

# From integrated care to value-based healthcare in New South Wales

The Hon Jillian Skinner<sup>A,\*</sup> (*HonDSc, Chair, Australian Healthcare & Hospitals Association*)

For full list of author affiliations and declarations see end of paper

**\*Correspondence to:**

The Hon Jillian Skinner  
Ngunnawal Country, Australian Healthcare  
& Hospitals Association, Unit 8, 2 Phipps  
Close, Deakin, ACT 2600, Australia  
Email: [jillian.skinner@hotmail.com](mailto:jillian.skinner@hotmail.com)

Back in June 2009 – long before there was any talk of Commonwealth-State Health Reforms – I released a policy document entitled ‘Making it Work’ which was about reorganising the governance of New South Wales (NSW) health. It states, in one part, a commitment to create Local Health Districts (LHD) to:

....facilitate the development of partnerships which will provide a seamless range of health services to people who need them whether that involves hospital treatment or community based primary health care, services provided by general practitioners, pharmacists or other allied health care professionals.

Five years later, in March 2014, as NSW Health Minister, I introduced the Integrated Care Strategy to enable this to happen.

In introducing it, I noted the frequently repeated mantra about putting patients first – to provide best possible outcomes for them. But posed the question:

But are we? And is what we do sustainable?

It’s crazy to think that we are putting some patients with conditions that can best be treated in the community – by a GP, for example – into a costly hospital bed, where their routine necessarily follows that of the busy hospital rather than the relative calm and comfort of home.

‘It’s clearly not in the best interest of those patients,’ I said.

Also, with ever growing demand, exacerbated by crises, such as the coronavirus disease 2019 (COVID) pandemic, unless practices change, governments will one day simply not be able to manage hospital care for those that really need it.

Introducing the Integrated Care Strategy in 2014, acknowledged this need to change, and build on earlier programs which included:

- the introduction of HealthOne NSW in 2006, which initially focused on facility-based integration with primary care through information sharing, care coordination and co-location. The operational HealthOne sites provide multidisciplinary care for people close to where they live.
- In 2009, the Chronic Disease Management Program introduced a community-based, integrated model of care, providing coordinated services to manage the health of people with diabetes, congestive heart failure, coronary heart disease, chronic obstructive pulmonary disease, and hypertension. The program was evaluated in 2014, and the lessons learned led to a redesign of the program overall, and increased alignment with the NSW Integrated Care Strategy.

The 2014 strategy was based on benefits that could be delivered by integrating the acute hospital system with community care options.

It required support from many partners, particularly Medicare Locals and general practitioners, non-government organisations and many others linking with LHD colleagues.

**Received:** 16 January 2024

**Accepted:** 16 January 2024

**Published:** 4 April 2024

**Cite this:** Skinner THJ (2024)

From integrated care to value-based  
healthcare in New South Wales.  
*Australian Health Review* 48(2), 109–110.  
doi:[10.1071/AH24018](https://doi.org/10.1071/AH24018)

© 2024 The Author(s) (or their  
employer(s)). Published by  
CSIRO Publishing on behalf of AHHA.

Special Issue: Value-based Healthcare

In addition, like any major shift in direction, it required a considered framework and investment, with an initial allocation of A\$120 million. This included investment in:

State-wide Enablers funded by NSW Health, to:

- fast-track the rollout of Healthnet – NSW Health’s information platform which links patient information across NSW Health services, potentially with primary care and other providers, through the Personally Controlled Electronic Health Record.
- support systems and tools to identify patients at risk of chronic disease or hospitalisation, target care accordingly and provide stronger and faster feedback on patient experience and outcomes, encourage prevention, early intervention, and focus on patients, outcomes and continuous improvement.

Integrated Care project funds were allocated from the Ministry with LHDs putting up their own funds with partners providing resources for their elements of their proposal.

These projects fell into two main categories:

## 1. Integrated Care Demonstrators

- Three ‘Demonstrator’ LHDs – Western NSW LHD, Central Coast LHD and Western Sydney LHD – representing the diverse needs of remote, regional and metropolitan areas. To develop new integrated care models, linking different health services and building closer, more creative partnerships with other health care organisations.

## 2. Planning and Innovation Fund

- Other NSW LHDs had the opportunity to undertake their own integrated care initiatives through an Innovation and Planning Fund.

In releasing the Strategy, I acknowledged that integrated care would be a long journey for NSW Health. With the Commonwealth as an essential partner on this journey, in areas such as linked data.

It was my passion as Health Minister to see integrated care become a vital part of the health system.

I was always thrilled to visit local Integrated Care projects right across the state, and in particular warmed by patients’ new-found involvement in understanding and helping develop their own care. Supported by marvellous clinicians, including general practitioners, community nurses, allied health professionals and others, from Wellington to Western Sydney.

Furthermore, I am delighted that so much more has been achieved since my retirement. Including eight key initiatives focused on achieving the strategic priorities. The initiatives are: Planned Care for Better Health, Emergency Department to Community, Secondary Triage, Alternate Referral Pathways, Residential Aged Care, Paediatric Network, Vulnerable Families and Specialist Outreach to Primary Care.

In addition, that NSW Health has made a substantial commitment to accelerating the move towards value-based healthcare by piloting, scaling, and embedding state-wide initiatives and developing a range of system-wide enablers. Integrated Care is one of four state-wide priority programs supporting the VBHC Framework. The other three are: Leading Better Value Care, Commissioning for Better Value and Collaborative Commissioning.

**Data availability.** Data sharing is not applicable as no new data were generated or analysed during this study.

**Conflicts of interest.** The author declare that they have no conflicts of interest.

**Declaration of funding.** This research did not receive any specific funding.

### Author affiliation

<sup>A</sup>Ngunnawal Country, Australian Healthcare & Hospitals Association, Unit 8, 2 Phipps Close, Deakin, ACT 2600, Australia.