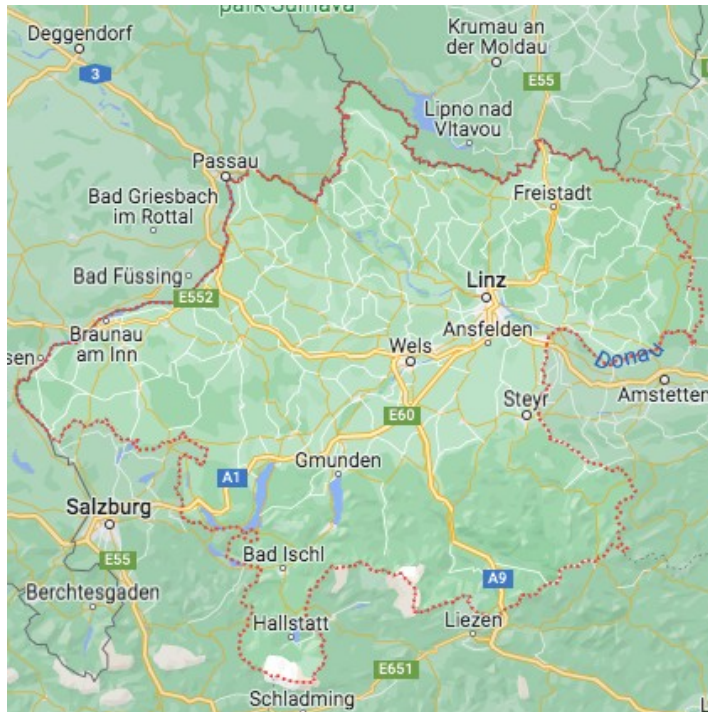
Reform of Hospital Funding

11. Congress of the EURORAI

October 20th 2022



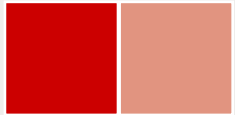
Federate State of Upper Austria



Quelle: google maps

- Inhabitants: 1,50 Mio.
- Area: 12.000 km²
- District Comissions: 18
- Municipalities: 438
- GRP: 65 Mrd. € (2020)
- State Budget:
 - Cash inflow: 6,7 Mrd. €
 - Cash outflow: 6,8 Mrd. €
- LRH-OÖ: 27 staff
23 auditors



