

WORKPLACE SAFETY & INSURANCE BOARD
HEALTH CARE MODEL

March 1999

THE CONTEXT FOR CHANGE

In 1998, the Workplace Safety and Insurance Board (WSIB) adopted new roles, responsibilities and accountabilities that are partly reflected in its new name. Further to legislative changes, the WSIB is now responsible for prevention first, followed by assisting workers and employers to achieve return to work, and assuring that quality health care is provided to workers. The WSIB also provides income support for injured workers. All of these responsibilities must be achieved in a financially responsible and accountable manner.

To meet these new roles, the WSIB has redefined its vision and mission. The WSIB vision is:

The elimination of all workplace injuries and illnesses.

The WSIB mission describes how the WSIB will achieve this vision through its daily operations. The WSIB mission is:

To serve the people of Ontario in creating safe and healthy workplaces and in providing a comprehensive and viable support and insurance system for injured workers and employers. As members of the WSIB team, we are committed to fulfilling our mission with caring and excellence.

Coincident with the change in corporate vision and mission, the contribution of Ontario's health care providers was recognized as essential to success. Accordingly, the WSIB adopted a new strategic goal for the WSIB health care benefits program. The goal for the WSIB health care program is that:

The WSIB will support the provision of quality health care at the right time for injured and ill workers to restore them to the maximum function possible.

Recognizing that in many of its aspects the current health care model was not optimally aligned with this goal, in 1998 the WSIB began a health care model redefinition process. The first step was to ask an external consultant to review the WSIB health care model and to interview several health care providers and their representative associations about their experience with WSIB as a third party payer.

The comments received from health care providers highlighted that to more fully achieve the goal of quality health care, the WSIB would need to fundamentally change its approach to the purchase of health care for workers. For example, representatives of the provider community described their relationship with the WSIB as adversarial, owing in part to the WSIB authority to set fees. This is compounded by the view of the health provider community that WSIB fees are below market value.

Concerns were also expressed to the consultant that health providers did not have a good understanding of the WSIB itself or how strategic directions with respect to health care were developed. Additionally, it was identified that the WSIB needed to move from a focus on payment matters to a health outcome orientation.

This review of the health care model and the comments from providers led to the identification of principles that must be reflected in a new health care model to achieve the alignment of strategic goals with the health care program. The principles that will lead to this success are:

- Health care services are purchased on a basis where quality care is the critical factor
- Health care provided to workers reflects clinical evidence and follows best practice guidelines, where these are available and appropriate
- Provider fees are reasonable and commensurate with health outcomes that are achieved

THE NEW HEALTH CARE MODEL

Further to this review of the health care model and the concerns of health care providers, in September 1998, the WSIB asked PricewaterhouseCoopers to complete a Value for Money audit of health care services and expenditures. The auditors were also asked to provide benchmarking information from similar organizations across Canada and within the private sector. With the knowledge of best practices in other jurisdictions, and a detailed review of the WSIB health care program, the auditors provided recommendations to bring the WSIB closer to realizing its strategic health care goal.

This comprehensive analysis of the WSIB health care program, and the principles that have been enunciated, have become the foundation for change to the health care model. These principles are supported by three guiding strategies that will be used to enable change.

These three strategies are:

- Accurate, timely, and useful worker health outcome information is submitted by health care providers to the WSIB using an automated system
- The approach to fees is sufficiently flexible to allow more than one purchase model thereby structuring purchase arrangements to support the goals of varying kinds of health services
- Health care services are evaluated using a 'balanced scorecard' approach that may include factors such as workers' physical and functional status, worker and employer satisfaction, and financial measures.

It is expected that implementation of the new model will begin in 1999 and will likely require three years to achieve given the far-reaching changes that are being contemplated.

The fundamental premise of the new model is that every aspect of the health care program will be designed to maximize the quality of services the WSIB purchases for workers.

To ensure that the WSIB health care purchase practices reflect this premise, five key dimensions of the current approach will need to be revised. These are:

- clinical care programs
- measurement of quality and success
- information management and technology
- strategic and operational relationships with health professionals
- purchase and payment

The following section briefly describes how the WSIB expects to proceed to bring each dimension into alignment with the strategic goal of quality care for workers. To develop these concepts into workplans will require consultation with the health provider community.

PROPOSED PROGRAM CHANGES

Clinical Programs

Currently, the WSIB approach to clinical interventions is to purchase units of care from health care providers. With few exceptions, the services that are purchased do not reflect a comprehensive program of care with specified interventions and expected health outcomes. Instead, the WSIB pays for a unit

of service with little delineation of how this service may fit with other services that the worker may be receiving or may eventually require. As health providers have commented, this can lead to a fragmentation, and perhaps even unnecessary prolongation, of care.

