The economics of delivering primary health care in rural and underserved areas—what works?

Dr Lesley Russell
Adj Associate Professor
Menzies Centre for Health Policy
University of Sydney

@lrussellwolpe
Life expectancy in rural and remote Australia
The impact of healthcare funding on local economies – US example

Exhibit 1

How Federal Health Funding Flows Through State Economies

Direct Effect

- Federal Medicaid Matching Funds
- Federal Premium Tax Credits
- Marketplace Enrollees
- Insurance Companies

State Medicaid Payments

Health Care Services

Indirect Effect

- Vendors
- Employees

Induced Effect

- Goods & Services
- State Taxes
What is the economic impact of ACCHOs?
The cost-effectiveness of primary care for Indigenous Australians with diabetes living in remote Northern Territory communities


<table>
<thead>
<tr>
<th></th>
<th>Low level 0-1 primary care visits/yr</th>
<th>Medium level 2-11 primary care visits/yr</th>
<th>High level 12 + primary care visits/yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitalisations per person</td>
<td>5.0</td>
<td>1.1</td>
<td>1.0</td>
</tr>
<tr>
<td>Avoidable hospitalisations per person</td>
<td>2.69</td>
<td>0.64</td>
<td>0.54</td>
</tr>
<tr>
<td>Deaths / 100 people</td>
<td>3.23</td>
<td>0.99</td>
<td>0.80</td>
</tr>
<tr>
<td>Savings in hospital costs for every $1 invested in primary care</td>
<td>-</td>
<td>$12.90</td>
<td>$4.20</td>
</tr>
</tbody>
</table>
APHCRI work on primary health care – now languishing
What core primary health care services should be available to Australians living in rural and remote areas?

Thomas, Wakeman, Humphreys. BMC Family Practice 2014; 15: 143

- Care of sick and injured (incl emergency care)
- Mental health / social and emotional wellbeing / drug & alcohol treatment
- Maternal and child health
- Allied health (counselling, social work, family violence, aged care & disability services)
- Sexual and reproductive health
- Rehabilitation (after trauma, post stroke, alcohol & drugs)
- Oral / dental health
- Public health / illness prevention
What core primary health care services should be available to Australians living in rural and remote areas?

Thomas, Wakeman, Humphreys. BMC Family Practice 2014; 15: 143

Support functions:

• Management / governance / leadership
• Coordination (hospital liaison)
• Health infrastructure
• Data systems (health records, registers, data collection, quality)
• Professional development (training, support, MDT practice)
• Community participation
How do small rural primary health care services sustain themselves in a constantly changing health system environment?

Buykx, Humphreys, Tham et al. BMC Health Services Research 2012; 12:81

Key elements for success:

• Community engagement
• Strong leadership and committed champions
• Strategic relationship building
• Health services linkages (acute care, aged care, A/H, community nursing, health promotion)
• Succession planning
• Evaluation funding
What role can the rural pipeline play in the recruitment and retention of rural allied health professionals?

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What’s needed?

• Recognition that rural and remote communities have varied needs
• Workforce – recruitment, training, retention, flexibility, support
• Technology is important – but it cannot replace people
• Coordination of services – local, regional, with urban centres
• Benchmarking best practice
• Community involvement
• Mine the archives, tell the stories
• Government leadership, long-term commitment, budget transparency
• Spend money to save money