

A Submission to the Australian Senate Standing Committee on Finance and Public Administration

Inquiry into the Council of Australian Governments Reforms relating to Health and Hospitals

May 2010

INTRODUCTION

Services for Australian Rural and Remote Allied Heath (SARRAH), welcomes the opportunity to provide comments to the Senate Committee Inquiry on the reforms to Australia's health system recently agreed by the Council of Australian Governments (COAG).

SARRAH is nationally recognised as the peak body representing rural and remote Allied Health Professionals working in both the public and private sectors.

SARRAH's representation comes from a range of allied health disciplines including but not limited to: Aboriginal Health Workers, Audiology, Dietetics, Occupational Therapy, Optometry, Oral Health, Pharmacy, Physiotherapy, Podiatry, Psychology, Social Work and Speech Pathology.

These Allied Health Professionals provide a range of clinical and health education services to individuals who live in rural and remote communities. Allied Health Professionals are critical in the management of their clients' health needs, particularly with chronic disease and complex care needs.

Allied Health Professionals work across the primary health continuum. The Allied Health Professional, particularly in rural and remote areas, is well versed in the interdisciplinary and team approach to health care that leads to improved health outcomes.

It is noteworthy that in many smaller and more remote communities those people in need of primary health care are reliant on nursing and allied health services. If these health professionals are well supported then the need to access specialist and hospital services will be reduced.

The importance of the contribution to primary health care of the professions that SARRAH represents is acknowledged by the Government through funding of scholarships including professional development schemes. It is repeatedly demonstrated that Allied Health Professional services are essential to improving the quality of life and better health outcomes for rural and remote communities.

SARRAH maintains that every Australian should have access to equitable health services wherever they live and that Allied Health Professional services are basic and core to Australians' primary health care and wellbeing.

COMMENTS

The following comments aim to address some of the points contained in the Terms of Reference of the Senate Committee Inquiry, whilst highlighting the need to recognise the important contribution of Allied Health Professionals in the provision of health services to rural and remote communities.

Funding arrangements, responsibility and authority for primary health care services [Terms of reference (a), (b) and (e)]

SARRAH supports the general intent of a Commonwealth Government take-over of funding and policy responsibility for all primary health care. However SARRAH raises the following concerns:

- The lack of clarity about who will be responsible or accountable for key aspects of primary health care under the funding structure outlined in the National Health and Hospitals Network Agreement (the Agreement). For example the Agreement suggests that the Commonwealth will assume funding responsibility for primary health care services currently provided by jurisdictions. However, the Commonwealth will continue to provide funding to the jurisdictions to continue to provide the majority of these services. How will these services be locally identified, coordinated and delivered in an effective and efficient way to rural and remote communities?
- Funding will be provided by the Commonwealth to public hospitals and Local Hospital Networks (LHNs) under the Agreement to provide primary health care services. The allocation of funding must reflect a coordinated primary health care services approach to meet rural and remote community needs. How will this be achieved to meet local needs? Funding and services must also be detailed and measurable in local service plans.
- New funding measures and program guidelines must be developed in consultation with primary health care service providers, including Allied Health Professionals, to ensure that they are delivered and provide patient access to multi-professional team care in rural and remote communities.

Primary Health Care Organisations - roles, functions and governance [Terms of reference (e)]

SARRAH supports the introduction of Primary Health Care Organisations (PHCO) and we raise the following points:

- Australia's primary health care framework must be able to support and provide access to an integrated quality care system which focuses on enhancing the health outcomes for rural and remote communities.
- PHCOs must be given sufficient authority and be responsible for the health service policy and planning for all communities including those in rural and remote Australia.

- PHCOs must also be sufficiently resourced to be able to introduce and deliver targeted services to improve the health and wellbeing of their local communities. This includes the capacity to build, sustain and support the primary health care workforce.
- PHCOs must be supported by a governing board that draws on the skills and expertise of local consumers, primary health care professionals and business and management professionals.
- PHCO membership arrangements must be determined through broad consultation with local stakeholders, including health consumer groups, primary health care professionals and service provider organisations.
- PHCOs must be established taking into account not only the population size but geographic distribution in particular rural and remote characteristics.
- PHCOs will be known as 'Medicare Locals.' Further consultation with consumers as well as health professionals is required to ensure the name 'Medicare Locals' accurately reflects and promotes multi-professional teams delivering primary health care services.

