



Navigating the Storm:

Global lessons for a more efficient and equitable healthcare system in Aotearoa

March 2024

[kpmg.com/nz](https://www.kpmg.com/nz)

Globally, healthcare systems have been experiencing waves of crisis, struggling with issues related to service access, demand, workforce shortages and staff burnout. **Aotearoa is no different.**

The Pae Ora reforms in Aotearoa set a bold vision to transform the health system. With a focus on access, affordability, and outcomes, they aim to ensure equity for all New Zealanders.

These reforms need to be delivered in a context of global healthcare challenges such as workforce shortage, service access and demand pressure, and increased fiscal constraint.

The publication, Healthcare Horizons, by KPMG Global, speaks to healthcare's 'perfect storm', and explores challenges and future trends in healthcare such as innovative funding models, digital health and transformation, and population health management.

These global trends provide valuable insight to help us plan and navigate a challenging period

at home in Aotearoa, as we work to achieve a system which is more efficient and equitable.

However, it is crucial to understand our country's unique context and how this context weaves together with these trends. This is what this documents sets out to achieve.

Underpinning all of our insights is the concept of equity. We believe that the heart of our healthcare system must lie an unwavering commitment to it – that is, fair and just distribution of resources and focus to address disparities and achieve optimal health for all, regardless of culture, socioeconomic status, or other factors.

The publication, Healthcare Horizons, by KPMG Global, explores the challenges and future trends in healthcare - aiming to achieve inclusive transformation by combining technology, communities, and workforces.

While these global trends are applicable to Aotearoa's health sector, it is crucial to understand our country's unique context and how this context weaves together with future healthcare trends.



Our thinking has been informed by our Tōmua methodologies. Tōmua is a whakapapa of connected methodologies that tackle different aspects of transformation underpinned by a set of principles that ultimately transform how we see, interpret and approach challenges. These methodologies have been co-designed by KPMG and a panel of Māori thought leaders, and embed a systems-thinking approach, Māori values and Te Tiriti o Waitangi.

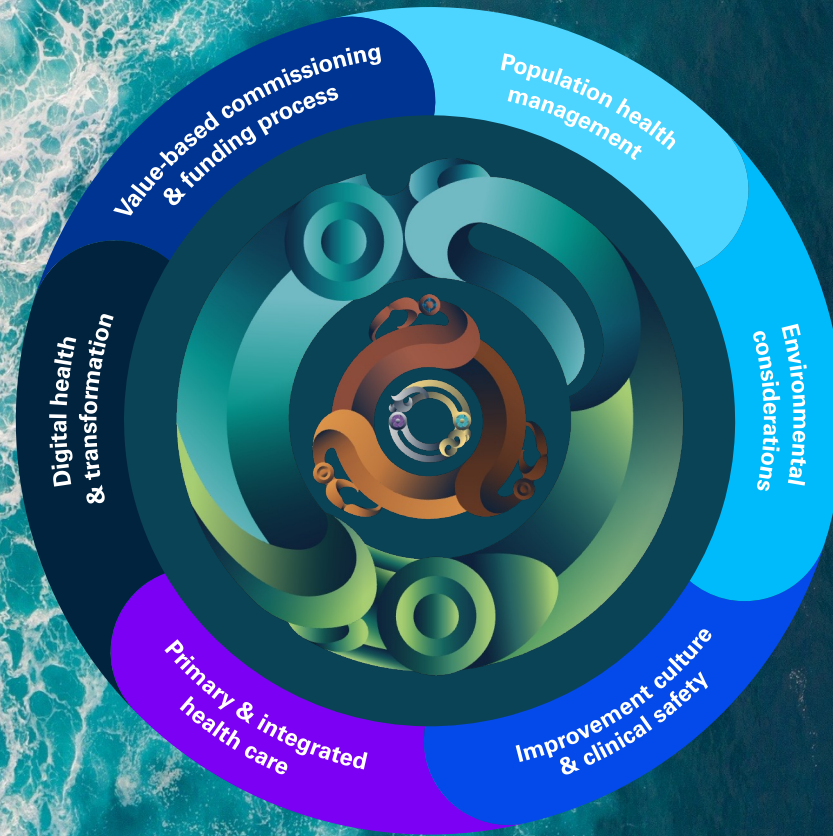
Navigating global challenges at home

To achieve a health system that is efficient, patient-centred and equitable, we must focus our energy on key areas.

