

## **Report on the TioHundra Project: Tools for realizing integration**

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This report outlines a study of how the participants of a development initiative – the TioHundra Project – have been working since 2006 to integrate county operated healthcare and municipality operated social care activities aimed at people in the Swedish municipality of Norrtälje. A fundamental idea of the TioHundra Project is that "no one should slip through the cracks on their journey through healthcare and social care" (The TioHundra Council 2011). This means that healthcare and social care services should be integrated to ensure high quality care for the individual client. The report investigates the tools and structures for management and financial control, which were developed and applied during the project to improve collaboration between the responsible purchaser and provider organisations. Based on this information, the report explores how these structures and tools have facilitated or impeded integration at the administrative and operational levels.

The endeavour to create integration within the TioHundra Project was based on two basic structures: a local commissioning body with integrated responsibility for healthcare and social care (the TioHundra Administration) and a large, vertically and horizontally integrated, care provider (the TioHundra Care Company).

Compared to international examples of integrated care projects, it has been highlighted that the TioHundra Project differs from the majority of them in two important ways: firstly, it aims to achieve greater integration at both a purchaser and provider level. Secondly, the integration is based on a comprehensive responsibility for healthcare and social services for the whole population in a municipality, and spanning a wide array of activities (e.g. Hagbjer 2012). Previous studies have found that integration is more commonly sought between organizations in a specific operational area, such as the care of a specific patient group (see Åhgren and Axelsson 2011 for a number of Swedish examples), not seldom with the support of temporary economic incentives that fall outside the ordinary commissioning and reimbursement systems (Krohwinkel Karlsson 2012). In this respect, the TioHundra project takes both a wider and more long-term approach to integration.

The report describes how the boundaries between the county and by the municipality have shifted in several ways, through integration of both purchaser and provider

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activities. One clear example of a boundary shift is the Administration's design of comprehensive contracts that span the borders between the responsible authorities; another example of purchaser integration is the development of integrated monitoring of the providers' work in certain areas involving both health and social care components.

By contrast, within the realm of reimbursement systems and resource allocation, comparatively few specialised tools and structures to actively support integration have been introduced. This is due in part to the Care Company's dominance as care provider; with one actor providing a majority of the care services and consequently receiving most of the financial resources, it becomes less important for the purchaser to decide on the resource allocation among activities in advance.

Turning to provider integration, has taken place both in the organization and management of operational activities. Using the formal and physical structure of its organization as an important general tool, the Care Company has created new organizational units where resources can be pooled and redistributed to solve joint problems in their respective operational areas. With the help of "standardized" tools and shared administrative systems, the Care Company's employees have carried out a large number of development projects in a wide range of areas. The results of the projects can be easily observed in the everyday activities of the organization; this is where the significant changes in the integration of county and municipality operated activities have been made (Öhrlings PWC 2009).

The addition of new goals for the TioHundra Project has, however, changed the conditions for the Administration and the Care Company, as well as the need for, and the influence of, various integration mechanisms. This applies particularly to the increasing political emphasis on user choice, competition and diversity between providers – one example of which can be seen in the establishment of a national law on user choice and right of establishment within Swedish primary care from 2009.

In the TioHundra Project, the Care Company still remains the dominant actor in terms of business range and scope. At the same time, a number of new providers have emerged in Norrtälje in wake of the new law. This will place greater demands on the purchasing function in the long term. In particular, the prospects for using a single provider organisation to integrate interdependent activities are reduced, as the integration must now take place across organizational boundaries. The increased level of competition therefore highlights the need for further strengthening of integration of the commissioning function, to support the integration of care activities between providers.

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There is a need for the commissioning body to make an active effort to develop cross-boundary contract formulations and to bundle payments to further incentivize the delivery of better-coordinated care for persons with complex needs.

Such a commissioner role is closely associated with an integration of the purchasing responsibility for healthcare and social care within Norrtälje municipality. However, the integration must also take a greater account of the interdependent activities that are performed by the centralised purchasing organization of Stockholm County Council (of which the municipality of Norrtälje is a part). If not, there is a risk that the solutions developed during the Project will be perceived as an isolated part of the healthcare and social care system of the region, which is liable to reduce the potential for permanent implementation, as well as the attractiveness for other actors to seek learnings from the TioHundra Project.

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