

National Health and Hospitals Reform Commission Final Report June 2009



SUMMARY OF KEY INITIATIVES OF NHHRC

- Commonwealth to take over all Primary Health Care
- Denticare to cover all Australians
- Establishment of National Aboriginal Health Authority
- National Access to Health Care Targets Established

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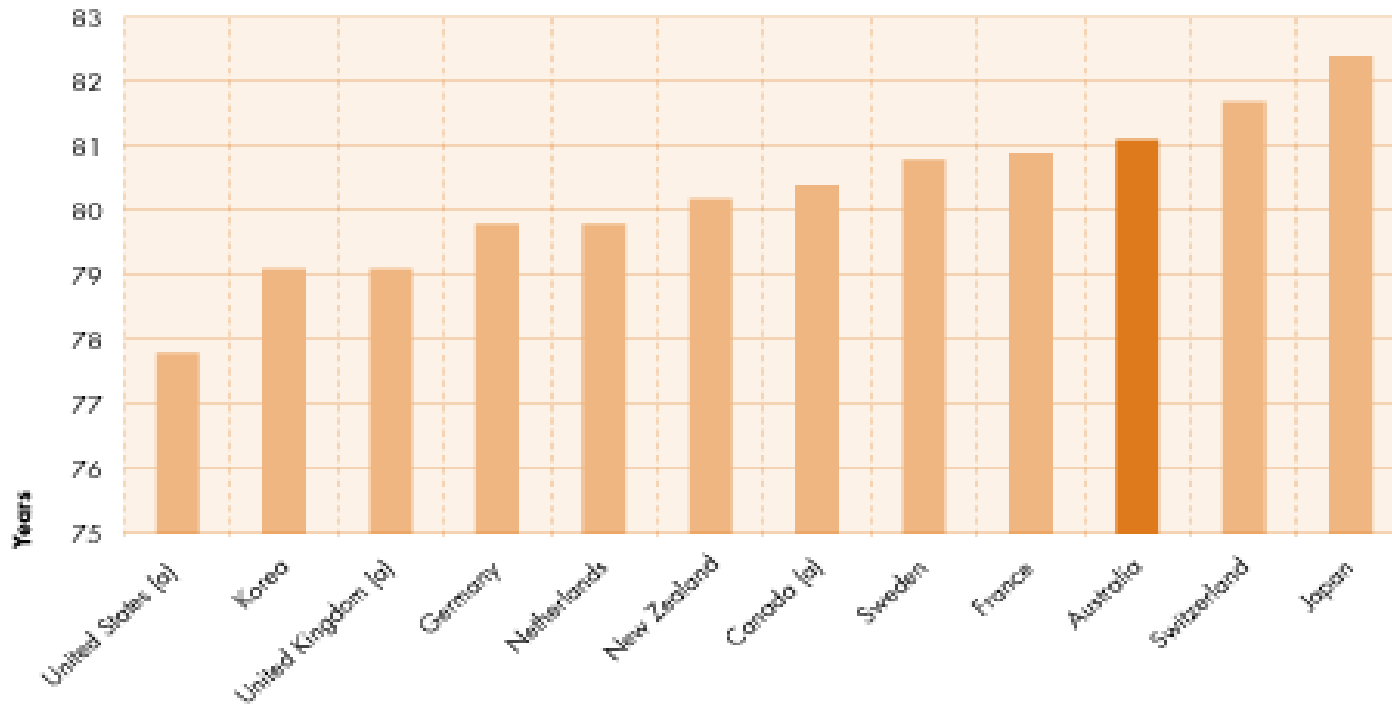
- National health Promotion & Prevention Agency Established
- Connect and Integrate Health & Aged Care Services
- Develop Comprehensive Primary Health Care Services

SUMMARY OF KEY INITIATIVES OF NHHRC

- Establish Primary Health Care Organisations (instead of Div.GPs, PCPs)
- Reshape Medicare
Medicare Select?
- Single Patient Identification
- Single E Health Record owned by patient
- Healthy Australia Accord