We see an equitable healthcare system in Aotearoa as being underpinned by four core components; Te Tiriti o Waitangi, ownership of health outcomes, partnership, and indigenous approaches to health care. They should be considered in all aspects of the system and be seen as non-negotiable.

KPMG has also identified five global trends and how they should be considered at home in Aotearoa to help us achieve a more efficient and inclusive future. These range from value-based commissioning & funding processes through to the environment and population health management.

We have also identified a final sixth component that we see as being fundamental to our system – Improvement culture and clinical safety.



Core components for a more equitable system

Te Tiriti o Waitangi

Te Tiriti o Waitangi guarantees equity by recognising health as a taonga (treasured possession). The Crown has an obligation to Māori to ensure that they experience access to health care that is equitable, culturally appropriate and responsive to both individual and whānau.

Ownership over health outcomes

To truly improve the health outcomes of Māori and Pacific communities, the health system must enable community ownership over the delivery of health services, as and where required. Devolution of healthcare into communities, iwi and hāpū, allows community groups to have control and autonomy over how they care for their people's health and wellbeing.

Partnership

Partnership between communities and providers is essential when delivering care to a diverse population. Genuine partnership will help break down systemic barriers to care, and build positive connections across the health system.

Indigenous approaches to health care

New Zealand excels in implementing indigenous health approaches, particularly among Māori and Pacific communities. By integrating indigenous perspectives, we achieve holistic and culturally sensitive care that meets diverse community needs. This inclusive approach fosters a healthcare system that is responsive to specific values and requirements, promoting better health outcomes.

Global trends and what this means for NZ

KPMG has identified five key global trends that can provide insight to help us achieve a health system that is efficient, patient-centred and equitable. Coupled with this is a need for improvement culture and clinical safety.

Value-based commissioning & funding process

Global health predictions: Significant changes will be made to payment and funding models to incentivise bundled funding packages and reward improvement in the health of high-risk patients.

Value-based commissioning effectively balances the needs of patients, healthcare professionals, and communities despite operating in a resource-constrained environment. In a fiscally constrained environment it is crucial to properly allocate funding to achieve maximum utility. This involves critically evaluating current funding models and implementing international best practice to achieve efficient allocation.