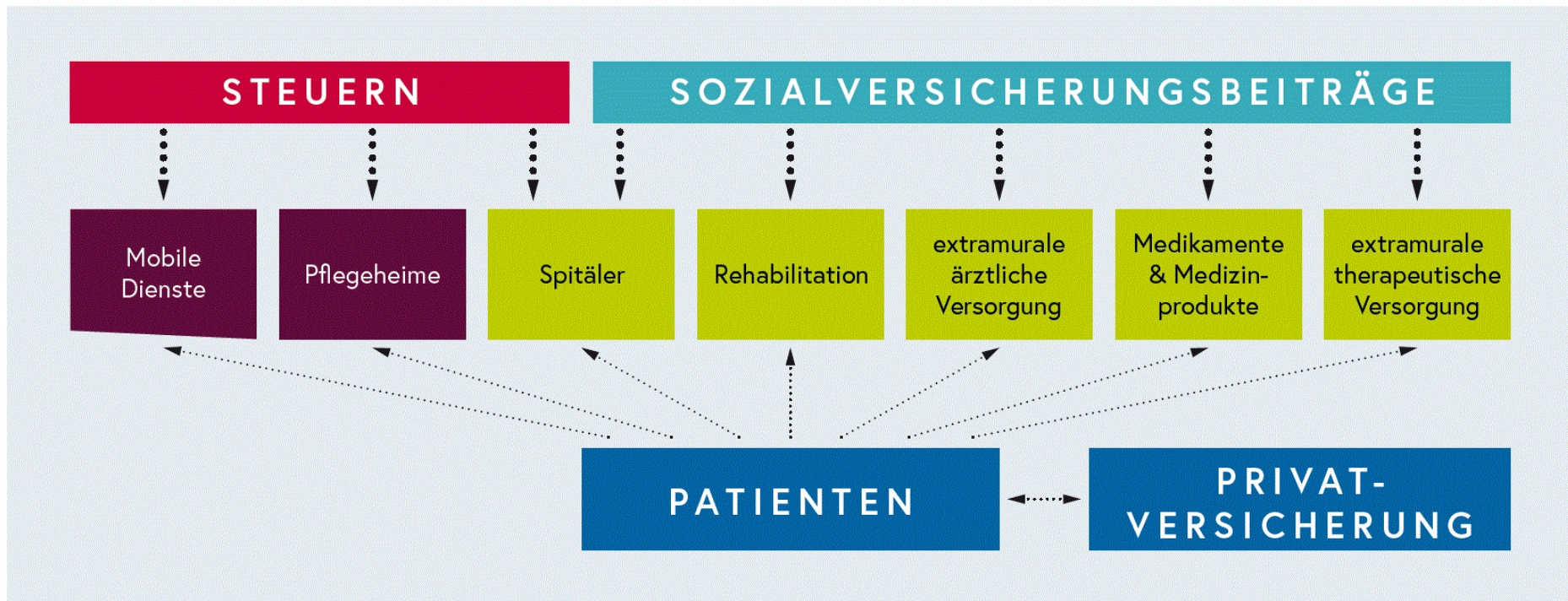


Agenda

- Funding flows in the Austrian health care system
- Primary health care in Upper Austria (UA)
- Hospital based secondary and tertiary health care in Upper Austria
 - Upper Austrian hospitals incl. legal framework
 - Hospital Reform – Goals and results achieved



