



Investing in the nation through rural health

– ELECTION 2007



The Issues

Equal health for rural people by 2020 is the vision of the National Rural Health Alliance. This election statement describes the priority issues on which action is necessary to help meet this goal.

The disparity in health outcomes between people in rural and urban Australia is well documented. On average, rural people live four years less than their urban colleagues. Survival rates for cancers and cardiovascular disease are poorer. Mortality from occupational accidents and motor vehicle crashes is higher.

These differentials reflect both higher exposure to risk factors and poorer access to health services. There is an even greater health disparity for Aboriginal and Torres Strait Islander people, of whom about 70 per cent live outside our capital cities. Their average life expectancy is 17 years

less than that of non-Indigenous people.

In today's prosperous times, the Australian people are certain to take keen note of the actions of those elected to Parliament to right this massive injustice.

Despite these continuing challenges, many good things continue to happen in rural and remote health. For health professionals, rural and remote communities provide unequalled opportunities for broad clinical experience and personal community involvement.

Achieving equal health is not just an equity issue. Health is a key economic input. Simply put, good health contributes to greater productivity, improved workforce participation and increased economic growth. Better health in rural and remote areas will contribute to Australia's

economic and social wellbeing.

The investment required to address the priorities presented here will bring financial returns to the nation from increased productivity and workforce participation, and reduced hospital admissions and disability.

The total cost of the measures proposed for rural and remote areas (not including the rural and remote share of the major additional investment in Indigenous health) would be \$195 million in the first year. The total savings to the nation from these investments are hard to estimate but would certainly exceed \$200 million a year. The estimates of cost savings in the health sector from collaborative national-state action through an agreed policy and plan for the health sector range from \$5 -10 billion a year.

Investing in the nation through rural health

– ELECTION 2007

The Answers

The incoming government must identify future directions for rural and remote communities through an independent national inquiry. It should collaborate with the States and Territories to agree on a national health policy that includes a national health plan to embrace a clear cut strategy for rural and remote health.

No longer can one deny the need for extra investment in health-related infrastructure in small country towns. This, and improved workforce supply, are the two essential requirements for the successful development of new models of service delivery in rural and remote areas.

All parliamentarians should commit to a long-term and well-funded national plan to achieve equal health for Indigenous Australians within a generation.

The state of oral and dental health in rural and remote areas and among people on low income is causing unnecessary hardship and illness and reducing labour productivity. The national government should invest in improved oral health.

There needs to be analysis of the changing workforce requirements of areas of different economic and demographic type. Special incentives will be required to encourage Australian-trained health professionals to spend part of their career in rural and remote areas. Extra scholarships for rural students and a national rural placement scheme would bring major improvements.

Mental health remains a serious challenge in rural and remote areas and steps should be taken to ensure that country people receive their fair share of the Australian government's mental health investment. All efforts must be made to ensure that new patient care services including those available under the Medicare item numbers for mental health and dental health are available in rural and remote areas.

The Priorities

PriorityOne

Securing the future of rural and remote areas

Rural and remote communities, and their industries, are vital parts of Australia's economic, social and cultural identity. It should not be forgotten that the health sector is a major source of employment and a contributor to this economic base, which is why its work in rural and remote areas must be compatible with overall national directions.

Despite this, there remains uncertainty about the role of governments and markets in determining the wellbeing of Australian citizens. Because the national approach to rural and remote areas is unclear so, too, is the nation's vision for their future.

A small number of rural and remote regions are experiencing rapid growth, in most cases due largely to the mining boom. The more common situation is for gradual centralisation of services and assets in regional centres and near the coast, with inland agricultural and pastoral regions experiencing a slow loss of population and services.

People living in rural and remote areas are subject to an unprecedented level of uncertainty of economic, climatic and/or political origin, with many unable to access the health services and health professionals they need.

The Alliance calls on political parties to commit to establishing an independent inquiry into the sustainability of Australia's rural and remote communities. Such an inquiry would canvass policies and programs to enhance the sustainability of these communities and the resilience of their people, as well as the ways in which they can continue to contribute to Australia's economy, resource management and cultural perceptions.





