

Health financing vs health outcomes

An international call for expressions of interest

Given the increasing complexity and pressures relating to healthcare financing internationally, ACCA (Association of Chartered Certified Accountants) wishes to commission international, comparative research that will help inform governments in meeting policy challenges involved in improving health outcomes whilst containing costs. In particular, as the global body for professional accountants, ACCA wishes to develop understanding of the future role(s) for the accounting profession in helping to meet these challenges.

Expressions of interest are sought from teams interested in undertaking a study relating to this broad theme. From these, a preferred bidder will be identified and invited to submit a full tender to undertake the study.

ACCA is making GB£35,000 (equivalent) available through this initiative to support BOTH an internationally-focused research project AND international travel for related dissemination activity. The project is expected to start in February 2009 and be completed within twelve months.

Background

Healthcare systems around the world are facing the same trends and tensions: aging populations; scientific and technological advances; rising wealth; and increasing expectations. All are pushing up the demand for healthcare but – irrespective of whether publicly or privately funded - are these trends sustainable financially?

Health spending for OECD countries is estimated to more than triple by 2020 to \$10 trillion¹. This is against a background where 'per capita health spending has increased by more than 80 per cent in real terms between 1990 and 2005, outpacing the 37 per cent rise in gross domestic product per head.'²

¹ PriceWaterhouseCoopers, 2005. *HealthCast 2020: creating a sustainable future*.
<http://www.pwc.com/extweb/pwcpublishings.nsf/docid/22BD697752BAA025852572C0006F835A> [accessed 29.08.08]

² Timmins, Nicholas. Global health spending outstrips GDP growth. *Financial Times*. July 19 2007

But does greater expenditure bring better results in terms of healthcare outcomes? Although in the US healthcare spending equates to some 15% GDP³, the US has come bottom in a ranking of 19 leading industrialised nations for deaths in those aged under 75 for conditions potentially preventable by timely and efficient healthcare⁴. Latest data on healthy life expectancy at birth in the US is 67 years for males; 71 for females⁵. In Singapore, healthy life expectancy at birth is reported to be the same for women and better for men (69 years – men; 71 years - women), yet health spending stands at under 4% GDP⁶.

Around the world, governments are considering ways to address this increasingly complex issue. One method being introduced is Pay for Performance, but are the targets in place the most appropriate to help ensure strong, sustainable healthcare provision? Are incentives systems appropriately designed to encourage innovation as well as accountability? Does the public have the information it needs to make informed choices and bring about a culture more focused on prevention than cure?

Scope of this call

The scope of this call is deliberately wide. Examples of issues that could be explored are given here, but it is emphasised that **this is not intended as an exhaustive list. Our aim in issuing a call for expressions of interest rather than full research proposals is to allow researchers to draw innovatively on existing knowledge** to submit research outlines in any areas relevant to the aim of this call.

Issues that could be addressed by research include, for example:

- a comparison of expenditure models in countries at different stages of economic development to identify optimum allocation levels across healthcare priorities eg. education for prevention and other means of

³ OECD, 2007. *Health at a glance 2007 - OECD indicators*.

http://www.oecd.org/document/11/0,3343,en_2649_34631_16502667_1_1_1_1,00.html
[accessed 29.08.08]

⁴ Nolte, E and C. Martin McKee, 2008. Measuring the health of nations: updating an earlier analysis. *Health Affairs*, 27(1), pp. 58-71

⁵ World Health Organisation, 2008. *World health statistics 2008*.
<http://www.who.int/whosis/whostat/2008/en/index.html> [accessed 29.08.08]

⁶ World Health Organisation, 2008. *World health statistics 2008*.
<http://www.who.int/whosis/whostat/2008/en/index.html> [accessed 29.08.08]

encouraging personal responsibility vs. treatment and patient access to services, with recommendations that aim to help avoid diminishing returns;

- an international comparison of health outcomes measures, addressing questions such as are the practices currently in use really the best for measuring health outcomes? What 'best practice' gives the 'best outcomes'? Can this be shared globally or internationally? If it can be shared then why isn't it? If cultural barriers exist, what are they and can they be overcome?
- an exploration of expenditure allocation models to achieve improvements in quality-adjusted life-years.

The successful application will have the following essential characteristics:

- international focus;
- policy-relevance;
- ability to produce recommendations for the accounting profession;
- completion within 12 months from February 2009.

Funding

Under this initiative, ACCA's Research Committee has set aside a total of GB£35,000 (equivalent) to support one, internationally-focused research project.

Applicants are requested to note that:

- reasonable costs to buy out teaching time will be considered;
- research proposals supported as part of this Call will be funded by ACCA through CAET (Chartered Accountants Educational Trust), which is a registered charity. As such, university overheads are not funded; neither does CAET pay any percentage of Full Economic Costs;
- applications must comply with all funding guidelines issued by ACCA's Research Committee, a full listing of which is available via: www.accaglobal.com/research;
- at least two meetings with ACCA staff will be required: one at the outset of the project and another at interim reporting stage. Such meetings are generally held by telephone or video conference;
- it is expected that the maximum of GB£35,000 equivalent set aside for this initiative will support BOTH an internationally-focused

research project AND international travel for related dissemination activity. Please see **Output** section of this Call for more information;

- the project is expected to start in February 2009 and be completed within twelve months.