Funding Flows



Quelle: BMSGPK

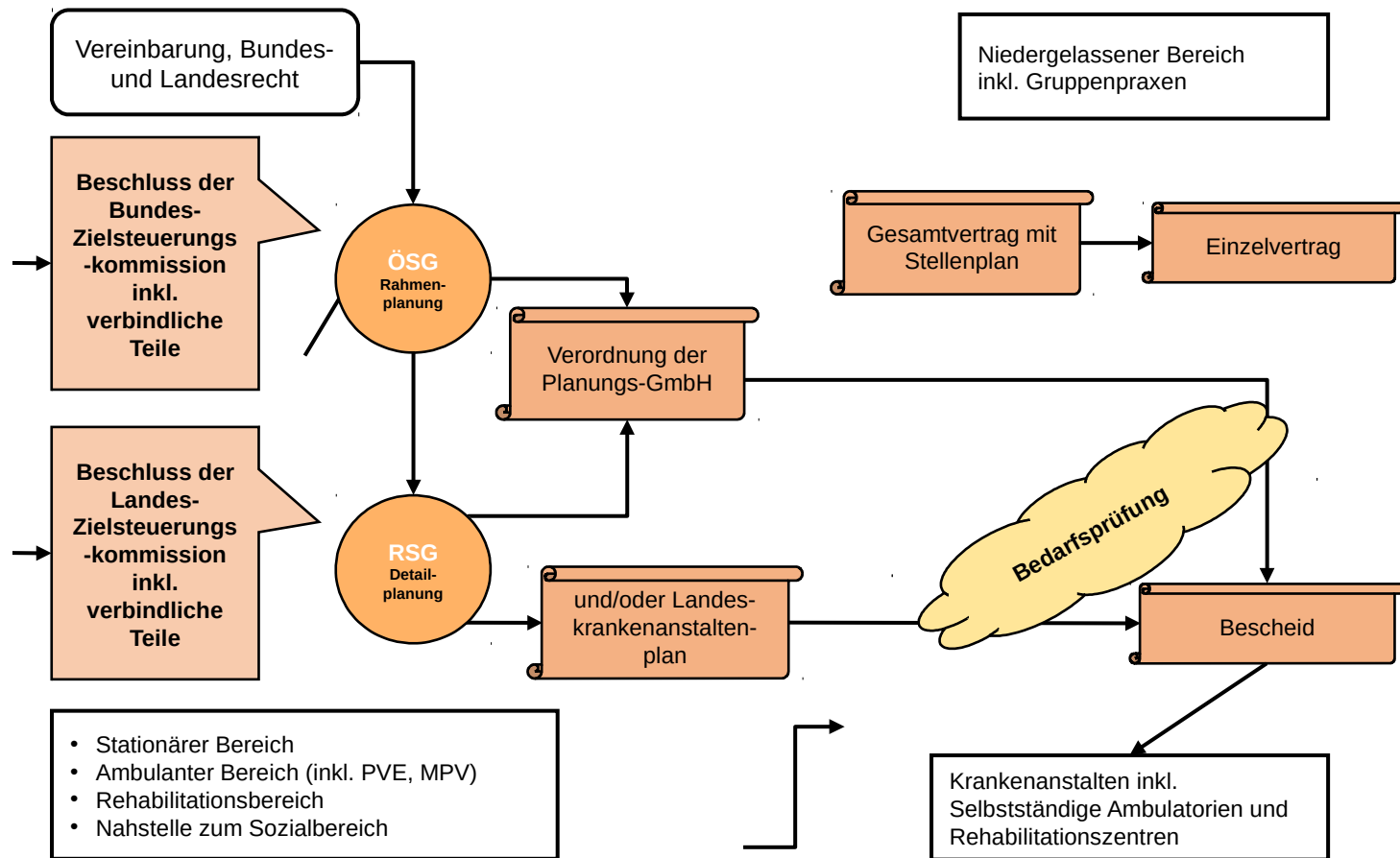


Primary Health Care

- Funded via social security contributions
- Supply density of contract physicians 2020 in UA – 70,4 contract physician per 100.000 inhabitants (Austrian average 77.2)
 - 1,500 physicians for general practice (780 contract physicians and 720 elective physician)
- 8 primary care units – target was 13 PCU by 2023; by 2025 a number of 25 PCUs is targeted
- Determination of contract physician positions (regional and quantitative) between the medical chamber and the social insurance
- Coordination of the State of Upper Austria with the Social Insurance, the Medical Chamber and the State Target Steering Commission

