IF ONLY NUMBERS COUNT:

PERFORMANCE INDICATORS
FOR COMMUNITY HEALTH

Gwyneth M Jolley
SACHRU

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G1 ‘The Flats’ c/o Flinders Medical Centre, Bedford Park, South Australia 5042
Tel: (08) 8204 5988 Fax: (08) 8374 0230
email sachru@fmc.sa.gov.au www.sachru.sa.gov.au
# Table of Contents

Acknowledgments ......................................................................................................................... iii

Abbreviations ................................................................................................................................ iv

Key lessons and recommendations .................................................................................................. 1

Executive summary ........................................................................................................................... 3

   Review of performance measurement .......................................................................................... 3
   Methods ........................................................................................................................................ 3
   Interview findings .......................................................................................................................... 3
   Implications .................................................................................................................................. 5
   Conclusions .................................................................................................................................. 6

1. Introduction .................................................................................................................................. 9

2. Community health: setting the context ...................................................................................... 11

   2.1 Community health in Australia ............................................................................................. 11
   2.2 Community health evaluation ............................................................................................... 12

3. Performance measurement in the public sector: a review ......................................................... 15

   3.1 What is performance measurement? ..................................................................................... 15
   3.2 Why performance measurement? ........................................................................................ 16
   3.3 Benefits of using performance indicators ............................................................................. 17
   3.4 Risks in using performance indicators ................................................................................ 18
   3.5 Challenges and lessons learnt ............................................................................................. 20
   3.6 Summary ................................................................................................................................ 23

4. Performance measurement in the community health sector ..................................................... 25

   4.1 National agenda for performance measurement in community health ............................... 25
   4.2 The South Australian State agenda for performance measurement in community health .. 30
   4.3 Performance measurement in community-based health services ...................................... 31
   4.4 Performance measurement in community health services .................................................. 33
   4.5 ‘South Australian Developing Performance Indicators’ project: a working example .......... 36
   4.6 Summary .................................................................................................................................. 40
5. Interview Findings

5.1 Understanding of performance measurement
5.2 Performance measurement in the public sector
5.3 Advantages of performance measurement in the public sector
5.4 Disadvantages of performance measurement in the public sector
5.5 Benefits of performance measurement for community health
5.6 Risks in using performance measurement in community health
5.7 Community health goals
5.8 Identifying performance indicators for community health
5.9 Primary health care approach

6. Developing performance indicators for community health

6.1 Performance indicators for public health
6.2 Performance indicators for community health
6.3 Quality Improvement Council standards
6.4 Interpersonal Violence: a core service
6.5 Strengthening community action – an Ottawa Charter strategy
6.6 Summary

7. Discussion

7.1 Summary of findings
7.2 Performance measurement as an evaluation tool
7.3 Evaluation continuum
7.4 Next steps
7.5 Implications

8. Conclusion

References
Appendix A: National Health Performance Committee Framework
Appendix B: Interview guide
Acknowledgments

This report is derived from material from my thesis – *If only numbers count: the use of performance indicators as an evaluation tool for community health services*. The thesis was undertaken in the Department of Public Health, Flinders University, Adelaide in partial fulfilment of the requirements for the Degree of Master of Science (Primary Health Care).

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## Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACHA</td>
<td>Australian Community Health Association</td>
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<tr>
<td>ATSI</td>
<td>Aboriginal and Torres Strait Islander</td>
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<tr>
<td>CDHA</td>
<td>Commonwealth Department of Health and Ageing</td>
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<tr>
<td>CDHFS</td>
<td>Commonwealth Department of Health and Family Services</td>
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<td>CHASP</td>
<td>Community Health Accreditation and Standards Program</td>
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<td>CHIME</td>
<td>Community Health Information Management Enterprise</td>
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<td>CHS</td>
<td>Community Health Services</td>
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<td>CHSS</td>
<td>Community Health Statistical System</td>
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<tr>
<td>CME</td>
<td>Client Management Engine</td>
</tr>
<tr>
<td>DHS</td>
<td>Department of Human Service (South Australia)</td>
</tr>
<tr>
<td>GAO</td>
<td>General Accounting Office (United States of America)</td>
</tr>
<tr>
<td>GHR</td>
<td>Generational Health Review (South Australia)</td>
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<tr>
<td>HACC</td>
<td>Home and Community Care</td>
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<tr>
<td>NAHCC</td>
<td>National Allied Health Casemix Committee</td>
</tr>
<tr>
<td>NCROSS</td>
<td>New South Wales Council of Social Services</td>
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<tr>
<td>NHMBWG</td>
<td>National Health Ministers’ Benchmarking Working Group</td>
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<tr>
<td>NHMRC</td>
<td>National Health and Medical Research Council</td>
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<tr>
<td>NHPHC</td>
<td>National Health Performance Committee</td>
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<td>NPHP</td>
<td>National Public Health Partnership</td>
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<tr>
<td>QIC</td>
<td>Quality Improvement Council</td>
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<tr>
<td>SACHRU</td>
<td>South Australian Community Health Research Unit</td>
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<td>WHO</td>
<td>World Health Organisation</td>
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Key lessons and recommendations