Photo: Arthur Mostead

The inquiry would include consideration of the outstation movement. Evidence in the 1980s showed that outstation living was good for people's livelihoods, including a higher rate of participation in arts production, and for the health of individuals and families. More recent research suggests that having people 'on country' is beneficial for natural resource management and biodiversity conservation. At the same time it is argued that some of the largest Indigenous townships believe that decentralisation to outstations ameliorates some of their crowding and associated social problems.

Cost of inquiry: \$1 million. Benefits to nation: huge.

PriorityTwo

A collaborative national health policy - and a rural and remote health plan

There is great uncertainty about the respective roles of the Australian Government and the States/Territories in the health sector – even about what the best health system for Australia would look like.

The Alliance is firmly of the view that the health sector is too important to be the subject of such political and public policy uncertainty. The sector comprises a substantial part of Australia's GDP, provides major opportunities for cost efficiencies and national economic prosperity - and the products it provides to consumers are fundamental.

In order to have the best health care for the Australian people, the Alliance seeks a commitment from the political parties to develop, in collaboration with the States and Territories, a national health policy to address the responsibilities of governments in health. This would be the framework for a national health action plan. The national health policy would be the framework for governments' involvement in the health sector, and the plan would (among other things) improve the distribution of health services and health professionals, including to rural and remote areas.

The new national health plan would accommodate existing strategies for particular population groups, including Aboriginal and Torres Strait Islander people and those with mental health needs, as well as new national strategies for health promotion and illness prevention.

One key ingredient 'nested' within the national health plan

would be for rural and remote areas. The national rural health action plan could be put in place following evaluation of *Healthy Horizons*, the lapsing national framework for rural and remote health.

Notwithstanding the flexibility required, there should be a systemic rather than piecemeal approach to health service systems in rural and remote areas. A national approach to the planning of health services, and the rural health action plan, would help improve the match between service models and the characteristics of particular rural and remote communities.

Immediate cost: negligible. Savings to health sector and nation: \$5 -10 billion per annum (Menadue and others).

PriorityThree

Building local capacity to deliver integrated health care

The Alliance calls for political commitment to overcome the shortage of integrated primary health care services in towns of less than 7,000 people.

There are many small towns in which it is not economically or clinically sensible to sustain multiple stand-alone facilities. People in these smaller towns are currently serviced through a range of programs funded by the Commonwealth and the States, such as the Regional Health Services program and the Rural Medical Infrastructure Fund. Despite these, the shortage of 'multipurpose infrastructure' (clinic buildings, staff accommodation, IT services) is a barrier to the provision in such small towns of primary health care delivered by integrated teams.

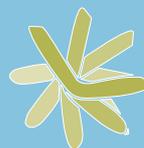
The Alliance calls on the incoming government to commit to a collaborative effort with the States to overcome these infrastructure barriers in small country towns. It should result in both the Commonwealth and the State contributing resources for infrastructure, including through the sort of localised 'funds pooling' that already occurs with the Multi-Purpose Services program, and would increase the output and efficiency of local resource use.

Immediate cost: \$100 million per annum for three years. Benefits to rural health sector and nation: substantial.

PriorityFour

A long-term national commitment to equal Indigenous health within a generation

After the coming federal election all Federal Parliamentarians must harness positive national sentiment into a commitment to transform the emergency intervention in the Northern Territory into bipartisan, long-term and well-resourced national work across all departments and governments. The



core objective must be to improve the health of Aboriginal and Torres Strait Islander people throughout the nation in order to achieve equal health for them within a generation.

The underspend on health services for Aboriginal and Torres Strait Islander people (through the MBS, PBS, dental services and other primary care activities), adjusted for the level of health care need, is estimated to be \$350-\$500 million per annum. New national investment of this order - around \$460 million a year is seen by many as a minimum reasonable figure - should be over and above the special allocations for the Northern Territory intervention.

The range of purposes to which the money would be put has been outlined in the *Close the Gap* campaign and in the National Aboriginal Community Controlled Health Organisation's *Health Equality Plan*. It would be used for both increasing the capacity of Indigenous communities, as well as for more immediate augmentation of primary health care services.

The *Close the Gap* campaign documentation suggests that \$120 million a year would need to be spent on the infrastructure and operational costs required to support the necessary levels of staffing. There would be extra resources for Indigenous community controlled health services; to improve the accessibility of mainstream health services for Indigenous peoples; and for an urgent focus on early childhood development, maternal health, chronic illness and diseases, and family services.

