

COALITION DISSENTING REPORT

Coalition members of the Committee note that although the *National Health Reform Amendment (National Health Performance Authority)* Bill has been introduced into the House of Representatives, the legislation appears to be a work in progress.

A number of submissions to the inquiry expressed concern that the Bill had been drafted and introduced without consultation with the states and stakeholders. Subsequent developments have further emphasised this.

During the Committee's hearings, the Australian Healthcare and Hospitals Association called for "critical amendments" to the Bill stating:

....it is clear that the legislation fails to recognise the formal role of state and territory Governments as majority funders and system managers of public health services including overall responsibility (statutory and political) for the performance of LHNs, public hospitals and state/territory primary health care services.

The Victorian and West Australian Governments were strongly critical of the Bill. Their submissions stated that it failed to reflect the outcome of the Council of Australian Governments' meeting of February this year and as such was unacceptable.

Consequently the Department of Health and Ageing has provided the committee with an Exposure Draft of proposed amendments and Supplementary Explanatory Memorandum.

Coalition Senators note that a meeting of State Health Ministers was convened with the Federal Minister on Tuesday, 7 June 2011.

The communiqué issued at the conclusion of that meeting states that ministers have reached "in- principle" agreement on the legislation.

Point 5 of the communiqué states: "The in-principle agreement reached today is subject to a production of a final re-worked Bill and framework."

Clearly the Bill is to undergo significant re-drafting to address state concerns and it would appear there are to be further amendments added to those contained in the confidential Exposure Draft before the committee.

Other submissions to the Inquiry made significant criticisms of the Bill declaring there was a lack of "clarity" about the legislation and the authority it will establish; "vagueness" about what the authority will do; a lack of goals and objectives; privacy

concerns and wide concern about duplication; and the administrative and reporting burden it might place on health services and providers.

The Australian Medical Association submitted:

....the legislation does not provide for appropriate interaction between the Authority and the Australian Commission on Safety and Quality in Health Care or the proposed Independent Hospital Pricing Authority. There will be important synergies between these organisations that should be reflected in the legislation.

And further it noted:

...The explanatory memorandum states that these measures will have no regulatory impact on business and individuals. We do not believe this is a true statement.

The Australian Institute for Primary Care and Ageing submission discussed:

....the apparent lack of integration between the two bodies established by the Bill, namely the National Health Performance Authority and the Australian Commission on Safety and Quality in Health Care.

It considered there was “tremendous....functional overlap” between the two bodies:

...one that will place a substantial administrative burden on individual health services.

Coalition senators seriously question the need for the Government to impose these extra layers of centralised health bureaucracy at significant cost to taxpayers. The Performance Authority alone comes with a price tag of \$120 million.

The Commission on Safety and Quality already existed within the Department of Health and Ageing before this Government decided it must be a statutory authority.

That Commission, the Australian Institute of Health and Welfare and the Australian Bureau of Statistics, among others, already collect, analyse and report data on hospitals and health services.

The Coalition has argued that the Government should present one piece of legislation that clearly outlines each of the new bureaucracies it seeks to establish, their roles and responsibilities so that the Parliament, stakeholders and the public can see exactly what this Government proposes.

Accordingly Coalition Senators make the following recommendations:

Recommendation 1

Given the considerable re-drafting of the Bill that is foreshadowed by the Australian Health Ministers Conference communiqué, we call on the Government to release an Exposure Draft of the proposed amendments for further public consideration and comment.

Recommendation 2

Given the overlaps and inter-relationships between the roles of the Commission on Safety and Quality, the Performance Authority and the proposed Independent Pricing Authority; that the Government defer further dealing with this Bill until it can introduce legislation regarding the Pricing Authority.

Recommendation 3

If the Government persists, that a review be conducted 12 months after the commencement of a Performance Authority to establish the extent of the further administrative burden imposed on health services and providers by new Government requirements including the collection and reporting of data.

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