Performance measurement is limited in terms of the information it provides and cannot replace evaluation.

It is unlikely that performance measurement will ever be capable of attributing long term health and wellbeing outcomes for individuals and populations to any specific service or program.

Performance indicators for acute care services remain focused on quality and process measures despite significant investment of time and resources. Similar dedicated resources and workforce development will be required for the trial and establishment of performance measurement for community health.

A national policy statement and agreement, and a national peak body for community health, are pre-requisites for the development of national level performance indicators for the community health sector

- A national peak body, in collaboration with the Department of Health and Ageing, the States and Territories and the Australian Health Ministers’ Advisory Council should identify core functions for the community health sector
- The core functions should be used as the basis for a trial of the application of the National Health Performance Committee performance framework to services provided by community health
- There is a similar need for State and Territory governments to develop community health policy and leadership in order to facilitate performance measurement for services at State level
- Federal and State/Territory governments must cooperate to ensure that performance indicators at national and state levels are complementary.

A performance measurement framework must acknowledge and reflect the value base of the primary health care approach underpinning the delivery of community health services.

A performance measurement framework must support community health services to retain local responsiveness and accountability to their communities.

A consultative approach and mechanism for the development of performance indicators is essential to ensure relevance and support from the community health workforce.

Exploration, development and validation of research methodologies that are appropriate for evaluation of services provided by community health are needed.
Executive summary

This report presents the outcomes from a study to examine the use of performance indicators as an evaluation tool for the community health sector in Australia. The purpose of the study was to investigate performance measurement in primary health care services provided by the community health sector, assess the effectiveness of the performance measurement approach and consider future options.

Review of performance measurement

Political and economic drivers have contributed to the growth of performance measurement in public sector services. There is some debate as to whether a performance measurement system focusing on accountability and customer satisfaction can be translated to the public sector where market forces are less relevant. A key element of performance measurement is about linking organisational activities to the achievement of objectives. Although there are potential benefits in terms of accountability, service improvement and benchmarking, much of the literature cautions against the notion that performance indicators on their own can provide definitive answers to evaluation questions.

There continues to be a great deal of activity and interest at National and State levels in the use of performance measurement for in the health system. The National Health Performance Committee has released a performance framework which needs to be trialed in all health sectors. Almost all the work to date has occurred in acute and clinical settings and has produced indicators of quality and output rather than attributable outcomes.

Methods

Study methods included a review of national and international literature on performance measurement in the public sector and in the primary health care and community health sectors; interviews with eleven key stakeholders in South Australia; and development of sample performance indicators for community health based on the National Health Performance Committee Framework.

Interview findings

Identifying and implementing performance measurement in community health

In identifying performance indicators for community health, respondents believed it was important to retain and reflect primary health care principles and a social view of health as the essential elements of the community health sector. Identifying performance indicators was
considered to become more problematic as the measurement focus moved through different levels of the health system. Thus, at the program level, respondents stated that goals and outcomes can be articulated and performance indicators follow. At organisational level, performance indicators were linked to strategic planning for the service. It was perceived that at state or sector level, outcomes would have to be stated more broadly and this would be difficult to balance with specific and measurable performance indicators.

Generally, respondents were aware of the risk of developing a multiplicity of performance indicators and agreed the indicator development should be limited to key areas of work, at least initially. There was also agreement that it was important to involve a wide range of people, with specific stakeholder groups depending on the level of performance measurement. Overall, representatives from the funding body, policy makers, community health managers and Board members, community health staff and community members were suggested as stakeholders. It was noted that resources are needed for developmental work, particularly for the broad consultative approach recommended.

**Benefits and pitfalls in using performance indicators to evaluate community health**

On the whole respondents were positive about the benefits offered by a performance measurement approach, while recognising the risks to community health values and ways of working. No-one suggested that the approach should not be pursued further.