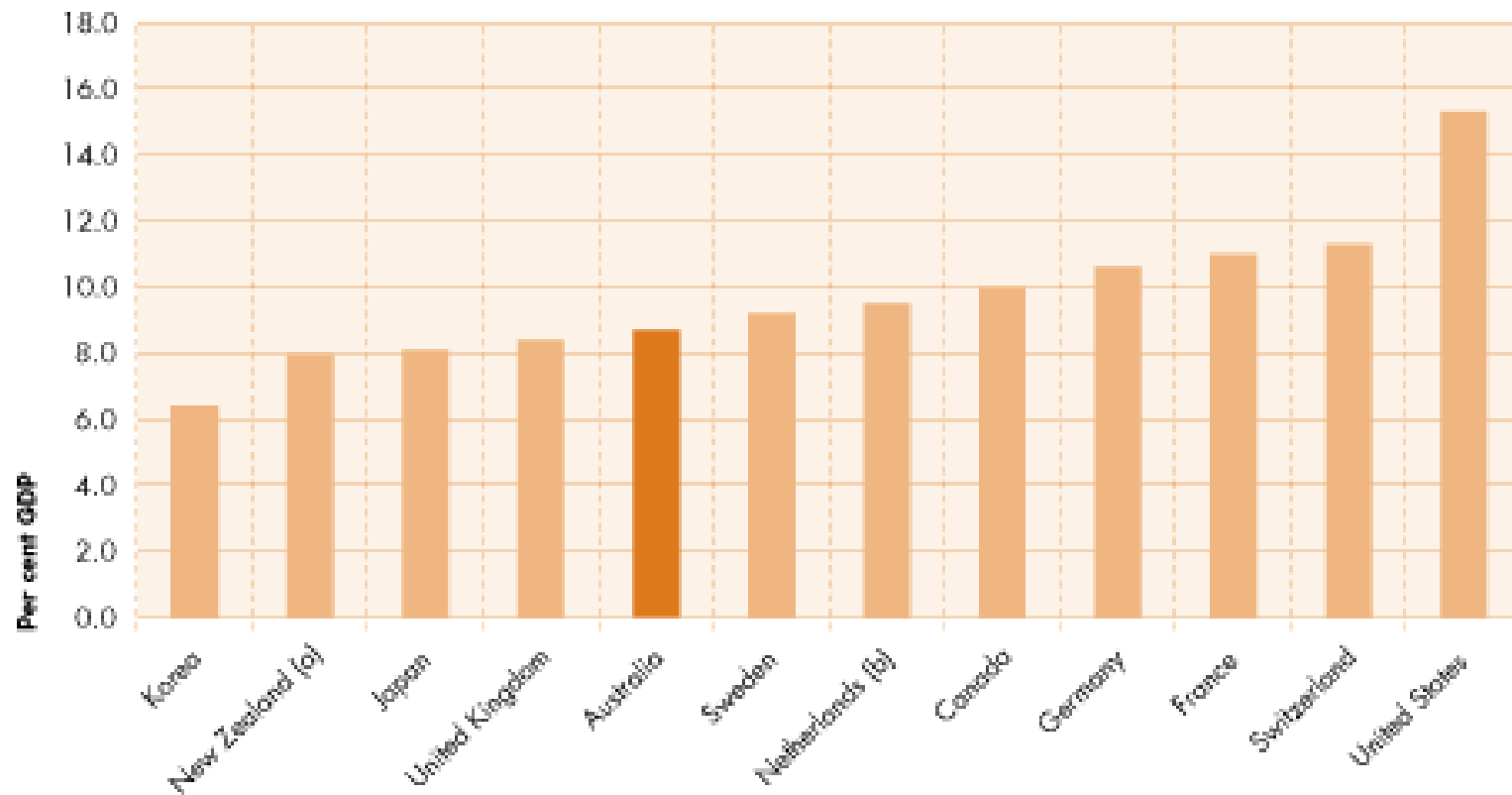
A health system under pressure

Total Population life expectancy at birth - 2006



A health system under pressure

Total expenditure on health care in OECD countries – 2006



A Time for Action – Assessing the performance of our health system

Six nation summary scores on health system performance

Overall ranking		AUS	CAN	GER	NZ	UK	USA
Overall ranking – 2004 edition		2	4	n/a	1	3	5
Overall ranking – 2006 edition		4	5	1	2	3	6
Overall ranking – 2007 edition		3.5	5	2	3.5	1	6
Measure	Quality Care	4	6	2.5	2.5	1	5
	Right Care	5	6	3	4	2	1
	Safe Care	4	5	1	3	2	6
	Coordinated Care	3	6	4	2	1	5
	Patient-centered Care	3	6	2	1	4	5
	Access	3	5	1	2	4	6
	Efficiency	4	5	3	2	1	6
	Equity	2	5	4	3	1	6
	Healthy Lives	1	3	2	4.5	4.5	6
	Health Expenditure per capita*	\$2,876	\$3,165	\$3,005	\$2,083	\$2,546	\$6,102

A system out of balance

There is a focus on illness at the
expense of wellness

\$94 billion on health less than
two percent of this total spent on prevention

Inequities in access and outcome

- Inconsistent and unequal access to appropriate services and health outcomes is causing many Australians unnecessary suffering.
- The Australian way is to give all a 'fair go' and we know that this is not the case for many people.

Inefficiencies in the organisation and delivery of health care

- Average life expectancy at birth could be increased by just under two years, or the number of health services increased by 10 to 20 per cent using the same amount of resources.
- 2006, Productivity Commission estimated that just a five per cent improvement in health sector productivity could result in net savings of around \$3 billion.

Older patients in public hospitals often need a different form of care

- Almost 20 per cent of older patients in public hospitals would be more appropriately cared for outside an acute hospital.
- Reasons include → lack of appropriate post-acute care services → delays in the discharge process → delays in diagnostic tests, and → delays in medical and other specialized consultations.