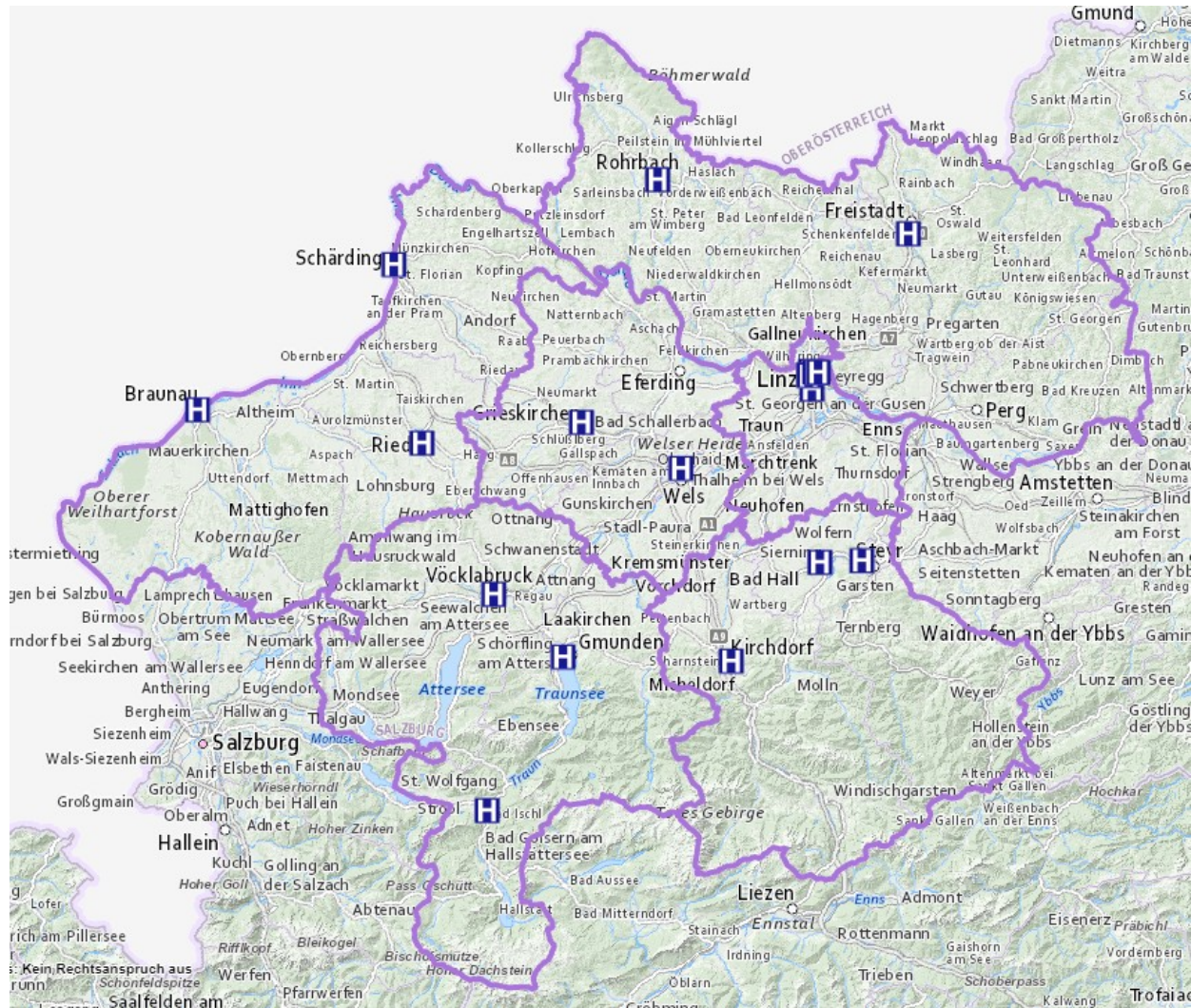


Planning Specification ÖSG



Quelle: BMSGPK

Hospital Locations in UA



Quelle: DORIS, Land OÖ



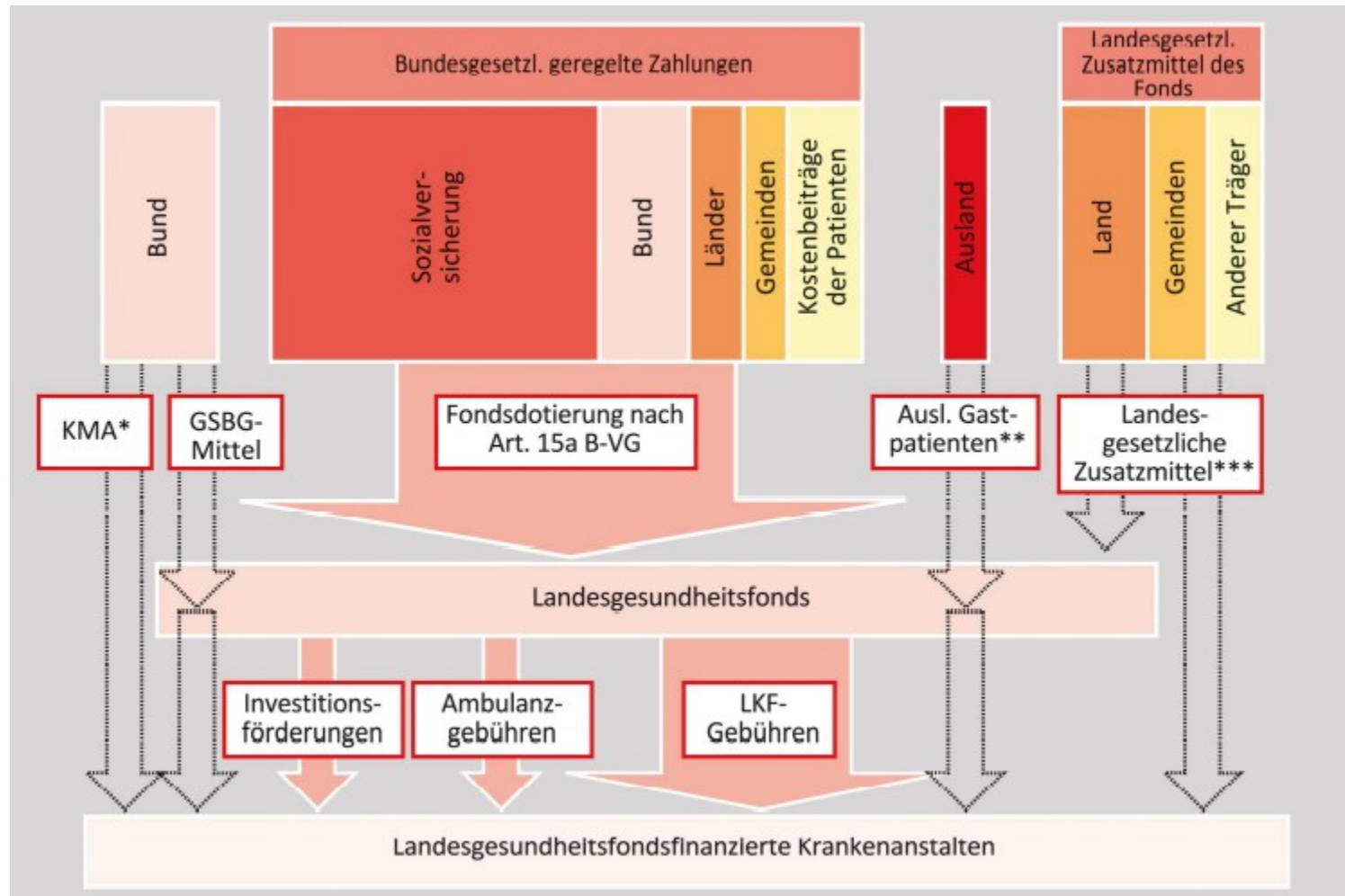
Upper Austrian Hospitals

Structure of hospitals in Upper Austria

- Public Hospitals (Fonds-KA)
 - Gesundheitsholding (health care holding) of the state
 - 3 supra-regional hospitals (with a total of 7 locations)
 - 3 regional hospitals
 - Private Organisations (religious orders)
 - 5 organisations (with a total of 8 locations), of which 6 are supra-regional hospitals
- 2 Private Hospitals, operated by
 - Unfallversicherung (compulsory insurance for accidents at work)
 - Diakonie gemeinnützige GmbH (non-profit)