Potential benefits identified were: articulated and agreed upon goals, objectives and outcomes; more integrated sector, with a shared understanding of purpose and priorities; better planning and resource allocation decisions; development of evaluation skills and methodologies; quality improvement and increased staff morale.

Risks and problems identified were: change in focus towards one-to-one, clinical, more easily measurable work; complexity of environment and client needs; loss of flexibility and responsiveness to local community needs; unmeasurable (by quantitative methods and using available data systems) nature of much community health work; separating out the contribution to achievements of collaborating agencies; lack of qualitative measures; misinterpreting and misusing data; poor data quality and moving resources away from service delivery.

**Feasibility of using a performance measurement approach to evaluation in the community health context**

Respondents agreed that goals and outcomes are not usually stated at service or sector level and this reduced the feasibility of developing appropriate performance indicators. A national or state policy statement would help in the establishment of broad goals for community health. It was also noted that different communities of interest have different goals and priorities. This means that common performance indicators could be difficult if services are to remain responsive to local needs and issues. Two strategies to overcome this were suggested. Firstly, services could be targeted to a specific population; this would, however, undermine the intention of universal primary health care as envisaged by the WHO and the Community Health Program in Australia. Secondly, performance indicators could focus on agreed ‘core services’ as recommended by the Metropolitan Community Health Services Review. The risk here is the loss of comprehensive primary health care as these core
services become prescribed and other work that cannot be assessed by performance indicators is relegated to a low priority.

The lack of adequate data systems was considered a major barrier to the feasibility of using a performance measurement approach for community health services. A number of respondents declared that community health services were only just getting to the stage of being able to measure activity in a consistent way and that measuring outcomes was ‘light-years away’. However, all the respondents seemed confident that it would be possible at some time in the future.

**Value of a performance measurement approach to evaluation in the community health context**

Respondents were supportive of further work to develop performance measurement, although some were concerned about whether the investment needed to do this would offer value for money. It was noted that a huge investment in developing performance indicators and benchmarks for the acute hospital sector had moved very little beyond measuring activity and quality assurance. However, if it was done well, performance measurement would provide: opportunities to describe and demonstrate the value of the work of the sector; evidence of efficiency, quality and effectiveness; and evidence for the need for more resources.

**Implications**

**For governments**

The mix of Federal and State responsibility for publicly funded health services means that both levels of government are involved in policy and funding decisions. The fragmentation of the health system, including the mix of publicly funded community health services and fee-for-service general practice as the main providers in the primary health care sector, make overarching policy direction and strategic planning difficult. Nevertheless, it will be necessary for this to occur in order to determine performance expectations and establish appropriate benchmarks. The use of the National Health Performance Framework could then be trialed in the identification of high level national and state performance indicators for the community health sector. This work will require considerable resourcing to implement the developmental processes, set up consistent and agreed definitions, and develop data systems capable of delivering the information required to measure activity and outcomes. Part of the developmental process may be to acknowledge that performance measurement is only appropriate for some aspects of health sector evaluation.

**For community health services**

It appears inevitable that governments will continue to target the development of performance measures for community-based health services as part of the drive for accountability and rationalisation of the health dollar. There are potential gains and losses in this for community health services. As one of the contributors to primary health care, community health services need to demonstrate their experience and achievements in order to capitalise on the current focus of reorientation to health promotion and illness prevention. Performance measurement
could be used as a tool to demonstrate these achievements. However, the community health sector will also need to protect its philosophical base by maintaining local responsiveness, diversity of approaches and commitment to equity. The drive to accountability and the necessity to produce measurable outcomes could otherwise lead to a sector confined to ‘core’ business with targeted populations, rather than an approach that recognises and acts on the social, environmental and economic determinants of health in a comprehensive manner.

**For communities and clients**
Performance measurement has the potential to provide communities and clients with information about the efficiency and effectiveness of the services they are funding through tax-payer monies. It may increase accountability and transparency and facilitate decisions about the best use of the health dollar, between health sectors, and within community health service activity. On the other hand, service provision may change, either in response to what is found to work, or, more likely, if services find their funding is tied to demonstrable outputs and outcomes.

Any evaluation enterprise, unless fully funded, reduces the resources available to provide services. While there may be gains in the future in terms of improved services, the immediate impact of investment in performance measurement will be a reduction in service capacity. Even if a performance measurement system is fully funded by government, the opportunity cost remains. In keeping with the consultative approach adopted by community health services, community members and clients will be called upon to be involved. Communities will need to weigh up the potential gains and losses to themselves and their local health services.