Growing concerns about quality and safety

- Action is needed to measure and prevent adverse events.
- Richardson estimated that the number of avoidable adverse events occurring each year was equivalent to 13 jumbo jets crashing and killing all 350 passengers on board.

Expenditure on health care.

What drives health expenditure?

- Health and aged care costs are rising around the world and will continue to do so.
- In Australia, expenditure on health and residential aged care as a percentage of GDP is projected to rise from 9.3% in 2002-03 to 12.4% of GDP by 2032–33.

The impact of longevity

- Our average life expectancy is currently among the highest in the world and has increased by five years over the last two decades.
- Experts predicting an increase of between 53 and 70 per cent in the number of couple families without children.

The impact of longevity (cont)

- Traditional family households will decline in number from 75 per cent in 2001 to 62-69 per cent in 2026.
- Lone parent households exhibit higher mortality rates, lower levels of health, and lower income levels.

Workforce shortages and declining morale.

Shortages of health professionals

In 2006, those employed in the health service industry comprised 7.3 per cent of all employed persons but we may need to have over 20 per cent of the total workforce in health related areas by 2025 if we are to maintain delivery of services that we currently have.

Workforce shortages and declining morale. Shortages of health professionals (cont).

41 per cent of rural doctors were trained overseas. We also rely heavily on unpaid primary carers (the 'invisible' health workforce) who may dwindle in the future as more people age and rely on family members to participate in the paid workforce.

Chronic conditions affecting our health are more prevalent than ever before

- It has been estimated that almost four in five Australians have at least one long-term or chronic health condition. Already, more than 50 per cent of GP consultations are for people with a chronic condition.

