SUBMISSION NO. 19
AUTHORISED: 25.05.05

THE ROYAL AUSTRALIAN COLLEGE OF GENERAL PRACTITIONERS

Submission to the House of Representatives Standing Committee on Health and Ageing Inquiry into Health Funding

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28 April 2005

Summary of the comments

The Royal Australian College of General Practitioners (the RACGP/College) is pleased to have the opportunity to make a submission to the House of Representatives Standing Committee on Health and Ageing Inquiry into Health Funding.

The RACGP has a membership in excess of 11,000 General Practitioners (GPs) and 22,000 GP members who take part in its Quality Assurance and Continuing Professional Development (QA & CPD) program. It is the national leader in setting and maintaining the standards for quality practice, education and research in Australian General Practice. The College also distributes its academic journal, *Australian Family Physician*, to over 33,000 medical practitioners monthly. Amongst its other aims, the RACGP seeks to work with organisations to advance key concerns for GPs, their patients and society. As a result, the RACGP has a keen interest in potential changes to the legislative and regulatory environment that can affect the quality of care provided to the Australian community.

The RACGP holds the view that the problems for consumers created by the sometimes complementary and often over-lapping roles of the different levels of government for health and related services are well-known, and have been documented in a number of inquiries and initiatives.

The RACGP requests that the Standing Committee take a broad focus on the issue of roles and responsibilities, in an endeavour to address the challenges created by boundaries between 'health' and other services.

The RACGP is concerned about the overall investment in preventive health measures by all levels of government and recommends that the Standing Committee pay particular attention to the roles and responsibility of the different levels of government for supporting preventive health measures.

Additionally, the RACGP believes that an analysis of roles and responsibilities must include a discussion about the roles and responsibilities for funding sufficient educational and training posts.

The RACGP requests that the Standing Committee pay particular attention to, and report on mechanisms that will support successful initiatives in Aboriginal and Torres Strait Islander health.

More broadly, the RACGP recommends that consideration be given to a stocktake of the knowledge gained to date from trials that have sought to improve health funding, and that such a stocktake have a strong focus on implementing lessons learned.

The RACGP supports work being undertaken under the auspices of the Australian Council for Safety and Quality in Health Care, to improve accountability for safety and quality in health care. The RACGP acknowledges and believes that it can play a leading role in work on these issues in the general practice and primary care area.

With respect to private health insurance, the RACGP supports further work to reduce incentives that encourage hospitalisation when community care is preferred and effective. The RACGP also supports a detailed analysis of the costs and benefits of extending private health insurance cover to the general practice, and primary care sector.

Introduction

The RACGP understands that the Committee shall inquire into and report on how the Commonwealth government can take a leading role in improving the efficient and effective delivery of highest-quality health care to all Australians.

The Committee shall have reference to the unique characteristics of the Australian health system, particularly its strong mix of public and private funding and service delivery. The Committee shall give particular consideration to:

a) examining the roles and responsibilities of the different levels of government (including local government) for health and related services;
b) simplifying funding arrangements, and better defining roles and responsibilities, between the different levels of government, with a particular emphasis on hospitals;
c) considering how and whether accountability to the Australian community for the quality and delivery of public hospitals and medical services can be improved;
d) how best to ensure that a strong private health sector can be sustained into the future, based on positive relationships between private health funds, private and public hospitals, medical practitioners, other health professionals and agencies in various levels of government; and
e) while accepting the continuation of the Commonwealth commitment to the 30 per cent and Senior's Private Health Insurance Rebates, and Lifetime Health Cover, identify innovative ways to make private health insurance a still more attractive option to Australians who can afford to take some responsibility for their own health cover.

The Royal Australian College of General Practitioners (the RACGP/College) is pleased to have the opportunity to this submission to the Committee.

Background to the RACGP

The RACGP was established in 1958 to maintain high standards of learning and conduct in General Practice, and currently has a membership in excess of 11,000 General Practitioners (GPs) and 22,000 GP members taking part in its Quality Assurance and Continuing Professional Development (QA & CPD) program.