Full information about applying for research support from ACCA can be found at <http://www.accaglobal.com/publicinterest/activities/research/funding/>

Methods

ACCA will consider all methods although successful projects will have chosen appropriate method(s) in relation to the research objectives.

Collaborative projects

These are welcome, but must demonstrate the value added by the partnership in terms of the research aims and objectives, expertise, dissemination opportunities and impact of the project.

Output

Output from the project will include:

- Speaker proposal application for the IHI (Institute for Healthcare Improvement) National Forum on Quality Improvement in Healthcare, held in the United States in December 2009. Deadline: mid February 2009.
- Interim report (c. two pages) at around the half-way stage, plus meeting with ACCA Panel members (generally conducted by telephone or video conference).
- Final report, including executive summary that can stand alone.
- Article for *accounting and business*, ACCA's magazine for accounting and finance professionals.
- Presentation at an ACCA-hosted, policy-related event in each of London, Singapore and Washington, plus at the IHI National Forum (should the speaker proposal application be accepted). Travel, accommodation and subsistence expenses must be included in the project costs.

The final report will provide material and analysis capable of helping ACCA make informed policy recommendations to governments, policy makers and standard setters as well as the accounting and finance profession as a whole. The final project report will be capable of being published by ACCA, will be subject to independent peer review and will remain under ACCA's editorial

control. The final draft report is to be submitted to ACCA within a maximum of twelve months of the project being commissioned, for peer review.

Funding decisions

This initiative is being overseen on behalf of ACCA's Research Committee by a Project Panel, whose members will make shortlisting decisions as well as recommendations for funding to ACCA's Research Committee. The Panel's decisions and recommendations will be informed by a series of three, international roundtables hosted by ACCA in 2008 in Singapore, London UK and Washington US.

Panel members comprise:

- Dean Westcott, Director of Finance \ Deputy Chief Executive, West Essex Primary Care Trust, United Kingdom; Chair of ACCA's International Public Sector Accounting Committee; ACCA Council representative on ACCA's Health Policy Panel
- Sharon Cannaby, Head of Health Sector Policy, ACCA
- Caroline Oades, Head of Research, ACCA.

All applicants will be advised of the decision made on their expression of interest research outline no later than 12th December 2008.

Final funding decisions will be advised no later than 30th January 2009. The final decision of whether to fund a proposal lies with ACCA's Research Committee, whose decision is final.

To apply

In the first instance, expressions of interest should take the form of an outline statement, on not more than two sides of A4, indicating:

- the scope and rationale of the proposal;
- the likely research methods to be deployed;
- the approximate amount to be requested;
- the expected impact and outcomes of their research on policy AND practice.

Enquiries, expressions of interest and applications should be directed to ACCA's Head of Research, Caroline Oades, at caroline.oades@accaglobal.com .

The deadline for expression of interest responses is GMT 12midnight on 30th November 2008. **Submissions received after this deadline will not be considered.**

Timetable and key dates

Not later than:	
w/c 20 th October 2008	Call for Expressions of Interest issued, internationally.
30 th November 2008, 12 midnight GMT	Deadline for receipt of research outlines. Two page (maximum) A4 submitted electronically by email to caroline.oades@accaglobal.com .
12 th December 2008	Panel shortlist decisions advised.
11 th January 2009, 12 midnight GMT.	Deadline for receipt of full proposals from shortlisted applicants. Electronic submission only, using ACCA Research Application form, sent via email to caroline.oades@accaglobal.com .
w/c 19 th January 2009	Interviews with short listed applicants. Interviews may be held either face-to-face or 'virtually', depending on the residence of short listed applicants.
30 th January 2009	Final decisions advised.
Mid-February 2009 – date will be confirmed in December 2008	Final deadline for speaker proposal applications to IHI conference.
30th September 2009	Interim report & meeting, the latter held via telephone or video conference.
December 2009	Presentation at IHI <i>National Forum on Quality Improvement in Healthcare</i> (if speaker application has been successful)
31st January 2010	Final draft report delivered to ACCA.
During 2010	Presentations at an ACCA-hosted event in each of Singapore, Washington & London

ACCA– the sponsor

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants, supporting 122,000 members and 325,000 students throughout their careers, and providing services through a network of 80 offices



and centres. We use our expertise and experience to work with governments, donor agencies and professional bodies to develop the global accountancy profession and to advance the public interest.

Augmenting ACCA's strong position in a worldwide market is ACCA's well-respected research programme, generating high-profile, high-quality, cutting-edge research with international focus, wide dissemination and strong emphasis on public policy influence and practical value. This research programme underpins ACCA's Royal Charter, which confirms ACCA's commitment 'to advance the science of accountancy, financial management and cognate subjects'. Additionally, it adds value to our members and students, contributing to ACCA's reputation and influence worldwide.

In the UK, our Health Service Network comprises approximately 3,000 members working in the healthcare sector. Its activities include forging strategic alliances with key organisations including the European Commission, the Department of Health, the Healthcare Financial Management Association, the Audit Commission and the NHS Confederation.

We publish a quarterly magazine – Health Service Review – that examines key issues facing our members and keeps them abreast of latest developments in the sector. We also provide a full programme of CPD courses and lunchtime lectures for our members working in the health sector.

We have undertaken a number of health finance studies, some of which were commissioned by the European Commission.