

Australasian College for Emergency Medicine

SUBMISSION NO. 17

AUTHORISED: 250505

04 May 2005

Mr James Catchpole
Committee Secretary
Standing Committee on Health and Ageing
Parliament House
Canberra ACT 2600

Dear Mr Catchpole

Re : Commonwealth Parliamentary Inquiry into Health Funding

The Australasian College for Emergency Medicine (ACEM) is happy to be offered the opportunity to be involved in consideration of this important issue. The College is the representative body for specialist emergency physicians and trainees in this field in Australasia. The College adopts an advocacy position for patients accessing emergency systems and for the role of emergency departments within the broader health system.

There are several issues which the College would like to table for consideration within the inquiry process:

Federal vs State Health Funding

It is clear that the existence of different funding streams (Federal and State) for various components of the health system creates tensions and policy and procedural developments which are driven by cost shifting. It is suggested that whilst systems exist which will naturally compete, the needs of the patient as the primary consumer of health services will be compromised.

Emergency Medicine is at the interface of many components of the health system, and the failings of the system to be patient focussed (as driven by funding and 'payer' considerations) are evident on a daily basis. Emergency Departments in the public hospital system are funded through state governments, whilst patients presenting to Emergency Departments come from systems with a mixture of state and federal funding, such as the community health sector (state funded), general practice (federally funded via Medicare) and aged care (federally funded). There is also some overlap in the Emergency Department and General Practice patient population when the setting of care delivery is often governed by availability. This has driven such measures as attempts to divert patients from one setting to the other (especially outside of business hours), often at extra expense and without a common accountability.

We believe that the separate state and federal funding streams for these areas has not contributed positively to attempts to address this undesirable situation.



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Aged Care Sector Capacity

In addition to current shortfalls in capacity, the ageing of our population will create future demand for increased access to appropriate aged care and residential care services. The failure to meet this demand often results in elderly patients spending excessively long periods in general hospital beds. These environments are not the most effective for managing the needs of this patient group. This situation leads to congestion of hospital systems, restricting access to elective and emergency patients, resulting in increasing elective waiting lists, and contributing to congestion of emergency departments and ambulance diversion or bypass.

The resolution of this issue lies squarely within funding systems for the aged care sector and as above, the separate state and federal funding streams in healthcare do not contribute positively to resolution of this matter.

Private Emergency Departments

Private emergency departments have great potential to divert load from the public health system both in terms of direct emergency service provision and in subsequent inpatient care (through the private hospital networks). The funding of consultations (Medicare) within private emergency departments has not developed to a point of sustainability. It is strongly recommended that the private ED funding and Medicare billing systems in this area be reviewed, to create a situation that allows or encourages patients to make freer choices in regard to accessing private sector emergency care.

Quantum of Funding for Health

ACEM is a strong advocate of optimised access to health services for the population. Whilst it is recognised that health systems must strive at all times for efficiency, it is also true that the basic societal investment in health needs to be at a sustainable level. The College believes that it would be of value for this current process to test societal expectations of the health service, and the community's willingness to invest a greater proportion of national wealth in this area. The health of a nation is clearly one of its greatest investments – promoting health and providing excellence in acute care limits the longer term and larger drains on community resource that a more reactive, illness-treating model drives.

It is likely that an increase in available resource in health would provide significant future benefit in social wellness.

Yours sincerely



MARCUS KENNEDY
HONORARY SECRETARY