Performance management in health systems and services: Studies on its development and use at international, national/jurisdictional, and hospital levels
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Thesis summary
The recent economic and financial crises coupled with upward trends in health care expenditures associated with relatively limited health system performance improvements in OECD countries have contributed to an increased interest from European and North American countries in health system performance management. This thesis is a contribution to the growing scientific literature on performance management applied to the health sector. It explores the theory and practice of performance management in the health sector at the international, national, and hospital levels.

Chapter 1 gives a general introduction to the issue of performance management in the health sector. It presents some of the factors explaining the emergence of the performance management concept in the health sector and the objectives of health system performance management. Further, the concepts of performance, performance management, and health system are defined in this chapter, and the theoretical grounding of the concept of performance management in the New Public Management theory and more specifically in management science is presented. Finally, current criticisms to the development and use of performance management in the health sector are acknowledged. The thesis aims to contribute to the field by examining the development and use of health system performance management in diverse contexts at international, national, and hospital levels by investigating six research objectives:

1. Examine the scope of the health system stewardship function of national health ministries in the WHO European Region and methods to evaluate the completeness and consistency of stewardship implementation.
2. Examine how international health system performance comparisons can be used for performance management purposes, including how methodological issues and challenges in carrying out international performance comparisons can be addressed.
3. Examine how health ministries can develop and use strategy-based health system performance measurement approaches in order to better manage health system performance.
4. Study the importance of risk-adjustment for place of residence when using patient satisfaction rankings for accountability and performance management purposes.
5. Examine how to develop an international hospital performance measurement model focused on enhancing evidence-based performance management and quality improvement.
6. Evaluate the perceived impact of the implementation of the PATH model and the enabling factors and barriers experienced by participating hospitals during implementation.
Chapter 2 uses a purposive and multi-disciplinary literature review, policy analysis, and a consultative process with senior decision-makers from 53 countries to examine the concept of health system stewardship and its relevance to achieve health system goals in the context of the common values endorsed by Member States of the WHO European Region. It proposes an operational framework for assessing the completeness and consistency of the stewardship function of national health ministries. Using a purposive and multi-disciplinary review of the literature focused on the concept of stewardship and its implementation in the health sector, the authors derive an operational framework for assessment of the stewardship function. The operational framework relates six generic functions of stewardship with national contexts and values and ultimate goals pursued by health systems, therefore maintaining sufficient generality to be applicable to countries with different health system objectives. The six functions proposed for national health ministries in the WHO European Region are as follows: to define the vision for health and strategy to achieve better health; to exert influence across all sectors for better health; to govern the health system in a way that is consistent with prevailing values; to ensure that system design is aligned with health system goals; to better leverage available legal and regulatory instruments; and to compile, disseminate, and apply intelligence. This chapter also discusses implementation challenges related to the stewardship function, which relate to limitations to the role and powers of health ministries in their national contexts and to governance and operational issues. The proposed framework seems flexible enough to help assess the completeness and consistency of the health system stewardship function with a repeated emphasis that stewardship is concerned with achieving health system goals; however it should be further tested in practice to confirm its strength.

Chapter 3 uses a purposive review of the literature and a case study of the OECD experience with the Health Care Quality Indicators Project to study international health system performance comparisons and performance management initiatives. It examines the rationale (why compare?), scope (what was compared?), methodologies (how were they compared?), and performance management instruments and processes (how to use comparisons for performance improvement?) previously used in European and North American initiatives. We observe that motivations for international health system performance comparisons include an increasing need by policy-makers to be accountable to the public; interest in using international comparisons for strategic management purposes; and an increasing interest in benchmarking and peer learning. We also note that previous initiatives varied widely in scope. Some conducted comparisons between national health systems using broad indicators while others conducted disease or sector-specific comparisons cross-nationally. Using the Health Care Quality Indicators project of the Organisation for Economic Co-operation and Development as an example, we compile the methodological barriers to international comparisons into six key issues: specifying indicators using internationally standardized
definitions; controlling for differences in population structures across countries; adjusting for differences in information systems’ ability to track individual patients; controlling variability of data sources; identifying nationally representative data; and determining retrospective completeness of the time series. We then conclude with a review of innovative benchmarking approaches to health system performance comparisons and discuss potential tools to translate complex performance information into simple information and data visualization instruments supporting the needs of decision-makers.

Chapter 4 examines the experience of a health ministry in enhancing its stewardship role and implementing a comprehensive performance management system, by linking health system strategy, performance measurement, resource allocation, accountability, and performance improvement. An evaluation of the implementation and of the effects of the policy intervention was carried out through direct policy observation over three years, document analysis, interviews with decision-makers, and systematic discussion of findings with other authors and external reviewers. The Ontario Ministry of Health and Long-Term Care (Canada) developed a health system strategy map and a strategy-based scorecard through a process of policy reviews and expert consultations, and linked health system performance indicators to accountability agreements through an integrated performance management cycle. Cascading strategies at health and local health system levels were identified, and a core set of health system and local health system performance indicators was selected and incorporated into accountability agreements with regional health authorities—the Local Health Integration Networks in the context of Ontario. Despite the persistence of such challenges as measurement limitations and lack of systematic linkage to decision-making processes, these activities helped to strengthen substantially the ministry’s performance management function and clarified the intended strategic goals pursued by the ministry.