Funding Fond-KA



Quelle: BMSGPK



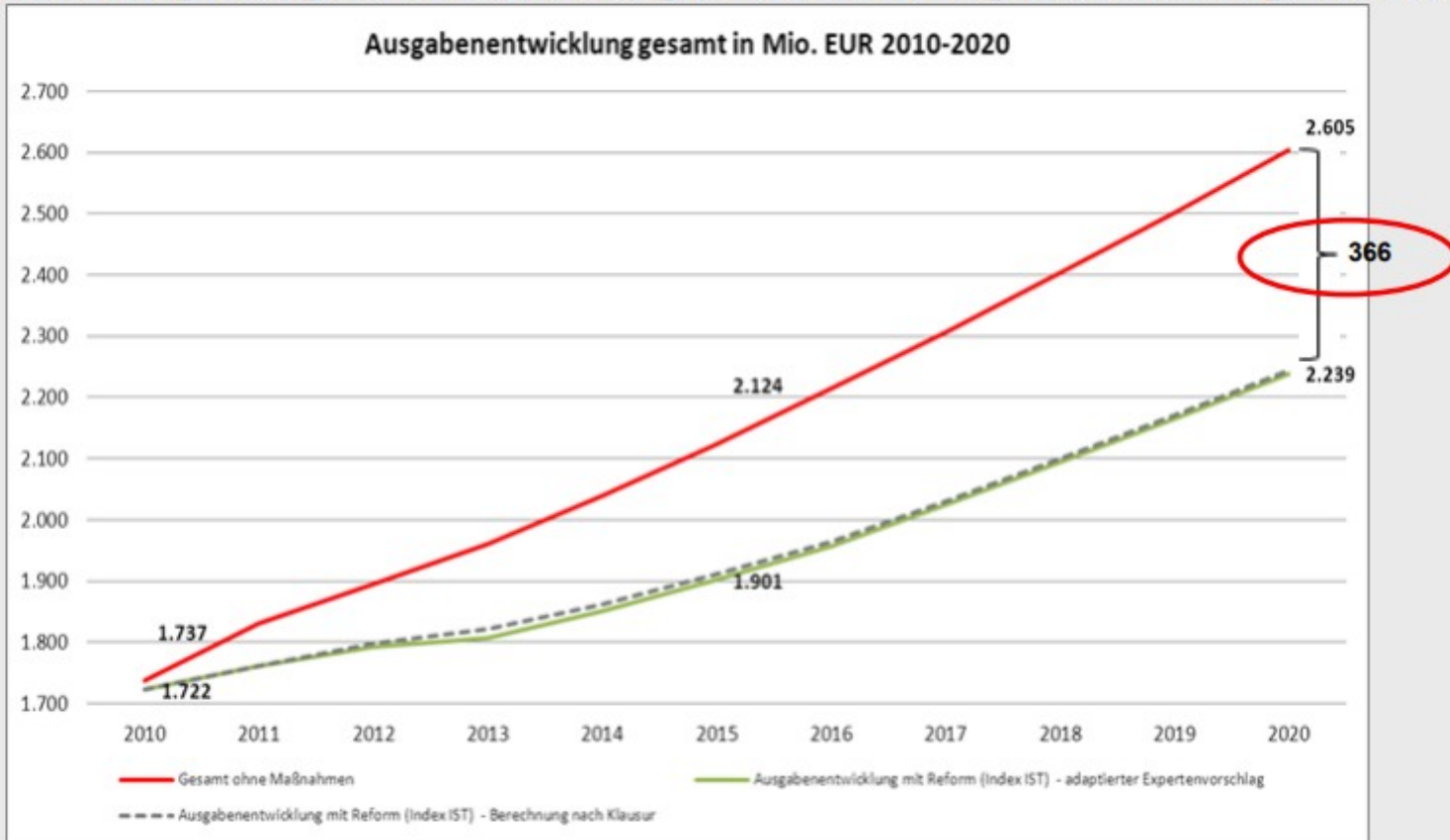
Hospital Reform 2011

- Goals
 - Ensure comprehensive, needs-based and coordinated care in terms of the range of services provided
 - Further development and adaptation of the range of medical services to demographic developments
 - Ensuring long-term financial viability by making use of cost containment potentials
 - Exploitation of synergies in all areas, avoidance of organizational costs
 - Alignment with the Austrian average in terms of hospital frequency, days spent in hospital, full inpatient admissions
- Reform period till 2020



Financial Goals of the Reform

- Dämpfung von 366 Mio EUR gegenüber den Hochrechnungen für 2020 (inkl. Steigerungen, Veränderungen der Leistungsentwicklung, Inflation)



Kumuliert beträgt die Kostendämpfung rund 2,3 Mrd Euro!



Measures to Achieve the Goals

- Reduction of 778 acute care beds (approx. 9 percent of capacity)
- Coordination of services between hospitals
 - Concentration of central and top-level care (e.g. transplants, heart surgery)
 - Cross-location organizational forms
 - Graduated service structures
 - Hospital networks
- Promotion of outpatient and day-care services
- Medical sector: A total of 51 measures to change structures (e.g. closing and merging of departments)
- Non-medical area: Target of 62 million euros in total cost containment by 2020



Goal Achievement

- All hospital reform measures adopted in 2011 implemented by the end of 2020
 - Largely due to commitment of all stakeholders
 - Structural reform targets achieved
 - With reduction from 8,575 to 7,746 beds
 - Structural changes implemented (4 departments closed, mergers of 17 multi-site departments and 19 institutes, 2 hospital networks with 3 sites each)
 - Patient satisfaction at a consistently high level during the reform period
 - Reduction in peroperative length of stay from 1.29 days to 0.97 days
 - Thus 93 percent of stays with short preoperative length of stay; federal target of 94 percent almost achieved





Goal Achievement

- Not all reform goals achieved
 - Hospital frequency (inpatient stays per 1,000 inhabitants)
 - Reduced from 285 to 237 stays during the reform period
 - 2020 still around 21 percent higher than in the rest of Austria
 - Density of inpatient days (inpatient days per 1,000 inhabitants)
 - Reduced from 1,792 to 1,453 days in the reform period
 - Deterioration compared to the average of the other provinces (10 percent higher in 2009; almost 13 percent higher in 2019)



