

24 May 2010

Ms Christine McDonald
Secretary
Senate Finance and Public Administration References Committee
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Ms McDonald

Inquiry into the Council of Australian Governments reforms relating to health and hospitals

The Consumers Health Forum of Australia (CHF) welcomes the opportunity to provide a submission to the Senate Finance and Public Administration References Committee on the Council of Australian Government (COAG) reforms relating to health and hospitals. Given the very short timeframe for responses, our comments are brief, but we would welcome the opportunity to expand on them at a public hearing.

Consumers Health Forum of Australia (CHF) is the national peak body representing the interests of Australian healthcare consumers. CHF works to achieve safe, quality, timely healthcare for all Australians, supported by accessible health information and systems.

This submission is informed by engagement with members and consumer representatives on the health reform agenda, including consultations on the National Health and Hospitals Reform Commission final report, a consumer consultation forum with the Hon Nicola Roxon MP, Minister for Health and Ageing, and several state consultation forums with the Hon Mark Butler MP, Parliamentary Secretary for Health. Health reform has also been an underlying theme in much of our other policy work.

We note that several of the terms of reference deal with technical financial and service details including new financial arrangements, redistribution of funding, breakdown of expenditure and projected numbers of additional/new services, which we are not in a position to comment on. We would note, however, that the financial and other details of the COAG reforms must not disadvantage consumers.

Comments on the other terms of reference are provided below.

(e) the names, roles, structures, operations, resourcing, funding and staffing of any new statutory bodies, organisations or other entities needed to establish, oversee, monitor, report upon or administer the National Health and Hospitals Networks, Primary Care Organisations and the funding channels to be established under the COAG agreements

CHF is aware of a number of new statutory bodies, organisations and other entities that are to be established under the new health reforms, including, but not limited to:

- Independent Hospital Pricing Authority
- National Performance Authority
- Australian Commission on Safety and Quality (not a new body, but to be expanded and to become an independent entity)
- Local Hospital Networks
- Medicare Locals (primary health care organisations).

CHF also understands that an interim transition office will be established within the Department of Health and Ageing as a first step towards the establishment of a dedicated transition office.

CHF emphasises that all of these bodies and offices need to have mechanisms in place for consumer engagement and involvement at all levels. Mechanisms could include:

- Consumer positions on boards, management committees and other governance structures
- Involvement and support of consumer peak bodies
- Consumer forums and focus groups
- Engagement with grassroots organisations and consumers
- Consumer surveys.

Consumer involvement is essential both at the national level and in the local bodies, organisations and networks, and must be resourced as part of the implementation process to ensure robust engagement.

(f) what arrangements are in place, or are being negotiated for states that have not signed up, nor fully signed up to the COAG agreements, including what contingencies have been put in place for states that may want to alter agreements in future

CHF emphasises that consumers in the states that have not signed up or fully signed up to the COAG agreements must not be disadvantaged. Those states which have not signed up or fully signed up should be encouraged to adopt new national standards to increase national consistency, as uniformity across states and territories will benefit consumers.

Where good models of service delivery are already in place and are benefiting consumers, these should continue, and national service delivery plans should draw on lessons from these models.

(g) the intent of the state and territory governments and their preferred number and size of Local Hospital Networks in each state and territory

CHF notes recent unconfirmed reports which suggest that the Northern Territory and Tasmania will be served by single state-wide Local Hospital Networks based in the capital cities (eg National Rural Health Alliance Media Release, 20 May 2010). CHF would not support Local Hospital Networks that cover whole states and are run from metropolitan areas, as these are highly unlikely to be able to adequately address the needs of local communities, or to engage with local consumers.

CHF emphasises that Local Hospital Networks must be developed in such a way that they are able to engage with local communities and take their needs into account in service delivery, reflecting the diversity of populations and the needs of rural and regional communities.

(i) mental health matters

CHF was concerned by the absence of significant new mental health funding in the 2010-11 Budget, and the lack of any detailed plans around mental health as part of the National Health and Hospitals Network. We argue that it is essential that mental health is included as a fundamental element of the National Health and Hospitals Network, so that mental health care and treatment are integrated with the models of health service delivery.

(k) any other related matter

CHF strongly supports the personally controlled electronic health records announced in the 2010-11 Budget, and considers that they will play a key role in improving information transfer and streamlining service delivery in a reformed health system.

CHF is concerned by the lack of any initiatives on oral health, which is associated with many other chronic health problems and is a key indicator of social disadvantage. While CHF recognises that the Denticare model recommended by the National Health and Hospitals Reform Commission is not seen as viable, improved access to dental and oral health services must be seen as an essential part of health reform.

As noted above, CHF would be pleased to provide further information on any of the points in this submission at a public hearing of the Committee. Please do not hesitate to contact me if you would like to discuss any aspect of this submission further.

Yours sincerely

Carol Bennett
EXECUTIVE DIRECTOR