It is also imperative that there be investment in the building blocks of good health, such as for improving awareness of the harms of smoking and the benefits of good nutrition and physical activity; and the availability of fresh food and adequate housing.

**Immediate national cost: \$460 million pa.
(proportion in rural and remote areas
commensurate with Indigenous population).
Benefits to nation: incalculable.**



■ After school nutrition program in Yirrkala Community, NT

PriorityFive

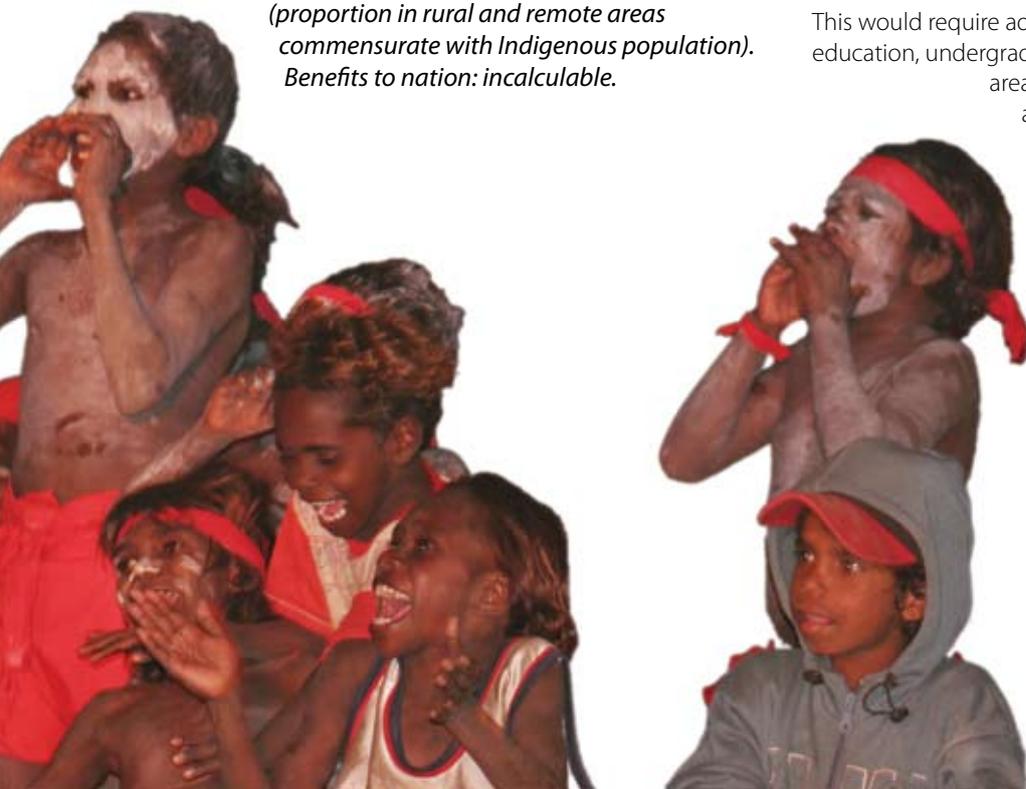
National investment in oral and dental health

The Alliance calls on political parties to commit to a significant national investment to increase the wellbeing and productivity of the estimated 650,000 people on public waiting lists for oral and dental health care.

The commitment would include resources for oral and dental health checks for those whose access to fee-for-service dentists is limited by financial or geographic factors, and rural areas should receive one third of the \$160 million that would be committed nationally in the first year. The roll-out of these dental health checks and follow-up care would be difficult in rural and remote areas because of the severe shortage of dentists and oral hygienists in those areas. The Alliance therefore calls for the national plan to be backed by specific action to improve the supply of oral and dental professionals to rural and remote areas.

This would require additional dental and oral places in tertiary education, undergraduate scholarships for people from rural areas to study dentistry and oral hygiene, and a dentists' relocation incentive program.

Immediate cost: \$200 m in first year, rising to \$800 m after five years (ACOSS/ADA); 30% for rural and remote areas. Plus \$7m per annum on special rural dental workforce plan. Health savings would exceed cost (The Blame Game report).



