Volume 3, Issue 3 Quarter 3, October 2012

"Achieving a quality, equitable and sustainable health system"

#### **Health Inequalities Report**

For the first time, BHeC will publish a Health Inequalities Report in early 2013. The report will be based on data from the 2011 Adult Health Survey and the 2012 Health Expenditure Survey and will explore inequalities in health-related behaviour, outcomes, expenditure and access to care between different demographic categories eg. household income, level of formal education, age, gender and race.

#### New on the Web

BHeC's website has been upgraded! The provider listings on our popular Healthcare Directory, were checked and updated this summer and new "Professionals Bodies" and "News" pages mean easier access to information for providers and public.

Visit our web site at www.bhec.bm for all our publications and updates

### **Provider Licensing**

Section 13 of the BHeC Act 2004 gives authority for BHeC to license health service providers (i.e. businesses). The Section has not been brought into effect and for this reason providers have not been subject to registration or licensing requirements. In 2010 and 2011 BHeC conducted a number of consultation discussions to implement this, with a view to bringing the Section into force in 2012/13. However, the current economy and resource limitations across the health system have led us to revisit priorities, and health service provider licensing has been placed on hold. Instead, BHeC will focus on: implementing cost-containment measures; controlling the entry of high-cost medical equipment; and collaborating with professional bodies to develop standards of practice to address issues like healthcare quality and selfreferrals.

# Subsidy Costs & the National Health Accounts

BHeC's third National Health Accounts Report, which details the health system costs for the fiscal year ending 31 March 2011, shows patient subsidy expenditure was \$93 million. Patient subsidies in Bermuda cover hospitalization care for specific categories of the population: Youth (children below school-leaving age), Seniors (80% coverage for 65 to 74-year -olds and 90% coverage for 75+), Indigent and Geriatric (Continuing Care Unit utilization by any age group). In FYE 2011, the majority of the patient subsidies went towards seniors (60%), followed by youth (18%), Geriatric (16%) and indigent (6%). Variations of the patient subsidies since 2005 are detailed in the table below.

With the exception of the indigent

subsidy, which was at its highest during FYE2007, the other subsidies peaked in FYE2011.

The Indigent subsidy has been the most volatile, influenced by a

most volatile, influenced by a number of factors including the impact of the recession and changes in coding/billing practices.

Since the number of youth has shrunk slightly (9% between the 2000 and 2010 census), the

increase in this subsidy is likely due to utilization rates and unit costs.

While the Aged subsidy increase can partially be explained by utilization rates and unit costs, there was also a demographic shift—between the 2000 and 2010 census the senior population increased by 29%. The Geriatric subsidy covers expenditure at the Continuing Care Unit after other means of payment are deducted. This increase is likely due to changes at the Continuing Care Unit.

### Bermuda Government Patient Subsidies (FYE 2005—FYE2011 in BD\$. '000)

Category	2005	2006	2007	2008	2009	2010	2011	'10 vs '11	'05 <b>–</b> '11	AAGR
Aged	30,576	34,702	35,462	41,358	46,877	46,165	55,802	20.9%	82.5%	13.8%
Geriatric	10,416	11,112	11,602	12,673	13,728	13,473	15,188	12.7%	45.8%	7.6%
Youth	7,858	8,072	8,708	9,631	10,176	14,719	16,433	11.6%	109.1%	18.2%
Indigent	6,132	6,191	7,476	5,176	2,917	5,026	5,894	17.3%	-3.9%	-0.6%
Total	54,982	60,077	63,249	68,838	73,698	79,384	93,317	17.6%	69.7%	11.6%

# Health Technology Reviews Update



Bermuda has limited control over the entry of new health technologies to the system. High cost health technologies have brought great medical advances and are worth the expense where medically ap-

propriate. Unfortunately, their use is not always warranted and Bermuda is paying a high price for unusually high utilization levels. Compared with OECD countries, Bermuda's residents enjoy a higher rate of health technologies and utilize medical equipment more. BHeC proposes using health technology reviews (HTRs) to monitor and control the entry of new health technologies.

HTRs are a systemic process that asks: does the technology work, for whom, at what cost, and how does it compare to alternatives?

Over the next few months, the BHeC will be consulting with stakeholders about HTRs.

Contact us on 292-6420 or healthcouncil@bhec.bm