Primary health care funding and administration arrangements [Terms of reference (e)]

SARRAH believes that the proposed funding and administration arrangements are not clear in the Agreement in regard to the primary health care services which the Commonwealth will become responsible for during 2011. Issues such as how funding will be provided to deliver services and through which body will the funds be administered and contracts monitored need to be resolved.

People who reside in rural and remote communities will be disappointed in the health reforms announced to date and the lack of action in the areas of the dental health workforce, maternity services and patients' accommodation and travel. The Commonwealth must take urgent steps to address these areas.

National implementation [Terms of reference (f)]

SARRAH notes that Western Australia has not signed up to the current Agreement and that there are a number of instances where specific jurisdictions will retain responsibility for aspects of primary health care that have been delegated a Commonwealth responsibility.

SARRAH acknowledges that where possible it is preferable to take a nationally consistent approach to the distribution of responsibilities between jurisdictional and Commonwealth Governments to establish PHCOs. However this should not be carried out to the detriment of the unique characteristics and needs of rural and remote communities across Australia.

Local Hospital Networks (LHNs) [Terms of reference (g)]

The key issue still remains whether people in rural and remote areas can be assured of their fair share of the big ticket items in the health reform agenda such as additional hospital beds, subacute care, and investments in emergency departments and elective surgery.

SARRAH believes that it is vital for LHNs and the new PHCOs to work together to provide better health services to all communities across Australia. Given the importance of a very close working relationship between these agencies and the LHNs, SARRAH will be interested to see whether they have common boundaries and are based on communities of interest.

Mental health [Terms of reference (j)]

SARRAH believes that people with chronic and severe mental health needs are better cared for in the community if funding for community based mental health services was channelled through PHCOs. To achieve better health outcomes for those with mental health problems, reforms must empower local structures in rural and remote communities to use funds flexibly and make decisions about the most appropriate packages of care.

SARRAH acknowledges the Government's intent to shape and develop new funding arrangements for services to ensure that social workers' clinical expertise are utilised to deliver services to all Australians with mental health issues, especially those from disadvantaged and low income backgrounds, Indigenous people, those with multiple needs and those residing in rural and remote areas.

However all relevant professional groups must be consulted in the review of the Better Access (Medicare) Program and involved in the shaping of the delivery of mental health services.

The Government must ensure that:

- The care packages are developed through consultation with clients and professionals to ensure they are client-centred, flexible, coordinated, and responsive to individual and community needs.
- All clients and specialist mental health social workers are supported to smoothly transition from the current Medicare program to the new program and other programs.

Other related matters [Terms of reference (k)]

SARRAH acknowledges the work to date on the national health and hospitals reforms and we continue to offer in principle support to ensure that rural and remote Australian communities gain access to a greater share of health services.

SARRAH raises the following related matters:

- We are well placed to be a major partner in facilitating the involvement of rural and remote Allied Health Professionals including the workforce for Aboriginal and Torres Strait Islander health in the implementation of health reforms.
- People living in rural and remote communities have both a right to, and an expectation of, access to safe, high quality health services.
- Rolling out structural health reforms in rural and remote areas will show immediate, significant and sustainable health gains. Inequity of access to health services including Allied Health Professionals is currently a primary cause of poor health outcomes in rural and remote communities.
- The move towards a comprehensive and integrated primary health care system, under a Commonwealth Government funding and policy framework should be strongly supported.
- The proposed new PHCOs must be flexibly designed to fit the communities they
 intend to serve. This will require tailored and blended funding models to ensure
 access for rural and remote people to safe, high quality comprehensive health
 services across the care continuum.
- The proposed PHCOs and other agencies must have multi-professional and community leadership and governance to be effective and sustainable.
- Access to key strategies and mechanisms such as electronic health records, workforce development programs, and the MBS should not be limited to those soon-to-be Nationally Registered Professions, as this would limit access to services critical to improved health outcomes and health reforms.