

Conference Session 6:  
DATA OF INTEREST

2/3 of people over 65 have at least one LTC. 80% of these have more than one.

2010 → 21%  
2060 → 31%  
of public spending on health.  
(excludes financing costs)

Long term care  
NZ - 1.4% of GDP  
OECD - 1.5% of GDP

Group Orange

QUOTES

"As nations become more affluent, they spend more on health" - Nick Mays

"It's hard to get support to reform the health care system" - Nick Mays

Demographic change not main contributor to health care costs  
- Nick Mays

Patients are patient

IMAGERY



KEY MESSAGES

Most imp. indicator is proximity to death, not age

Ageing pop. impacts LTC spending much more than general health spending.

We need to re-think the admin. of long-term care, with a move towards self mgmt.

Focus on sustaining and improving **OUTCOMES** not services

At every point in the system we can request how we divide money different inputs

focus on keeping old people fit

Need to focus on efficiency improvements to offset necessary increases in labour costs

productivity growth - as it is historically labour intensive  
We tend to only measure output over input

# PURPLE GROUP - SESSION 6

## DATAS

2/3 of NZers underestimate by 7-8 yrs how long they will live.

## QUOTES

We shouldn't make decisions for our children that we are not prepared to make ourselves.  
- Michael Cullen

1/2 can't see opportunity as risk.  
- Simon Upton

Human capital is our achilles heel.  
- Simon Upton

Super is to "lock" income flow of parents in old age.  
- M Cullen

Means testing will not survive means testing.  
- Michael Cullen

Powerful block of GST, with focus on a narrow sector. There is a strong correlation between age & propensity to vote.  
- Michael Cullen

"Don't forget the society we're designing for!"  
- Grant

We are in this together - both OECD & developing.  
- Simon Upton

Critical values: culture & diversity is top of mind. fairness is a central platform.  
- Grant

## IMAGES

'We the people'

## KEY MSGS

Shifting spending to the individual increases inequality of outcomes.  
- Cullen

Projection must include preparation for shocks...  
- GFC and earthquakes in recent days

Effective communication across all generations of society is engaging & connecting with wider community.

Demographic transition = electoral transition  
→

What is going to be the relationship between KiwiSaver & NZ Super.

GOOD DURABLE CREDIBLE DECISIONS

Traditional view: Never do today what you can put off until tomorrow.

Returning to fiscal balance is best done out of crisis.

Fiscal shift should not only be retirement income.

As net borrowers, NZ faces the possibility that it might not be able to maintain social spending.

GREEN SESSION 6: HEALTH POLICY

DATA OF INTEREST

QUOTES

PICTURE

KEY MESSAGES

Since 1950  
health costs  
have risen  
412%.

Rate of total health  
spending is long term  
cost.

most initiatives take  
at least a decade  
to mature.

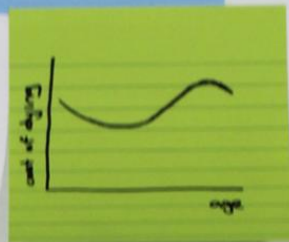
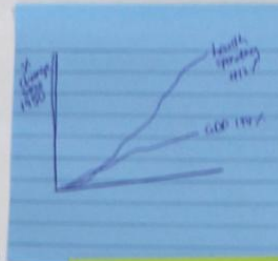
Health Spending  
in 2010: 21% GDP,  
2060: 31% GDP

More Money is  
spent on saving a  
65-year-old, than  
saving an 85-year-old  
Nobel Prize

long-term healthcare  
costs are 1.4%  
of GDP  
(1.5% OECD ave.)

Main contributors  
to health care  
spending increases:  
income growth,  
rising expectations,  
technology

"proximity to death is  
more important than  
ageing" - Mark Walby  
(in relation to costs)



Our hands are  
not tied! We  
have choices in  
quality, size, and  
duration of health  
care. (see other  
countries)

Our health system  
needs to keep evolving  
to maintain the best  
"Bang for Buck!"

Need to bridge  
the divide  
between  
specialist and  
general health-  
care providers

Investing in care for people  
with long term conditions  
will reduce hospital costs  
for those people in the  
end years of their life.

Patients need  
to be contributors  
to their own  
care.  
Not passive

Demographic change  
not the main  
contributor to rising  
health costs.  
None demographic reasons  
are more important.

Focus on maintaining  
active/healthy middle  
aged population.

Our health system  
needs to focus on  
wellbeing overall.

# Yellow Group Session 6

## DATA

Japan: 6% pop 80+  
1.5% GDP etc  
NZ: 3% pop 80+  
1.5% GDP etc  
→ How do we become more efficient?

Health costs per capita went up 412% between 1950 and 2010, GDP went up 144%

2/3 over 60 have ≥ 1 medical condition

## QUOTES

"How do you run a health system where people live healthily with their diseases?"

Good news: we live longer, healthier lives.  
Bad news: it's expensive!

"No single, simple, cost saving solutions"  
- Mays

"Patients are patient"  
- Nick Mays

## KEY MESSAGES

10 features of a good health system

Labour health care is labour intensive, & so hard to find efficiency gains

Focus on staying healthy, patient participation, nurse-led care  
*responsibility*

non demographic change is more important than demographic change e.g. income growth, technology, widened scope to treat, & productivity growth  
in NZ, in rest of economy due to being labour, intense

focus on efficiency ↑ (labour costs ↓)  
We have good outcomes but \$\$\$

## IMAGERY