Chapter 5 attempts to determine the effect of patients’ place of residence on their evaluations of care, and to explore related policy implications. The study uses a conditional regression analysis of stratum matched case-controls to examine whether place of residence for patients living in the Greater Toronto Area or in Ontario outside of the Greater Toronto Area affects patient satisfaction with their experiences during hospitalization. In a retrospective analysis of over 101,683 patient surveys, it is found that for patients treated in Toronto, those who live outside of Toronto consistently report higher satisfaction than those who live inside Toronto (P<0.0001), and that for patients treated outside Toronto, those who live inside Toronto usually report higher satisfaction than those who live outside Toronto (P<0.02). The findings are consistent after controlling for hospital type and adjusting for age, sex, self-assessed health status, and the number of times the patient was hospitalized in the last six months. These findings suggest that where patients live has a small but potentially
important impact on how they rate their care. Place of residence might therefore be considered when designing public reporting systems and pay-for-performance programmes. Further attention to patient-level factors may be important to accurate and useful public reporting of patient satisfaction. More broadly, this study confirms the importance of appropriate risk-adjustment when using performance indicators for accountability and performance management purposes.

Chapter 6 examines the development of a performance assessment framework for hospitals by the World Health Organization (WHO) Regional Office for Europe. The framework, known as the Performance Assessment Tool for quality improvement in Hospitals (PATH), aims to support hospitals in assessing their performance, questioning their own results, and translating them into actions for improvement, by providing hospitals with a framework for hospital performance measurement, a set of indicators derived from a review of the scientific literature, and tools for performance assessment and by enabling collegial support and networking among participating hospitals. PATH was developed through a series of four workshops gathering experts representing most valuable experiences on hospital performance assessment worldwide. An extensive review of the literature on hospital performance projects was carried out, more than 100 performance indicators were scrutinized, and a survey was carried out in 20 European countries to determine the feasibility of data collection efforts. Six performance dimensions are identified for assessing hospital performance: clinical effectiveness, safety, patient-centredness, efficiency, staff orientation, and responsive governance. A core set of 24 performance indicators with wide applicability and the possibility of international comparisons is selected and an additional 27 indicators are grouped into a ‘tailored’ basket for specific hospital or country-specific priorities. Overall, the following outcomes are achieved: definition of the concepts and identification of key dimensions of hospital performance; design of the architecture of PATH to enhance evidence-based management and quality improvement through performance assessment; selection of a core and of a tailored set of performance indicators with detailed operational definitions; identification of trade-offs between indicators; elaboration of descriptive sheets for each indicator to support hospitals in interpreting their results; design of a balanced performance dashboard; and strategies for implementation of the PATH framework.

Chapter 7 evaluates the perceived impact of the PATH project and the enabling factors and barriers experienced by participating hospitals during implementation in eight participating countries and 140 hospitals in the WHO European Region. Semi-structured interviews of a sample of participating hospitals (twelve) and of all country coordinators (eight) were carried out and an inductive analysis of the interview transcripts was carried out, using the grounded theory approach. Results of the evaluation are that even in the absence of public reporting, the project is perceived as having stimulated performance measurement and quality improvement
initiatives in participating hospitals; and that attention should be paid to elements of context, leadership, structures and processes supporting the implementation of hospital performance measurement projects focused on internal quality improvement. This study concludes that if different quality improvement pathways can effectively stimulate performance improvement in hospitals, international hospital performance measurement projects should consider elements of context, leadership, and processes in their design, development, and implementation in order to be successful.

Chapter 8 summarizes and interprets the key findings, and presents a number of methodological considerations, as well as the scientific and policy implications of this thesis. The following key messages are then distilled:

- Performance management requires conceptual clarity, a solid evidence base, and supporting instruments and processes meeting the information needs of decision-makers and system managers.
- Health system stewardship is a promising avenue for national health ministries to achieve better health system outcomes, and performance management an appropriate instrument to implement stewardship in practice.
- Context is paramount when considering implementing health system stewardship and health system performance management approaches.
- Indicator selection for performance management purposes should rely on a solid scientific basis and engage experts and information users.
- Despite methodological challenges, the value of international health system performance comparisons is enhanced when focused on policy learning and performance improvement.
- Linking health system strategy, performance measurement, resource allocation, and accountability is a powerful lever to achieve better health system outcomes.
- It is important to embed performance management into policy functions and operational activities.
- It could be misleading to use performance indicators for accountability purposes when the proper variables have not been risk-adjusted for.
- International hospital performance measurement projects should consider elements of context, leadership, and processes in their design, development, and implementation.