Investing in the nation through rural health

– ELECTION 2007

PrioritySix

Investing in the rural health workforce



Workforce recruitment and retention initiatives for nursing and allied health should be expanded so that they are more nearly equivalent or proportional to what is provided for medicine. As well as the special initiative for students of dentistry and oral hygiene, the Alliance calls on political parties to commit to augmentation of the successful undergraduate scholarships for rural students, and to a new national rural undergraduate placement scheme.

An increased number of scholarships for rural people to study nursing and allied health at undergraduate level would, in the longer term, lead to improved rural workforce availability across these vital professions.

A new integrated national rural undergraduate placement scheme would increase the proportion of graduates able and willing to practise in remote areas. The scheme would be supported by augmentation of the network of University Departments of Rural Health (UDRH) so that all regions have access to the support and regional benefits of a UDRH.

Immediate cost: \$22m per annum for three years.

PrioritySeven

Better mental health and mental health services for rural and remote areas

The Alliance calls on political parties to guarantee a commitment to rural and remote areas of 30% of the resources devoted to mental health. There are concerns about the spatial distribution of Medicare expenditures under the new item number for psychologists as well as for other mental health measures that were funded, commencing in the 2006-07 year.

There is significant community awareness of the special needs of rural and remote people where mental health services are concerned. The stresses and strains they experience are distinct, many general practices in rural and remote Australia have long waiting lists and limited referral options; and the whole situation is subject to greater visibility and stigma.

The worst outcome would be for the new Medicare item numbers to have the perverse effect of diverting psychologists and other mental health specialists away from the public sector and away from country areas to regional centres where the market for their services is more aggregated.

Immediate extra cost: zero. Monitoring and fine-tuning to ensure rural and remote people have 30% of the \$1.8 billion investment.



Progress: 2005 to 2007

Significant investments have been made in rural and remote health since the last Election by both the Australian Government and by the States and Territories. The current review of *Healthy Horizons*, in which the Alliance is involved, is an opportunity to review overall progress towards some agreed goals and targets.



The Australian Government's commitment of \$1.8 billion to mental health is one of three most significant recent investments; the Alliance is working to ensure that people in rural and remote areas receive their 30 per cent fair share. The announcement in Budget 2007 of Medicare support for emergency dental treatment for people in particular need is a welcome down-payment on the national investment required in oral and dental health. The new dental school for Charles Sturt University will, in the medium term, help increase the supply of dentists and improve their distribution across the nation.

The Alliance will also watch with interest the progress of the Senate Inquiry into the provision of patients' accommodation and travel support. It is the Alliance's hope that the recommendations will improve the uniformity of the schemes and lead to sufficient investment to ensure that people in need of specialist and other essential health care, not available locally, will be able to access it with support from these schemes.

Ongoing investment by the Australian Government in the Rural Health Strategy is also a critical part of the capacity to deliver primary health care services in rural and remote areas. Compared with other sectors, the health sector has

succeeded in decentralising significant infrastructure and human resources into regional areas - for example through the Rural Clinical Schools and University Departments of Rural Health. Other parts of the Rural Health Strategy, such as More Allied Health Services, Regional Health Services, positions for rural registrars, and the Medical Specialist Outreach Assistance Program, are also highly valued by people in rural and remote areas.

Substantial investments have also been made in support for agriculture and the natural environment, which are both critical for the health of rural communities and the nation as a whole. In recent years it has been necessary to provide financial assistance to people suffering the impact of bushfires, tropical cyclones and even floods - as well as support relating directly to the ongoing and widespread drought.

Despite these and other initiatives the job of improving the health of people in rural and remote areas, and of enhancing the rural health workforce, is not yet complete. Attracting and retaining a highly qualified rural health workforce remains an ongoing challenge. If rural health is to improve, this challenge must be met with consistent and ongoing investment in individuals and their communities.

This Election Summary describes some of the key issues on which incoming parliamentarians can act to help achieve equal health for country people by the year 2020.

The NRHA Election Charter, dealing with 20 key issues, is available from the NRHA in Canberra and online at www.ruralhealth.org.au



NATIONAL RURAL
HEALTH
ALLIANCE INC.

PO Box 280 Deakin West ACT 2600

Ph: 02 6285 4660

Fax: 02 6285 4670

www.ruralhealth.org.au