The RACGP is the national leader in setting and maintaining the standards for quality practice, education and research in Australian General Practice. The College also distributes its academic journal, Australian Family Physician, to over 33,000 medical practitioners monthly. The Australian Medical Council (AMC) has accredited the education and training leading toward Fellowship of the RACGP and the RACGP QA & CPD program. The RACGP is the fourth of Australia's specialist medical colleges to seek accreditation of its medical education standards, curriculum and procedures by the AMC.

Amongst its other aims, the RACGP seeks to work with other organisations to advance key concerns for GPs, their patients and society. The College, through Australian General Practice, works to improve the standard of health care for all Australians and especially groups of people with special health care needs. To ensure that its work, and the work of GPs, continues to be relevant to the Australian community, the RACGP also aims to increase its capacity to accurately forecast what the future holds for Australian General Practice.

The roles and responsibilities of the different levels of government (including local government) for health and related services

The problems for consumers created by the sometimes complementary and often overlapping roles of the different levels of government for health and related services are well-known, and have been documented in a number of inquiries and initiatives. These problems include challenges at the 'boundaries' of the various systems (e.g. problems in the GP-hospital interface, and problems in the GP-aged care and aged care-hospital interface). The problems arise, particularly, because of decisions to include or exclude certain activities from programs based on the way in which this impacts on costs for the organisation, and results in the dynamic known as 'cost-shifting'.

The RACGP shares the concern of many in the health care sector that such activities are unhelpful, and have an adverse impact on the responsiveness of the health system (as well as other outcomes for consumers). The impact appears to be most severe for the most disadvantaged members of the Australian community, who rely on coordinated effort across sectors such as health, housing and social services, and who can include young people, people with chronic mental health problems and people in some rural locations.

In that context, the RACGP requests that the Standing Committee take a broad focus on the issue of roles and responsibilities, in an endeavour to address the challenges created by boundaries between services that are traditionally considered to be 'health' services and other services that focus on other social determinants of health (e.g. social services, housing, transport and education).

The RACGP is concerned about the overall investment in prevention by all levels of government and holds the view that all levels of government have a responsibility to fund or support prevention. There is an ongoing need for a strong focus on known contributors to morbidity, especially lifestyle factors such as smoking, poor nutrition, alcohol use, and lack of physical activity.

As a result, the RACGP recommends that the Standing Committee pay particular attention to the roles and responsibility of the different levels of government for prevention.

The RACGP acknowledges the important focus that the States and Territories have on the efficiency and throughput of the hospital sector. However, this focus can create a strong incentive for investments in the long-term community care for people who are at risk of hospitalisation. The RACGP is concerned, however, that this results reduced attention to the population whose needs are ongoing, but low in intensity. The RACGP is also concerned that it can result in a lack of rapid access to community care due to resource constraints, when small levels of prompt support would assist to maintain people in their own homes. An example of this is where a daughter provides ongoing support for her father who lives independently, but who herself becomes acutely ill – leaving her father with a substantial risk of deterioration and hospitalisation.

The reducing participation rate of GPs and the challenges of recruiting sufficient, and sufficiently skilled doctors into general practice will have a long-term impact on the health system. GPs play a critical role in the responsiveness of the health system, and a discussion about roles and responsibilities must include a discussion about the roles and responsibilities for funding sufficient educational and training posts.

Simplifying funding arrangements, and better defining roles and responsibilities, between the different levels of government, with a particular emphasis on hospitals

The RACGP is concerned that the complexity and lack of definition of the roles of government have a particularly negative impact on services for Aboriginal and/or Torres Strait Islander people. The RACGP requests that the Standing Committee pay particular attention to ways in which improvements in health funding can meet the needs of this group of Australians, and requests that the Standing Committee report specifically on mechanisms that will support successful initiatives in Aboriginal and Torres Strait Islander health.

Discussions on the simplification of funding arrangements in health have been occurring for a substantial period.

The RACGP has seen a number of major initiatives in this area, including the Coordinated Care Trials, Multi Purpose Services and initiatives in the field of Aboriginal and Torres Strait Islander Health. Many GPs have participated in such initiatives, in part to add to knowledge that would improve health funding in Australia.

There appears to be no single arena in which to consolidate the lessons learned and discuss the implications of these major investments. This appears to be aggravated by the turnover of key staff in all levels of government, leading to a substantial loss of 'corporate knowledge'.

The RACGP recommends that consideration be given to a stocktake of the knowledge gained to date, with a strong focus on implementing lessons learned.

