AHHA-NRHA Rural and Remote Policy Think Tank

Thursday 19 April 2012, 9.30am-4pm

Pavilion on Northbourne, 242 Northbourne Avenue Dickson ACT 2602

National Health Reform in rural and remote communities: the impact of organisational change and new funding flows

Report of Joint Policy Think Tank

19 April 2012

Introduction

Over 100 people concerned with healthcare services in rural, regional and remote areas attended a Policy Think Tank convened in Canberra by the National Rural Health Alliance (NRHA) and the Australian Healthcare and Hospitals Association (AHHA).

Participants came together from around Australia to discuss the implications of national health reform for rural health services and outcomes.

Overall there was a general sense of uncertainty about the shape and impact of the reforms on rural and remote areas that have highly diverse communities and needs. In particular, the role of Medicare Locals and their relationships with Local Hospital Networks (LHNs) remained unclear. Health care professionals were feeling disengaged from the process, which was affecting morale. Greater certainty about the funding to be available for Medicare Locals, block-funded smaller hospitals and Multi-Purpose Services (MPSs) was needed.

Despite this uncertainty, there was clearly a strong will amongst those present to make every effort to build on the opportunities available in the current reform process. The Think Tank gave people the chance to hear and discuss what the health care reforms will mean for consumers and practitioners and contribute to policy and advocacy outcomes for AHHA and NRHA to take forward.

Approach

Paul Dugdale, Associate Professor of Public Health at the Australian National University and Director of Chronic Disease Management, Aged Care and Rehabilitation Services at ACT Health, facilitated the Think Tank. A range of speakers addressed the meeting (program attached) and these presentations are available at http://nrha.ruralhealth.org.au/seminars/?IntContId=15029&IntCatId=18.

To set the scene, Sharon Willcox, who has over 25 years' experience working in public policy in government and community health sectors, provided an overview of the new hospital pricing arrangements, including activity based funding and block funding for small rural hospitals. Sharon's address was based on advisory work she has done for the Independent Hospital Pricing Authority (IHPA).

A panel of speakers with State, cross-border, LHN, Medicare Local and Multi-Purpose Service (MPS) perspectives analysed some of the critical issues facing these agencies moving ahead to significantly improve things on the ground in rural and remote areas. Following a facilitated whole-of-room discussion with the Speaker Panel, key issues were identified for further discussion in small

groups during the afternoon. Outcomes were summarised by the Executive Directors of the NRHA and AHHA at the end of the day and form the basis for follow-up activities.

Key issues from the day

The most important principle for success and effectiveness of national health reforms in rural and remote areas is flexibility, particularly as it relates to funding (for instance through funds pooling, as with the MPSs) and to the design and operation of health services on the ground. This flexibility is essential for healthcare organisations to deliver rural and remote services that suit local needs in an effective and efficient way. Services should have the ability to pool funding from different sources and to share workforce and facilities with other parts of the health, aged care and community sector.

A flexible workforce is a key to maintaining necessary levels of service in rural and remote areas. Participants called for a greater focus on training generalists in medicine, nursing and allied health, and incorporating them appropriately into integrated health care teams. There is scope for graduate and vocational students to contribute more to rural service provision as part of their training – with benefits for patients and existing clinicians, as well as for the trainees themselves.

There was a clear understanding of the importance of data systems both for local evaluation and to support national planning. Meeting this need will undoubtedly make a major contribution to the National Rural and Remote Health Plan to which people aspire. Several of the participants at the event emphasised the one overriding purpose of health reform and improved systems: achieving improved patient-focused outcomes.

Multi-Purpose Services are proving effective in 120 or so different localities around rural Australia and participants at the event saw these as practical models of service for flexibility and local community engagement. There is considerable uncertainty about how MPSs will be affected when their funding becomes subject to the IHPA from 1 July 2013.

A wide range of specific opportunities was identified at the meeting for positive developments. There are strong hopes that Medicare Locals will be both empowered and sufficiently funded to meet the expectations of them, including to identify and fill service gaps. Several participants emphasised the need for appropriate performance measures, while at the same time warning about the dangers of bureaucratisation and what might be called ‘death by planning’.

Flexibility to fine tune regional assessments of health needs and include locally relevant performance measures will be critical, so that improvements in access to care and changes to health outcomes resulting from the work of Medicare Locals, Local Hospital Networks and Multi-Purpose Services are apparent. Data systems will need to be consistent to support national planning, while allowing local monitoring and a real sense of local ownership in service delivery.

Participants at the Think Tank commented on the desirability of there being close relationships on the ground between Medicare Locals and the Regional Development Australia Committees which have been set up by the Department of Regional Australia, Local Government, Arts and Sport.

Some of the expectations of Rural and Regional Health Australia in the Department of Health and Ageing were canvassed. It is hoped that the entity can develop and apply an evidence base to new policy directions and the design of health service systems with a whole-of-government approach.