**For researchers**
Health services research and evaluation has, in the past, concentrated on process, quality and cost-efficiency issues. Questions of effectiveness have proved harder to address, particularly in community-based services. The problems of causality and attribution present real challenges in this environment where long-term outcomes may be expected and external factors are always exerting an impact. Researchers will need to work with providers to find ways to evaluate effectiveness in long-term community-based health promotion and community development work.

Since it is unlikely that quantitative methods will be sufficient for performance measurement in community health, researchers using qualitative and mixed methods will need to ensure that these methods are robust and valid. Researchers and the community health sector will need to work together to convince politicians, funders and policy makers of the limitations of using a single evaluation approach and the benefits of choosing methods appropriate to the evaluation task.

**Conclusions**
The current political and economic climate has been a major driver in the shift to performance measurement in the public sector. The stated purpose of performance measurement is varied and includes concepts of accountability, value for money, efficiency and effectiveness,
results-based management, quality improvement and resource allocation. There is an uneasy relationship between performance measurement and evaluation. Performance measurement is usually described as a component of evaluation but an examination of suggested methods to overcome the limitations of performance measurement seem to place it more on a continuum.

At one end of the continuum, prescriptive or performance proving performance indicators can be used to demonstrate accountability and to compare the performance of an organisation against benchmarks or with the performance of other, similar agencies. This type of performance indicator is useful when standards are unambiguous, inputs, outputs and outcomes are clearly defined and linked, and organisations have control over their working environment. These characteristics rarely apply in the public sector.

Descriptive or performance improving indicators serve a different purpose in that they have a focus on service improvement and organisational learning. They are more able to take account of the environmental context in which an organisation functions. However, it seems likely that the large amount of descriptive, qualitative data needed to make this type of performance indicator meaningful also pushes this method of measurement towards the evaluation end of the continuum.

There are a number of specific challenges in using performance indicators to assess the effectiveness of community health services. At present there is no agreement about the role and scope of the community health sector and how it relates to primary health care and the wider health system. A lack of national or state level policy for community health in Australia means there are no agreed objectives from which to develop meaningful indicators. Work needs to occur at national and state level so that policy-driven goals and objectives are established. These can then be used as a foundation for identifying domains of performance and what constitutes ‘good performance’ by all the stakeholders. Only then will it be appropriate to start development of performance indicators. An early task will be to agree on realistic and achievable targets that can then be used to set benchmarks.

Performance indicators in the acute care sector have proved difficult to develop and there are many gaps in data availability and quality, despite this work being ongoing since 1994. The complexity of community health, and its philosophical underpinning, have a large impact on the potential for developing appropriate indicators for monitoring and measuring performance. While indicators of mortality and morbidity are fairly well established for use in the medical context, measurement of positive health and well-being still presents a challenge. Attributing changes in health and well-being in individuals and communities to health sector performance is even more difficult.

There is much to be done in the development of adequate and appropriate data systems. Quality indicators and the accreditation process are well-established so it is important not to duplicate work in this area. Activity data is collected, although not in a very systematic or consistent fashion, and its subsequent use is variable. Despite several years of developmental work, data systems remain unable to capture the qualitative experiences and outcomes from much community health work.

Attempts to overcome these challenges will be highly resource intensive. The efforts to date that have been directed to performance measurement in the acute health care sector provide evidence of this. A cost-benefit analysis of taking a performance measurement approach in community health may be useful. At a time when organisations are being asked to rationalise
services, the redirection of resources into performance measurement work may not be welcomed by practitioners or communities. The literature on performance measurement emphasises that to gain compliance, and hence good quality data, stakeholders need to be partners in the process of developing performance indicators. One of the first steps would be to establish agreement and shared understandings about the broad and complex community health agenda.

Performance measurement may provide a relatively straightforward tool to measure activity and quality standards against benchmarks (reflecting its origins in the manufacturing sector) but it is not up to the task of measuring complex and often long-term outcomes associated with public sector services such as community health. Qualitative evaluation methodologies are becoming more widely accepted and are more appropriate in the assessment of effectiveness for the community-based health promotion work of community health services. However, there is still much to be done in developing evaluation methodologies that are rigorous while at the same time able to measure, and compare across services, long-term and complex outcomes in health and well-being.

In a climate of fiscal constraint and evidence-based practice, the community health sector is being asked to provide evidence for the effectiveness of its approach and the achievement of enhanced health for the community. The challenge is to obtain and present this evidence while acknowledging the large role played by the social and environmental determinants of health outside of the sector, and protecting the value-base of primary health care as reflected in the emphasis on health promotion, participation, collaboration and equity.