Digital Health & transformation

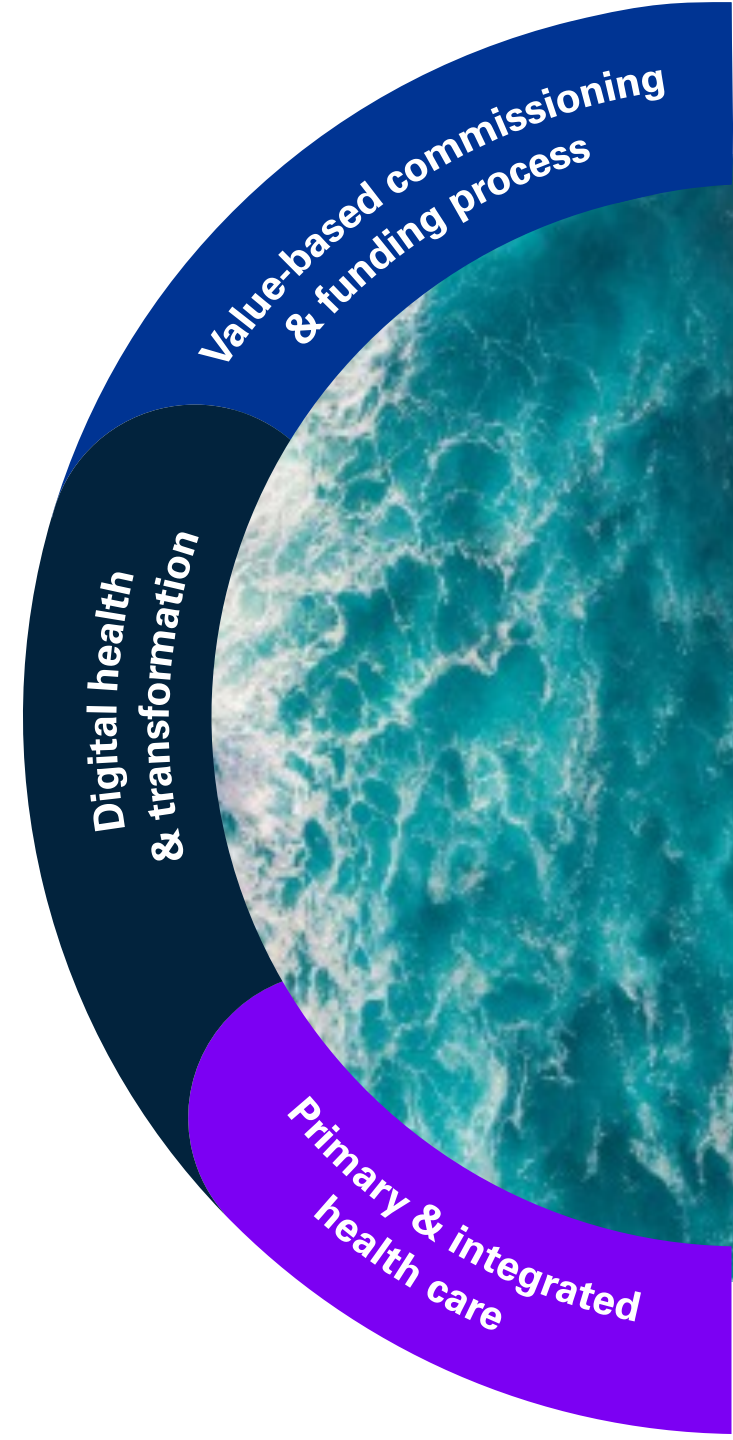
Global health predictions: A significant amount of healthcare will be delivered remotely, with hospitals restricted to acute and emergency treatment.

Reliance on outdated care models emphasises the need for digital transformation in our health system. By leveraging technology and fostering public-private partnerships, we can fundamentally improve healthcare delivery effectiveness. Embracing digital transformation enables innovative solutions that reshape healthcare, build transparency and consistency and enhance outcomes.

Primary & integrated health care

Global health prediction: Primary care will have an essential role as the central coordinator of local health ecosystems, and key actors in converting population health data and insights into action.

Integrated primary health care is essential for improved health outcomes in New Zealand. This involves the establishment of multidisciplinary teams, the adoption of electronic health records, and the design of patient-led care. Optimising resource allocation through care coordination and whole system governance will ensure collaboration, comprehensive care, and streamlined care delivery.





At the heart of these reforms lies the unwavering commitment to equity ...



Population health management

Global health prediction: Health data will be decentralised, and new technology will empower individuals and communities with greater control over their data.

Recognising and addressing the broader determinants of health is vital in promoting overall well-being. Population health goes beyond individuals, understanding the needs of communities within a socio-cultural context. Data-driven decision-making is essential for effective population health management. Integrating population health management enables a shift towards prevention and proactive measures.

