

Accountability and system improvement

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The first of us is a really impressive individual who I saw for the first time winning the RIRDC Rural Woman of the Year award at the big dinner in Canberra in 2010. Sue Middleton has diverse business, policy, project and development and change management experience, ranging from the national level work through to developing projects in local settings in rural and regional Australia. Sue has played an active role in community development roles in Queensland and Western Australia, where she lives and works in the Wheatbelt of that state. Sue co-manages a diverse farm enterprise and runs a rural community development consulting business from that farm. In addition to a wealth of consulting experience, Sue is actively—involved in many leadership roles across all levels of government and community decision making. Current roles include Deputy Chair of the WA Royalty for Regions Trust Fund Board, Fruitwest, the Chair of the Institute for Agrifood Security at Curtin University, and some of her past roles include things like Chair of the West Midlands Group, a local research and development farmer organisation, the National Rural Advisory Council, Wheatbelt National, Natural Resource Management Board, the National Regional Women's Advisory Council and the Australian Research Council and Regional Solutions Board. So many, many hats; many involvements. For her work, as I said in the beginning, Sue was the 2010 Rural Woman of the Year for Australia. She's also been awarded the Centenary Medal for Service to Regional Australia in 2002. Please give a very warm welcome to Sue Middleton.

Thank you, Lee. And thank you very much to the conference organisers for an invitation to speak at this sensational event. Firstly, I'd like to acknowledge the traditional custodians of this land, the Karuna people and pay my respects to their elders, both past and present. For those of you who don't know about the COAG Reform Council, and I know from the introductions that I made last night that that's probably many of you, our job is to oversee the COAG Reform agenda. And that was agreed by all Australian Governments in 2008. What is that agenda? Well, the Reform agenda is really a wide-ranging initiative to improve the wellbeing of all Australians through economic and social policy means, and it covers everything from regulatory reform to education, and also, the reason that we're here today, it covers health. One of the council's requirements is to have a representative of rural Australia and I was very honoured to fill that position last September, given I have a great passion for rural and regional Australia.

I thought I would try and explain to you a little bit about myself because you can listen to all of the things a person's done, but you're not really any closer to understanding who that person is. And it struck me the other day when one of my kids said to me, how was it that you knew what you wanted to be in life? I thought what a good question. It's a really good question. How did I know? Well, mine really for me happened when I was 22. I was in a town called Charleville—I was out doing a research project—and I met an economic development officer. And I said to him, 'I want to be what you are because I would love to spend the rest of my life working for the future of rural and regional Australia'. And he said, 'Well, it's not hard. You just go ask someone to employ you.' And I did, and that's how I got my first job.

And it was Barcaldine in Western Queensland. I originally come from Chinchilla in the Darling Downs. And I thought all of my days had ended because I was the happiest person in the world. Well, as happens in life you stall, you move, you grow. I moved to Mitchell and then I moved to Western Australia where I met my husband, became part of a farming family. Did what I said I would never do, married a farmer after coming off a farm myself. But I absolutely love what I do.

So all these years later, and I won't tell you how many more years later on, I'm still doing what I do, local community development work with people I love, and people who are passionate about the bush.

So I think I have an enormously privileged life. It leads me to odd places like being on a COAG Reform Council where I hope to be a good voice for rural regional Australia.

The reporting on health outcomes for rural remote Australians is an essential part of our work in promoting government accountability under the National Healthcare Agreement. And our strong relationship with the National Rural Health Alliance is testament to that, and it's been a fundamental relationship in improving our reporting and hence accountability. Next month the COAG Reform Council will release its 4th annual performance report under the COAG National Healthcare Agreement. And I hope many of you will also read, and I'm sure you will now that you know about it, the supplementary report which is dedicated to health outcomes, specifically in rural and remote areas, which the Council releases in conjunction with their full report.

It's not going to surprise you to hear that some of the findings are not the most comforting. To date COAG has not yet fulfilled its aspiration to provide all Australians with timely access to quality health services based on need, not on their capacity to pay or where they live. And that is the commitment of COAG. But there are good things happening and it's always important when you want change that you take care—that you take note of the good things that are happening.

So over the next four days of this conference, or three days now, many positive examples will be discussed and analysed. And what I'm going to do today is talk about what lies at the heart of the Council's work, because we think it can contribute to your work. And what lies at the heart of our work is data. Sounds really interesting, doesn't it? So for the next 15 minutes I'm going to tell you why the data that we report on is essential for you. In 2003, a film called *The Fog of War* won the Academy Award for the best documentary. It highlights the lessons from Robert McNamara's time as a head of Ford Motor Company in the 1950s. And one of the key lessons of this film is encapsulated into three words, the goal, the heart of our reporting. Get the data. During his time at Ford, McNamara got the data to show that most motor vehicle deaths were actually due to drivers being unrestrained. And thus the seat belt was introduced. And we'll never know the number of lives that were saved by simply getting that data.

