



**MINISTERIAL STATEMENT
TO THE HOUSE OF ASSEMBLY**

BY THE HONOURABLE JEANNE J. ATHERDEN, CA, PCA, JP, MP

MINISTER OF HEALTH AND SENIORS

ON THE BERMUDA HEALTH COUNCIL ANNUAL REPORT 2015/16

15th July 2016

Mr Speaker and Honourable Members,

Mr Speaker and Honourable Members, I am pleased to Table the Bermuda Health Council's Annual Report for the fiscal year ending March 2016.

Mr. Speaker, Section 12 of the Bermuda Health Council Act 2004 requires that the Health Council submit a report of its operations and audited financial statements, to the legislature. The Health Council has been operational since 2006 and has tabled an annual report every year since.

Mr. Speaker, in April 2016 the Health Council submitted its draft unaudited financial statements to the Office of the Auditor General for the fiscal year ending March 2016; the Auditor approved the financial statements in June 2016. The Annual Report was approved by the Auditor General in July 2016 and is now being submitted for tabling.

The Health Council's Annual Report 2015/16 represents all operational activity between 1st April 2015 and 31st March 2016, inclusive, **Mr Speaker**. In this period the Council worked to strengthen its collaboration with stakeholders and improve its regulatory oversight of Bermuda's health system.

Mr Speaker, the Health Council made significant achievements in 2015/16 including the following:

- a. **Monitored employers' compliance** – The Health Council enforces employers' compliance with the Health Insurance Act 1970 (the Act). By collaborating with insurers and educating employers on their obligations as defined in the Act, the Health Council's efforts resulted in health insurance coverage for 2,115 employees and the recovery of an estimated \$700,348 in health insurance premiums.
- b. **Developed Standards of Practice** – In collaboration with the Council for Allied Health Professions, the Health Council coordinated the development and roll out of the Standards of Practice for Allied Health Professions which promotes transparency and accountability and encourages a high quality of healthcare for Bermuda's residents. These Standards affect approximately 350 allied health professionals.
- c. **Monitored diagnostic test ordering** – Since 2014, the Health Council has monitored utilization by analyzing physicians' diagnostic imaging and diagnostic lab order rates. The rates for

individual physicians and health service providers are shared to provide feedback and stimulate discussion about appropriate testing practices locally. Results were sent to 93 providers that made referrals for diagnostic imaging services and 97 providers that made referrals for lab services. Since the original analysis in 2014 there has been a reduction in order rates, with imaging orders down by 10% and lab orders down by 8%. This is a material reduction in unnecessary utilization. It is good for patients and good for health costs, and was achieved in a positive and collaborative way with the physician community.

- d. **Promoted electronic claims** – In 2012, insured patients were no longer obligated to pay upfront for health professional visits as per the Claims Regulations 2012. These Regulations also established basic requirements to submit, process, and pay claims. Between February 2015 and January 2016, the Health Council noted that 62% of claims received by insurers were

submitted electronically. Electronic claims submission ensures accuracy and timely payment to providers for the services they deliver.

e. **Monitored the health system** – The Health Council listens to feedback from the public, insurers, professionals and providers, and local companies, tracking the number of complaints and queries received. Tracking allows the Health Council to educate stakeholders about their rights within the health system and work collaboratively to identify solutions that improve care. This year, as always, most complaints were about whether employees have health insurance coverage and represented 33% (18) of all complaints (55) received in the last fiscal year. Of the 178 queries received, 26% (46) were about costs, fees and billing as people seek to understand the bills received for healthcare services.

f. **Facilitated two Health Symposia** – In May 2015, the Health Council teamed up with the Ministry of Health and Seniors, the

Bermuda Medical Council, the Bermuda Medical Doctors Association, and the Bermuda Hospitals Board to organize a symposium for all health professionals to focus on providing consistency in appropriate screening for select health condition. The Health Council also collaborated with the Ministry of Health and Seniors, to host a symposium to release the *Bermuda Health Strategy 2014 – 2019* and *Bermuda Health Action Plan 2014 - 2019*. The Strategy provides the vision for health in Bermuda and outlines the strategic reform priorities for our health system.

- g. **Reviewed the Standard Health Benefit** – The Health Council facilitated the annual actuarial review and published *Actuarial Report 2015* which outlines the process for determining the Standard Premium Rate. The Standard Premium Rate for 2016/17 remained the same as it was in 2015/16 and covered the cost of new services available under Standard Health

Benefit. The report is published annually on the Health Council's web site.

- h. **Published National Health Accounts** – The Health Council published the *National Health Accounts Report 2015* which provides details of health system financing and expenditure. Of note, this year, the Council reported a decrease in per capita health expenditure from \$11,297 per capita to \$11,188 per capita; and a decrease in overall health system expenditure from \$705 million down to \$693 million.
- i. **Provided advice to the Ministry** – And finally **Mr. Speaker**, the Health Council provided advice and support on a range of policy, public health and economic issues to the Ministry of Health and Seniors. This includes information about the performance of statutory boards who regulate health professionals, how to reduce health spending in select areas, and information to support health system planning.

Mr Speaker, as mentioned on previous occasions, when I came to this Honourable House last year, the Health Council committed to working very hard to improve access to health care and encourage more efficient use of health system resources. The Health Council has dedicated itself to this task with the assistance of many partners in the private and public sectors, and should be proud of its accomplishments this year.

I would be remiss if I did not thank all the Board members and the numerous members of the sub-committees, who with their diverse expertise, work together to provide a long term solution to health system issues.

Thank you, **Mr Speaker**.