Feedback

Forty of the 100+ participants completed the evaluation; approximately half of those were from the public sector, with most of the remainder from the not-for-profit sector and only three from the private sector. Ninety five per cent of respondents ranked their overall satisfaction with the Policy Think Tank as good, very good or high.

Several participants commented that they were pleased to hear about how the Independent Hospital Pricing Authority is approaching the pricing of hospital activities. Others remarked that much of the interest in the room was around Medicare Locals, Multi-Purpose Services and Aboriginal Health Services. Several people would have liked more time to discuss the relationship between the new Medicare Locals and existing services, including how the strengths of the Multi-Purpose Services would be maintained. There were concerns that some of the speakers may have been a little negative, had more experience in a particular State or Territory, or were less able to focus on rural issues; but others commented on the good mix of experience among the speakers and the people in the room.

Participants seemed to find it particularly useful to focus on opportunities to influence the changes to the health system and take advantage of these changes to improve the delivery of rural health services and rural patient outcomes. Several people commented on the value of the presentation from CRANAPlus, which was a good reminder to everyone about the fundamental issues to be considered in appraising health reform and change. Speakers and discussions that addressed the broader, underlying issues relevant across rural and remote Australia were particularly valued, along with the summary of outcomes at the end of the day.

The overall venue, services and catering was ranked as good, very good or high by 80 per cent of those who responded, with several of those who were less satisfied suggesting this was due to the number of registrations exceeding expectations. Eighty five per cent of the participants rated the facilitation and overall organisation as good, very good or high. Suggested areas of improvement centred on more time for discussion during the day, including better structuring and logistics of the group session, closer time management in the morning session and spreading the presentation and discussions across the day.

Conclusions

Participants wanted to see a measured approach to implementation of national health reform, with clear priorities agreed, flexibility in adoption to meet local needs, and more information and communication between all parties improved.

Above all, those at the meeting emphasised the need for the reforms in train to enhance patient-focused care in rural and remote areas. The ultimate test of the reforms will be how well the new entities can deliver the services expected of them - in many areas over huge geographical distances.

Not unexpectedly, there was a significant emphasis on workforce issues with the hope that Medicare Locals might help build up the generalist workforce (in allied health, medicine) including through salaried positions. It was acknowledged that, where generalist clinicians are concerned, issues relating to scopes of practice and professional territoriality have to be well managed. It was proposed that greater use could be made of graduate and vocational students in actual health service provision, and the hope was expressed that it might be possible in some circumstances to turn the training system on its head so that health students in vocational training would be based in rural areas and required to do rotations in the cities – rather than vice versa. There was some emphasis on using e-health and telehealth technologies to support workforce developments and service delivery.

Follow-up

The Australian Healthcare and Hospitals Association and the National Rural Health Alliance issued a media release on the outcomes of the joint Policy Think Tank, which were also reported to the Minister for Health and Ageing. The outcomes of the Policy Think Tank continue to inform the advocacy and other work of both organisations.

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PROGRAM

From 9.00	**Registration**
9.25am	*Welcome to Country:* **Matilda House**
9.30 – 9.40am	*Welcome* **Prue Power** - CEO, Australian Healthcare & Hospitals Association
9.40 – 9.50am	*Event outline - Facilitator* **Paul Dugdale** – Dir., Chronic Disease Mgt Unit, ACT Health; Assoc. Prof. Public Health, ANU
9.50 – 10.20am	*Overview of Pricing Framework* **Sharon Willcox** – Director, Health Policy Solutions; Consultant to Independent Hospital Pricing Authority
10.20am	*Questions and discussion*
10.30 – 10.50	**Morning Tea**
10.50-11.20am	*Local Health Network perspective* **Annette Turley** - Director of Anaesthesia, Rockhampton Base Hospital, Queensland
11.05-11.20am	*Cross-border opportunities* **Anne Handley –** Rural Health Service Manager, Victoria
11.20-11.35am	*Medicare Local perspective* **Keith McDonald –** Manager, Primary Health Planning, Illawarra-Shoalhaven ML, NSW
11.35-11.50am	*Multi Purpose Service perspective* **Lyndon Seys** - CEO, Alpine Health, Victoria
11.50-12.05am	*A remote perspective* **Carole Taylor** - EO, CRANAplus
12.05-12.30	*Speaker Panel – questions and discussion*
12.30 – 13.20	**Lunch**
13.20 – 13.30	*Identification of key issues for break-out groups* **Paul Dugdale**
13.30–14.30	*Group session (12 tables of 8)* Each group will be asked to develop a position statement and advocacy or action plan for one or two of the key topics selected (see overleaf for more information)
14.30-15.00	*Plenary session:* Group chairs report back from the groups
15.00 – 15.20	**Afternoon tea**
15.20-15.50	*Plenary session:* Group chairs report back General discussion. Agreement of a Statement of Outcomes
15.50-16.00	*Close – Paul Dugdale*