The point this story illustrates is that good data is an important ingredient for change, and the Council's reports are a vehicle for sharing data. Our reports compare the performance of states and territories, as well as the Commonwealth, in achieving high level outcomes for their communities. And we report our findings directly to the Prime Minister, the Premiers and the Chief Ministers, as well as making them public, which is where you come in. When we expressed concern in our health care report last year, at the disparity between rural health outcomes and those in the cities, the First Ministers collectively as COAG were called on to formally acknowledge these concerns. The Council has a unique role in assisting COAG to drive its National Reform agenda, through performance reporting and public accountability, and that is actually COAG's response that you can see on the screen. Which is important because when they're responding, they're required to act. So, on the surface you may ask, what's the point of it, if it only highlights good performance and doesn't actually explain the reasons? And I have to tell you for any person who first hits the COAG Reform Council, that's the thing you grapple with for the first few months of the job. It is because this catalyst data delivers its message in a way that is objective and robust and it transcends anecdote and impressions. And that's very, very important. It has the potential to reveal good practice that can be shared and it can inspire further innovation. Those of you who follow the Council's Twitter feed would have seen recently that we drew attention to research from the US that shows a link between performance reporting and better clinical outcomes. In that research from Wisconsin it was found that public reporting of quality of care measures leads to higher performance among physician groups. So, of course, there can be limits to reporting performance using data. A poorly designed reporting system can have the potential for [inaudible] incentives and the gaining of results. And further, in health it can be very long lag times between intervention and it having an effect on an outcome. And in this sense, for some, outcome performance reporting is a much longer term task.

There are two specific challenges that the Council's faced with data with rural health outcomes and I'd like to share them with you today. Firstly, there's a trade-off between data quality and granularity. I'm sure you'll all know this yourself. It's possible to get data cut by IBS into the five categories of remoteness, but when you go down to the smaller number of episodes or survey sample sizes, the data quality in regional and remote areas worsens and as such it leaves us with a situation where the data can be unreliable. So aggregating the same data to two broad categories, major cities and the rest of the country, provides much better quality data though it lacks the nuance that comes from granularity. The second major challenge for us has been ensuring that all the indicators on which we report are cut by rural and remoteness status and in that area there has been some progress.

Although there are still gaps, COAG has previously agreed to the Council's recommendation on the need to ensure that more data on rural and remote outcomes are made available to us. Mortality data remains the most problematic. We do not have rural and remote data for important high level indicators like life expectancy, mortality rates, potentially avoidable deaths, or causes of death. And overall, although the quality of data has improved and governments deserve credit for investing money in this area as well as do the leading institutes and agencies like the Institute of Health and Welfare and the Bureau of Stats, there's still more work to be done.

So what did our last data report tell us? I'll just cover a few things today. And you can look at more of this information on our website. So people outside major cities report higher levels of financial barriers to care, and report longer waiting times for GPs, and both those results are statistically significant. So people in the most remote areas have the highest rates of lung cancer, while people in regional areas have higher rates of melanoma. And we also noted last year an apparent increase in rates of bowel and female breast cancer in more remote areas. Although more years of data are needed to determine conclusively whether there's a trend. People in rural and remote areas are hospitalised at a much higher rate than people in the city, for conditions or causes that are amenable to prevention or early intervention through primary care. And I know I'm not telling you anything that you don't work with on a daily basis. So compared to most major cities the rates are 10 per cent higher in inner regional, 22 per cent higher in outer regional, 60 per cent higher in remote and 75 per cent higher in very remote areas, where more than one in every five hundred people hospitalised have done so for potentially preventable reasons each year.

While it should be noted that survival rates overall have increased, when people outside major cities are diagnosed with cancer, their survival rates are lower than for cancer patients in major cities, as this slide shows. And for older Australians, waiting times for residential aged care increase clearly as you move outside major cities, and not surprisingly the rate of residential aged care places falls.

So each of these specific indicators is intended to measure progress towards high level outcomes. It's important to recognise that these outcomes are critically determined by non health factors. So the recognition of social determinants has, in the words of your Alliance, become a rejuvenated agenda. So our working conditions, whether they be our incomes, job stability, workplace safety, factors like education, housing, adult skills among all the other things that contribute, make a very, very big difference to our health. To draw on the words of Dr Margaret Chan, the social conditions in which we're born, live and work are the single most important determinants of good health or ill health, of a long productive life, or a short miserable one.