Similar to best practice in other workers' compensation jurisdictions, there is an opportunity for WSIB to enhance the purchase of quality care by identifying services suitable to a continuum of care model. A program of care and a health outcome can be purchased rather than a single unit of service.

This program purchase model can be implemented most effectively where sufficient scientific evidence exists to develop standardized care plans. Rather than purchasing single visits to a health professional, the WSIB could purchase a program of interventions as this would be defined by the scientific literature and health providers. The fee for this intervention would be program, not visit, based and would include the requirement to provide outcome information.

The development of clinical programs will also provide an opportunity for the WSIB to shift the focus to the quality, as care can be evaluated on a case specific basis, on an aggregate basis by provider, and even in terms of program design.

Measurement of Quality and Success

On an annual basis, the WSIB spends about \$250 million for health services for workers. Within the context of financial accountability, the WSIB currently has few ways to evaluate the value for the money that has been spent. At best, unidimensional factors that focus on dollars rather than the value can be examined. For example, duration of treatment or health care expenditures by service type are often analyzed. However, understanding the value component is difficult since information about outcomes is not easily available. Before the WSIB can fully assert its role as a purchaser of quality care, methods to evaluate quality must be developed.

The revision of the WSIB's health care model invites the implementation of a "balanced scorecard" model since there is no singular measure that will adequately gauge the WSIB's progress in purchasing quality health care. The balanced scorecard recognizes that performance is a multidimensional concept and that a blend of variables, of which financial measures are only one, is a preferred method to evaluate success. As the WSIB begins to evaluate the quality of care delivered by health providers, the success of the health care model will also begin to be measured.

Information Management and Technology

While it is readily apparent that the WSIB purchases health interventions on behalf of workers from health professionals, the WSIB also purchases information about a worker's health and functional status, and treatment plan. Accurate, timely and relevant information about a worker can enhance recovery. For example, WSIB can use information about required treatment to facilitate access to needed care.

As the WSIB continues to develop its case management model, it will become increasingly important to receive clinical information in a timely fashion. As new methods for provider billing and payment are explored, options to include relevant clinical information, details about the service provided and the outcome that was achieved would be incorporated.

Strategic and Operational Relationships with Health Professionals

As highlighted by the health care provider community during their interviews in 1998, communication with the WSIB has been frustrating in terms of strategic issues and day-to-day contact with front line WSIB staff. To achieve the partnership that is believed to be necessary to achieve WSIB goals, both strategically and on a worker specific basis, new forums for information exchange are necessary.

From a strategic perspective, traditionally the WSIB has met with provider associations who often have a WSIB or third party payer liaison committee. Given the tensions regarding fee issues, opportunities to discuss clinical issues have been missed. In an atmosphere of mistrust, strategic partnerships have not been realized. WSIB will seek providers' advice on new forums to ensure transparency in the WSIB role of purchaser of quality care for workers.

With the addition of more than 200 nurse case managers across Ontario and the implementation of a new service delivery model, it is evident that providers would benefit from a better understanding of the new WSIB staff roles and work methods. While accelerating its clinical outreach program, the WSIB will also seek new ways for information exchange between front line staff and health professionals.

Purchase and Payment

The WSIB wants to ensure that its purchase model supports the achievement of enhanced health outcomes for workers. New purchasing arrangements may maximize worker access to service, comprehensiveness of care, and timely provision of health information. In 1999, the WSIB will explore those health services that are most suited to purchase arrangements that go beyond fee for service. These new approaches may include contracted purchase arrangements where the service, quality standards, information requirements,

and fee are defined through a legal agreement with providers who have been recognized through a tendering process.

For those services that are purchased from health providers using a discipline-specific fee for service model, it is evident that the WSIB fee schedules need to be revised as significant provider discontent exists with respect to these fees. As a first step, the WSIB and the professional associations must establish a consistent approach to fee discussions across all health disciplines. The process to discuss new fees must be developed with provider participation and the underlying economic model that leads to fee decisions must be clearly communicated.

Integral to health provider payment is the computer system that is used to pay accounts and to provide remittance information to providers. In 1996, the WSIB introduced an electronic, real time billing system for pharmaceuticals. The benefits of this payment system for workers, pharmacists, and the WSIB have been significant.

During 1999, the WSIB will determine how state of the art payment processing systems may be implemented for the payment of other health services. Given the magnitude of this technological re-engineering, it is evident that implementation will require two years.

CONCLUSION

Consultation with the health provider community in 1998, combined with the new vision and mission of the WSIB, make evident that the status quo is not an option for the health care model. Achieving the goal of quality health care for injured and ill workers will require a significant departure from the current WSIB health care purchase practices.

The principles and key areas of change as these have been described are the WSIB's strategy to create a health care model that is flexible and responsive to emerging scientific knowledge and encourages timely delivery of outcome-based health care for injured and ill workers to restore them to the maximum function possible.