

## Interim Report: Feedback

Following the Sustainable Health Review Interim Report feedback was sought. Open feedback provided by the organisation or individual is detailed below.

| Your Personal Details   |   |
|---|---|
| 1. Title  | Mr <input type="checkbox"/> Miss <input type="checkbox"/> Mrs <input type="checkbox"/> Ms <input type="checkbox"/> Dr <input type="checkbox"/> Other <input type="checkbox"/> |
| 2. First Name(s)  |   |
| 3. Surname  |   |
| 4. Contact Details  |   |
| 5. Organisation   | WA Country Health Service   |
| 6. Location   | <input type="checkbox"/> Metropolitan<br><input checked="" type="checkbox"/> Regional WA<br><input type="checkbox"/> Outside WA   |
| 7. Are you providing a response on behalf of your group/organisation or as an individual?<br>(Required)   | <input type="checkbox"/> Group/organisation<br><input type="checkbox"/> Individual<br><input type="checkbox"/> Other, please specify _____                                    |
| <b>Q8. Do you consent to your feedback being published, in summaries or in the Final Report?<br/>(Required)</b>   |   |
| <input checked="" type="checkbox"/> I consent to my feedback being published<br><input type="checkbox"/> I consent to my feedback being published anonymously<br><input type="checkbox"/> I do not consent to my feedback being published |   |



Government of **Western Australia**  
**WA Country Health Service**

Our Ref:  
Author:  
Contact:  
File No:



Ms Robyn Kruk  
Independent Chair  
Sustainable Health Review

Dear Robyn

## **SUSTAINABLE HEALTH REVIEW INTERIM REPORT**

Thank you for the opportunity to provide feedback and for meeting with the Board regarding the Sustainable Health Review Interim Report.

The WA Country Health Service welcomes the commitment to undertaking a broad review into the sustainability of the health system through the Sustainable Health Review, and in particular, ensuring sustainable healthcare for our country communities into the future.

I acknowledge that consultation on the Sustainable Health Review has been extensive, and the commitment of the review team to provide opportunities for engagement across the sector has been a significant undertaking. In particular, we acknowledge the efforts that have been made to ensure that country communities have had opportunity to become involved, through the community and clinician forums held across the State.

It is also acknowledged that the Interim Report is the first of two reporting stages and that there is opportunity for feedback to be addressed in the delivery of the final report.

The WACHS Board, in reviewing the Interim Report, noted that aspects of each of the recommendations made within the WACHS submission had been reflected in the SHR Interim Report *Directions, Recommendations and Areas for Further Work*. Importantly, the report acknowledges the difference in health service delivery and equity of access between country and metropolitan communities and has placed a great deal of emphasis on working towards addressing this disparity.

Broadly, the directions outlined within the report are supported by the WACHS Board, noting that three of the directions listed within the report are likely to have a direct and immediate impact for WACHS - Direction 3 – *Better use of resources with*

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*more care in the community*, Direction 5 - *New ways to support equity in country health* and Direction 6 - *Partnerships for Aboriginal health outcomes*, which includes support for a regional commissioning pilot.

I note that a premise of the review is that the WA health system is underperforming in its management of its budget and that as a result, the system must become more sustainable into the future. While measures to support sustainability are supported, it is noted that Australia's health spend as a percentage of GDP is in the mid-range of western economies. State access to Commonwealth revenue (e.g. rightful access to the CMBS), continues to be an issue which affects affordability of health care in Western Australia.

It is important to acknowledge that growth within the health system is not only a problem of increasing expenditure. Increased expenditure in health care is a direct response to an increase in demand for services driven by an ageing population, advances in medical diagnostics, surgical procedures and treatment, and also of a growing community expectation of accessible and affordable health care.

In addition Western Australia has in past experienced cost pressures through wages and industrial policies; low number of university placements for medical and specialist training; investment in aged care and primary care, particularly in country WA; and the slow take up and adoption of technology.

As such, the SHR Final report needs to incorporate diagnostics that explain that the growing cost of healthcare within Western Australia is not an isolated problem or unique to the government health system, and is in fact consistent with other States and nations (e.g. Australia's health spend per capita is in the mid-range of western economies). The diagnostic should then assist to identify what specific measures are likely to meaningfully improve sustainability and the savings to be gained through these measures need to be quantified. This analysis should be informed by analysis of initiatives here and overseas.

An area that appears not to have been adequately addressed by the review is the absence of a clear diagnostic as to the reasons for expenditure growth in healthcare, to ensure that efforts to arrest this trend are targeted and effective. To do this, we need research capacity targeted to the question of how Government optimises sustainability of health system investment. This needs to include:

- Research targeted at understanding broader socio-economic benefits and dis-benefits of health sector investment;
- A system that ensures that relevant global research is identified, contextualised, translated and applied;
- Leading and leveraging research focused on health sector productivity; and
- Ensure that research is focused on diagnosing reasons for healthcare expenditure growth.

In terms of shaping the final report, stakeholders of the system will be expecting a document that articulates clear and defined actions required for change, but also ensures that change is embedded such that new ways of thinking and operating are

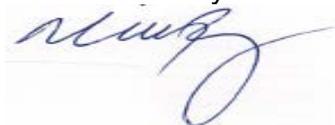
reinforced, and that the impact of the change is measured and evaluated. The WACHS Board have expressed a preference for a smaller number of recommendations, potentially with actions under each that are defined and measurable.

As you will be aware from your meeting with the WACHS Board on 18 April, there are some areas that are not strongly represented within the report, that the Board requests these be considered further.

- Shift funding focus from reactive funding of activity based on service demand to invest in innovation to reduce demand through primary health and chronic disease prevention
- Establish a Health sustainability research unit – to guide and lead research directed towards health economics and identifying practices which improve sustainability.
- Implement funding models that provide incentives to organisations to deliver care in ways that are cost effective and consumer centred e.g. Services in the home, and hospital admission prevention.
- Adopt cost benefit analyses that measure social cost of changes in service models – including impact on social and family structures, employment, and mental health.
- Develop and implement funding models that allow single line budgets without FTE caps that allow for organisations to develop workforce productivity models.
- Progress discussions with the Federal Government to remove restrictive practice within workforce training models (eg. accreditation standards managed by Colleges).
- Facilitate greater engagement by the University and VET sector in identifying and responding to future service delivery models, particularly for a generalist rural health workforce.
- Explore methods of identifying service need and directing funding based on the health profile of regional populations and measure achievement on health outcomes for communities.
- Remove funding barriers to allow diversion of hospital-based funding to provide GP services in communities to prevent hospitalisations.
- Enable Boards to reinvest savings in innovation.

I'd like to take this opportunity to thank you for your engagement of the WACHS Board, Executive, clinicians, and country communities in this review. I look forward to receiving the Final Report of the Sustainable Health Review in late 2018.

Yours sincerely



Professor Neale Fong

**BOARD CHAIR**

3 May 2018

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