Advances in technology

- Health technology - Over 23 per cent of the world population and around 75 per cent of Australians now use the internet and, as a consequence, are able to learn a remarkable amount about their own health problem, its diagnosis, prevalence and treatment. This has driven consumer knowledge and patient expectation.

Moving from complacency to action – the critical need for health system reform

KEY QUESTION

- What balance should we have between public and private funding and provision of health services?
- Should all citizens contribute more in taxation to pay for health services in remote and rural areas if it will provide fairer access? What do we define as good quality health outputs and outcomes that we seek from our health system?

Tackling major access and equity issues that affect health outcomes for people now

Dental Services

- 650,000 plus people on public dental waiting lists.
- We know that nearly one third (31.2 per cent) of all Australian adults avoided or delayed visiting the dentist due to costs.
- The average household who used dental services spent 3.1 per cent of their weekly budget – almost \$30 per week – on dental care.

Tackling major access and equity issues that affect health outcomes for people now (cont)

- People are making choices about whether to get their teeth fixed, or pay their gas and electricity bills (3.8 per cent of weekly household spending), or meet their children's education costs (3.7 per cent of weekly household spending).
- Our lack of access to affordable dental health services means that Australia ranks among the bottom third of OECD countries for rates of dental decay among adults

Hospitals

Timely access to quality care in public hospitals

- Seven per cent of people who visit a major public hospital emergency department will leave before being seen.
- Australasian College of Emergency Medicine claimed that there may be about 1,500 deaths each year that directly result from overcrowding in public emergency departments.
- Currently hospitals operating at or even over, 100 per cent occupancy.
- Proposal – operate at closer to 85 per cent occupancy. To have ‘spare’ or ‘stand-by’ bed capacity.

Preliminary set of National Access Targets

Primary health care services: no more than 1 day to access a primary health care professional; no more than 2 days to access a medical practitioner

Health telephone support (National Health Call Centre Network): no more than 10 minutes to receive initial telephone advice

Postnatal care: home visit to a new mother within 2 weeks of giving birth

Crisis mental health services: response within 1 hour for emergency patients and within 12 hours for priority patients

Community mental health services: contact within 7 days of discharge from an acute mental health service for patients with psychosis, or within 1 month following referral for other patients

Drug and alcohol treatment program: within 1 month following referral

Preliminary set of National Access Targets (cont).

Aged care assessment: *assessment within 48 hours for patients requiring immediate response, or 14 days for patients whose condition is deteriorating*

Public hospital outpatient services: *within 2 weeks for first appointment for urgent patients with a life-threatening condition and within 3 months for other patients*

Radiotherapy: *within 1 day for emergency care patients, 2 weeks for high priority patients and 1 month for other patients from referral to commencement of therapy*

Planned surgery: *1 month for high priority (Category 1) patients and 3 months for priority (Category 2) patients*

Ambulance services: *15 minutes for potentially life-threatening events in metropolitan areas*

Emergency departments: *immediately for resuscitation (Category 1) patients, within 10 minutes for emergency (Category 2) patients, within 30 minutes for urgent (Category 3) patients*

Redesigning our health system to respond to emerging challenges

Vision of a reformed health system includes:

- Embedding prevention and early intervention into every aspect of our health system and our lives.
- Connecting and integrating health and aged care services for people over their lives
- Evolving Medicare – moving beyond the Medicare Benefits Schedule to building the ‘next generation’ of Medicare.

Our recommendations include a mix of 'top down' and 'bottom up' approaches

- A new Australian Health Promotion and Prevention Agency.
- Building the evidence base as to what works in prevention.
- A common national approach to the evaluation of all health interventions.

Building prevention and early intervention into our health system

- **Before conception:** Universal services need to ensure that people who may become parents are as healthy as possible.
- **Before birth:** All women would have access to universal primary health care services.
- **Early childhood:** We need to build upon the existing child and family health services.