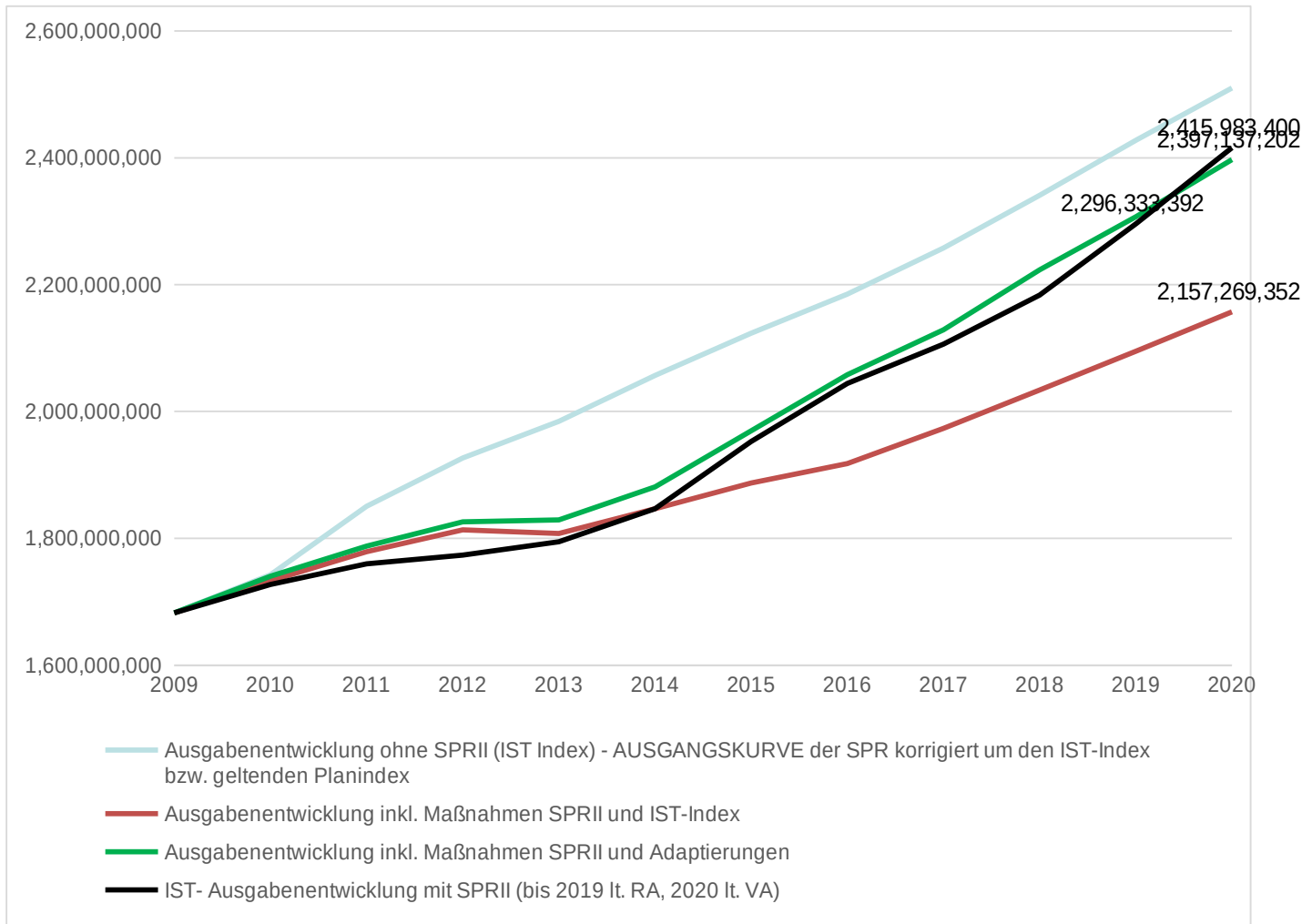


Cost containment achieved

- The original goal of the hospital reform was to achieve cumulative cost containment of around 2.3 billion euros by 2020 (cost basis 2009)
- Changes in reform measures (e.g., in psychiatry), needs-based adjustments (e.g., dialysis places) and external factors (e.g., physicians' and nursing care package) reduced cost containment target to approx. 1.5 billion euros
- 2019 hospital budget around 10.9 million euros below reform target - cost containment target for 2020 budget can be achieved.



Cost Development 2009 to 2020



Quelle: Prüfberichte des LRH OÖ zur Umsetzung der Spitalsreform II



Results of the Reform

- Public budgets relieved by successful implementation
 - In the reform period, on average 3.9% annual increase (approx. 808 million euros in 2020) in expenditures to cover the costs of hospitals in Upper Austria; prior to reform, approx. 6.5%
 - Relief also for municipalities with regard to hospital contributions paid by them
- Federal financial target steering for health care
 - Upper limit for increase for 2021 to 2024 + 3.2 % annually
- Project for future planned control has been set up
 - Target agreements with hospital operators (e.g. with target values for day-clinic services)



Recommendations of the Oö LRH

From four audits in each case after completion of the measures in the respective priority period

- Recommendations

- Ongoing development of care structures while examining efficiency of service delivery essential to meet federal requirements
- Transfer overall expertise for continued development of central control elements to Abteilung Gesundheit (Health Division)
- The province should identify factors that drive up individual indicators (e.g. hospital frequency) and examine the extent to which desired factors (especially graduated care close to home and nationwide expansion of acute geriatrics/remobilization) influence these indicators.
- Need for action in the central region of Linz - coordination of care necessary

A photograph of a three-story building with a light green and white facade. The building has multiple windows with arched frames. The text 'Thank you for your attention!' is overlaid in the center.

**Thank you for your
attention!**

LRH, Promenade 31, 4020 Linz