Environmental considerations

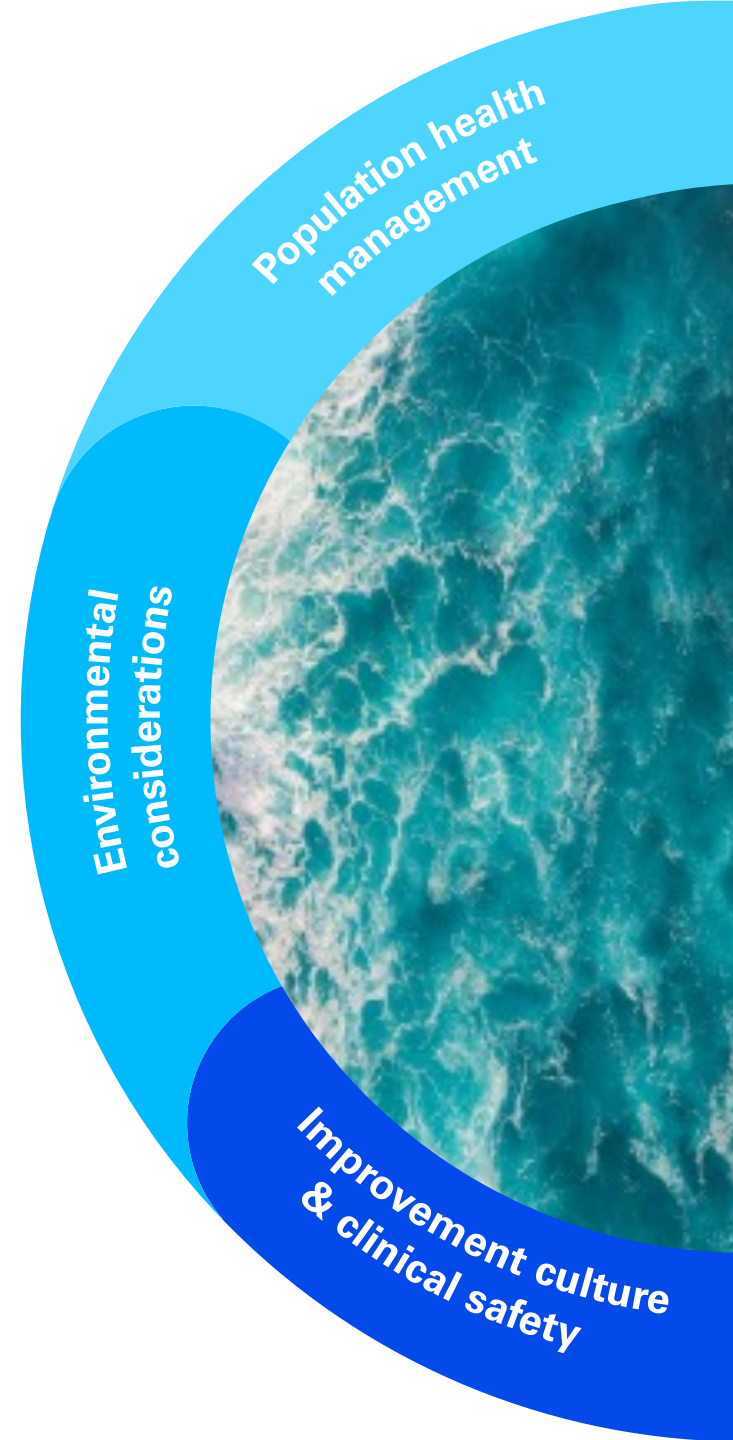
Global health predictions: Healthcare organisations move closer and closer towards achieving net zero, with increasing pressure on organisations regarding ESG.

The healthcare sector emits 5% of global emissions and must catch up to other industries in sustainability. Optimising supply chains, waste management, energy efficiency, and reducing carbon emissions in New Zealand's health system will create a more sustainable future. Taking a multi-generational approach ensures long-lasting and sustainable health practices.

Improvement culture & clinical safety

While not outlined in Healthcare Horizons, we see improvement culture & clinical safety as being a fundamental component to our system.

Ensuring our health system has a robust safety culture is crucial, and effective clinical governance and communication serves as its backbone. A strong clinical governance framework outlines the values we uphold, of clinical leadership, in turn providing reassurance to patients, clinicians, communities, and funders. Additionally, it serves as a foundation for designing, implementing, scaling and measuring improvement initiatives. Prioritising the well-being of clinical staff is also essential for providing the best care possible.





KPMG believes that achieving an inclusive, equitable, and efficient healthcare system requires a cohesive and comprehensive set of responses. KPMG New Zealand is well-positioned to assist organisations in navigating these challenges and supporting the development of approaches to address the complex issues facing our health system.

	<p>More information on Healthcare Horizons can be found in our KPMG Global Publication.</p>
--	--

kpmg.com/nz

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

The views and opinions expressed herein are those of the author and do not necessarily represent the views and opinions of KPMG, a New Zealand partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

If your organisation is considering how to best to tackle these challenges, please reach out to our experienced team.



Chris Ash
Director,
Health Sector SME
M +64 27 465 5744
E chrisash@kpmg.co.nz



Timoti Brown
Director,
Tōmua Lead
M +64 48 163 287
E timotibrown@kpmg.co.nz