While the RACGP acknowledges that the Terms of Reference for this Inquiry suggest that the issues of funding for general practice services are outside the scope of the Inquiry, the relatively poor (financial) value accorded to general practice services has a direct impact on the overall effectiveness and efficiency of the system. This inequity is one factor in career choice that is thought to make general practice relatively unattractive to the brightest and best of Australia's medical graduates. The inequities in the relativities in the Medicare Benefits Scheme also create disincentives for GPs to undertake activities, especially some procedural activities. This has flow-on effects to the hospital sector. In that context, the RACGP requests that the Standing Committee ensure that the interaction between general practice funding and that of the broader system be included in the Standing Committee's considerations.

Considering how and whether accountability to the Australian community for the quality and delivery of public hospitals and medical services can be improved

One of the most important issues of accountability to the Australian community is for the safety and quality of health care. The RACGP supports the continuation of a fee-for-service model which brings patients and their doctors into a direct relationship, and generally forms a sound basis for accountability.

The Australian Council for Quality and Safety in Health Care (ACSQHC) encourages patients to actively discuss the purpose, importance, benefits and risks associated with their health care with their health care provider in the publication Ten Tips for Safer Health Care. This work is a useful underpinning to an environment that encourages accountability.

The RACGP also supports a number of other initiatives of the ACSQHC. For example, the RACGP supports the increased attention on the utility of existing data collection to report on the scale and nature of harm to patients of the Australian health system (e.g. the reporting of adverse events related to medicines through the Adverse Drug Reporting

Advisory Committee). The RACGP also supports the gradual extension of data collection and reporting in critical areas of patient safety, where existing data is not available.

The RACGP continues to be concerned that the general practice and primary care areas are not a sufficient priority in the agenda of the ACSQHC, and looks forward to the outcome of the review of the ACSQHC, where this comparative lack of attention has been canvassed.

Meaningful increases in reporting on patient outcomes/safety and on the outcomes of safety initiatives in general practice will depend heavily on the continued investment in high quality clinical information systems in general practice, and on the continuation of initiatives such as the General Practice Computing Group.

Australian general practice now leads the way in the use of clinical information systems in private medical practice. The promulgation of clinical information systems in general practice provides extremely useful lessons for the balance of private medical practice, and for other health professions in office-based care; which in turn provides a platform for increased transparency.

The RACGP acknowledges that there is a substantial body of work in the consideration of data aggregation and reporting to the public – especially in dealing with issues such as risk-adjustment.

How best to ensure that a strong private health sector can be sustained into the future, based on positive relationships between private health funds, private and public hospitals, medical practitioners, other health professionals and agencies in various levels of government

The RACGP acknowledges the occasions on which private health insurers have endeavoured to engage the College in discussions about improvements in services for their members.

There continue to be substantial barriers to ongoing involvement created, in part, by the constraints on the scope and nature of general practice and primary care services that health insurers can fund.

A strong private sector will only be sustained where there is a sustainable health workforce, and the RACGP continues to advocate for sufficient, and sufficiently attractive, places in medical school and in general practice vocational training.

While accepting the continuation of the Commonwealth commitment to the 30 per cent and Senior's Private Health Insurance Rebates, and Lifetime Health Cover, identify innovative ways to make private health insurance a still more attractive option to Australians who can afford to take some responsibility for their own health cover

General practice and other forms of primary care are used much more frequently by Australian than the acute/hospital sector which has been the focus of existing private health insurance.

The out-of-pocket costs of many Australians continue to grow, providing an incentive for Australians to insure against those costs. Additionally, despite some changes in the scope of services covered by private health insurance, the current private health insurance system continues to reward 'perverse' outcomes (e.g. to preferentially funds hospital-based palliative care, when many patients seek to have home-based palliative care).

The RACGP acknowledges that privately insuring general practice and other primary care services may create inflationary incentives.

As a result of these factors, the RACGP supports a detailed analysis of the costs and benefits of extending private health insurance cover to the general practice, and primary care sector.

Conclusion

The RACGP is pleased to have the opportunity to make a submission to the Inquiry.

On behalf of the RACGP, its President, Prof Michael Kidd would be happy to appear before the Standing Committee to discuss the matters covered in the RACGP's submission.