But here's the key point, country people aren't born to have poorer health outcomes. Indeed, if anything, we know that country people are hardy. We're resilient, we're very hard working, we're enormously industrious and generally fairly positive. But compared to major cities we have lower incomes, lower educational attainment, lower employment rates, and I could go on. So it's hardly surprising that health outcomes therefore are poorer. And as a teaser on this point, I can mention that in our forthcoming report we're going to be looking at the interplay between socio-economic disadvantages and rural location for indicators such as smoking rates and obesity.

So, just as a range of social factors contributed to health outcomes, health outcomes are very diverse, so is COAG's reform agenda encompassing not just health but education, disability, workplace skills, affordable housing, homelessness, and many other really critical areas that matter a lot to rural and regional Australia. Governments need to be held accountable for outcomes across the full breadth of this reform agenda. And the Council's public performance reporting offers the primary mechanism to promote this accountability across social and economic policy areas. There is a more fundamental question then. Say, for example, how well is the Commonwealth providing primary care, or how well are the states providing hospital care, or how well is preventive health being delivered by levels of government? And that question goes to the system of our governments. How effective is our federal system in improving the wellbeing of all Australians? The question is particularly important in health, with funding and responsibilities split between the Commonwealth, the State, and the Territory Governments. And even more so in rural health, given the additional complexities and challenges of providing health care to rural areas.

Once again I'm sure I'm not telling you anything that you don't experience on a daily basis. Our federation is based on an imbalance. Where 80 per cent of all government revenue goes to the Commonwealth, even though the states and territories are responsible for service delivery in key social areas such as public hospitals and schools. So what this means is that the states and territories are to varying degrees dependent on Commonwealth grants to fund their service provision. And, for example, if I were to say, give you an example of here in South Australia, half of the state budget in 2013 and 2014 will actually come from Canberra. Historically this funding comes with strings attached. And this has hampered local control of service delivery and stymied innovation. So to address this imbalance in 2009 COAG agreed to a model of cooperative federalism with reforms to federal financial relations. And these reforms introduced flexibility for states and territories to pursue policies and service delivery models that best suit their local conditions. But we're accompanied by commitment to accountability for achieving meaningful outcomes. They also still allow for the possibility of national responses to policy challenges that require collaborative action, so this cooperative federalism is intended to realise the strengths of federal systems of government.

Let me highlight two of the main strengths. Firstly, a federal system of government should allow flexibility for each government to pursue local solutions to local problems. And secondly, a healthy federal system provides for governments of geographically disparate people, spread as we are across one of the world's biggest land masses, to come together to address matters of shared national priority. Overcoming Indigenous disadvantage, ensuring adequate and sustainable health workforce in rural areas, and providing e-health technologies to assist in overcoming the tyranny of distance, are just a few of such national priorities that come to mind.

So these are the twin attributes that are the beauty of federal structures, the flexibility that recognises and responds to diversity, although simultaneously the ability to come together to respond to great challenges that are beyond any of our state-territory issues. So if governments remain committed to these principles of cooperative federalism, coupled with a clear commitment to improve health outcomes for rural and remote Australians, and a better data to measure whether this is being achieved, then in the Council's view there is much to be optimistic about.

So in concluding, the Alliance has asked us to give a couple recommendations that we would like to see go forward from this conference. And for my key recommendation I'd like to return to my earlier theme, get the data. Get data that builds a base of evidence that identifies needs, that informs solutions and drives change towards better health outcomes, and this includes the data and findings that we report. But it's our reports that hold government to account for their commitments that every Australian's health care should be determined by need not capacity to pay or where they live. And secondly, and this is my key message for you—not to the Conference, but to you. Use our reports to support your own arguments for better health care, because they're fundamentally there for you. Performance reporting we do, is a vital element of reform because it holds governments to account for the commitments they make at COAG, and our reports report on whether they are honouring their

promises to deliver real and improved services to individuals and businesses and the people that you care about. And it is true that the Council, in our reports, are independent but the findings of their reports themselves can and should be used to shape and adjust policy direction, and we encourage you to use them in this way.

So thank you for the opportunity to address this conference. I hope that some of you will go away with a little bit more understanding about the COAG Reform Council. I hope that you will be very keen and avid watchers of our website. Join our feeds and make sure that you use the information that we make available. It is especially important for those of us who choose a life outside of the cities. So thank you very much for listening to me today.