Performance Measurement and Improvement in OECD Health Systems:
Overview of Issues and Challenges

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ABSTRACT

There is mounting pressure on health systems to improve their performance where ‘performance’ is measured against quality, efficiency and equity goals. Many OECD countries are reviewing and reforming their institutional arrangements for measuring and improving performance. There is increasing international interest in public reporting of performance data and in exchanging experiences.

It is helpful to think of a performance measurement and improvement ‘cycle’ in which the desire to tackle perceived weaknesses in health systems leads to the conceptualisation and measurement of performance data. Such data usually requires analysis to identify the controllable determinants of performance. That in turn leads to the identification of action to secure improvements - although implementation of change is rarely straightforward.

There are typically 4 main sets of actors involved in the process of performance improvement: consumers, providers, managers and governors. They have different information needs and they play different roles in securing improvements. Traditionally, clinical quality assurance was left to professional self-regulation. However, there is increasing interest in supplementing professional self-regulation with public reporting of data on results. Governments have always taken the lead in the overall design of the system and in securing equity.

Several countries have proposed performance frameworks which specify quality, efficiency and equity goals and the collection of relevant indicators. Some countries have accumulated considerable experience in using performance data.

There is growing interest in international work on performance measurement and improvement. A performance framework has been proposed. Some relevant indicators have been collected and analysis has been done which suggests that there may be significant variations in performance across OECD health systems. A project is underway to investigate for a number of diseases the causes and consequences of differential rates of technology diffusion across OECD countries.

There remain many challenges. More work is needed to operationalise indicators of outcomes, efficiency and equity and to identify the reasons for variations. A much better understanding is required of how best to implement improvements. Finally, an eye needs to be kept on the cost of performance measurement and improvement activities.

Various practical examples of the application of the cycle can be provided.