Building prevention and early intervention into our health system (cont)

- **Special needs:** Children with particular health or developmental issues would be referred and eligible to get an enhanced package of care (for example, access to specialist services such as pediatricians, allied health, speech pathologists and other services required to manage disabilities or developmental delays).

Building prevention and early intervention into our health system (cont).

Proposed integration of state funded primary health care services and general practice should retain the important strengths of each service model.

Health promotion in schools

All primary schools have access to a child and family health nurse.

National expansion of the pre-school and school dental programs.

Building prevention and early intervention into our health system (cont).

Encouraging good mental health in our young people -

- most new cases of what become chronic mental illnesses – including psychotic disorders such as schizophrenia – emerge, with often severe impacts, in late adolescence and the early adult years.

Building prevention and early intervention into our health system (cont).

- among young people aged 16-24 years, over a quarter reported experiencing at least one mental disorder in the previous 12 months and over 40 per cent of those reported two or more mental disorders, and
- over one in ten young people aged 16-24 years will have both a mental health disorder and a substance use (alcohol and/or illicit drugs) problem.

Building prevention and early intervention into our health system (cont).

Youth-friendly, community-based services providing information and screening for mental disorders and sexual health.

Specialist clinical services for prevention and intervention of early psychosis.

Primary health care as the cornerstone of
our future health system

Vision for a future health system involves:

Primary health care services should be the
axis or pivot around which we seek to
develop a person-centered health system.

Bringing together and integrating
multidisciplinary primary health care
services.

Investing and building comprehensive primary health care

- Encouraging better continuity and coordinated care.
- A single primary health care service of their choice that would become their 'health care home'.

Investing and building comprehensive primary health care (cont)

- Strengthened primary health care services in the community should become the 'first contact' for providing care for most health care needs for most people.
- Vital role of general practice which allows the creation of a comprehensive platform of primary health care bringing together health promotion, early detection and intervention and the management of people with acute and ongoing conditions.

Increasing choice in aged care

- We are recommending that existing assessment processes be streamlined and integrated.
- This means that regardless of whether people are ultimately assessed as needing Home and Community Care services, community-based aged care services or residential aged care services.
- There is a single, common integrated assessment approach ie: HACCC, Resi Aged Care, Community Aged Care.

Bringing together state-funded health services and MBS services (cont).

To bring together the broad array of services (medical, allied health, nursing and other services) that would form the backbone of the proposed Comprehensive Primary Health Care Centre's and Services.

Rethinking the universal service entitlement

- Individual households already make substantial direct co-payments for health services.
- In 2006–07, direct payments by individuals accounted for \$16.0 billion or 17.0 per cent (one in six dollars) of all spending on health services.

Creating an agile and self-improving health system

Five levers for action-

- Strengthened consumer engagement and voice.
- A modern, learning and supported health workforce; Smart use of data, information and communication.
- Well-designed funding and strategic purchasing models.
- Knowledge-led continuous improvement, innovation and research.

Improving health literacy

- Health literacy be included as a core element of the National Curriculum.
- Improving health literacy in particular domains, such as mental health literacy.
- Helping people to ‘make healthy choices’.

Fostering genuine participation

- Becoming 'extremists' on patient decision-making.
- Empowering consumers to make fully informed decisions.
- Recognize and support the increasing development of 'decision aids'.

Fostering genuine participation (cont)

- Vital role of informal and family carer's.
- Advance Care Planning.
- Suitable training for the health and aged care workforce.

Moving beyond fee-for-service in funding medical and other health services

We are recommending that, in the future, primary health care services would receive funding that comprises:

- Ongoing fee-for service payments

- Grant Payments

- Outcomes payments

- Episodic or bundled payments

Key benefits of the Healthy Australia Accord

- Better integrated primary health care, dental care and aged care under Commonwealth Government funding and direction.
- Greater incentives for investment in primary health care and sub-acute care.
- More efficient delivery of health care services, particularly from case mix funding of all public hospital services.