



Victorian Healthcare Association

Re: "A Healthier Future for all Australians"

The Victorian Healthcare Association (VHA) welcomes the interim report of the NHHRC and provides the following feedback.

Overarching this response is the VHA recommendation that the model of community connectedness evidenced through local boards of governance in Victoria must be retained irrespective of which level of government has policy responsibility.

1. Victoria

The VHA is concerned that the reforms proposed at a Federal level may put Victoria at risk of remaining static, going backwards or missing out on infrastructure investment.

The interim report reflects many examples of innovation borne of the Victorian system, confirming the effectiveness and efficiency of this system when contrasted to some interstate counterparts. Maintaining investment levels evident within the Victorian health system will continue to deliver service innovation that may be replicated throughout Australia.

2. Structure and Funding

To guide implementation, the final report must explain how the structures recommended in the interim report will be implemented (funding and process), and how the varying service modalities (acute, primary, residential) interlink through the proposed structure to create improved service access and quality to all Australians.

3. Primary Healthcare

The VHA supports primary healthcare becoming a Federal Government responsibility. However, it is imperative that the implementation strategy articulates a transparent approach to recognising the quantum of State and local government contribution to primary healthcare in each State to ensure that no disadvantage flows through standardisation. The Victorian government provides over \$400 million in funding for comprehensive primary healthcare through 100 community health centres across the State.

The VHA supports the development of Divisions of Primary Healthcare. These must reflect geographic boundaries that align to other planning boundaries, enabling a "whole-of-government" approach to healthcare. The representation of the Divisional 'body' must balance not only the private and public interests, but also the interests of healthcare professionals. The responsibility of the Division must be to the community, rather than professional discipline or service modality.

The Commission has proposed the development of comprehensive primary healthcare centres (CPHC). The funding model that will be used to support these centres, other than MBS, has not been articulated. The MBS, as a medical-centric model will not support CPHC's being effective or financially viable across all communities.

The VHA supports the concept of person controlled electronic health records and encourages significant resource commitment to fast-tracking the roll-out of this programme over the next 3 years.



4. Aged Care

The VHA is cautious of the proposed deregulation of the residential aged care market which has the potential to undermine the viability of small rural health services with integrated residential care services. Deregulating the aged care provider market may lead to locations that are not considered 'attractive' being continually overlooked for investment by providers. Conversely, "sea-change" areas may receive an abundance of private interest. Thus those in poor socio-economic areas may not gain access to beds.

The risk of deregulation in care provider markets has been seen in the recent crisis impacting childcare. Business failure and overcapitalisation would leave those most vulnerable without required services.

The VHA supports a review of the current ratio applying to aged care packages, but queries the use of the demographic aged 85+. The VHA supports the notion of the funding following the care recipient and increasing the capacity of home-based solutions by increasing the funding attached to individual home care options.

5. Remote and rural communities

The MPS model currently exists at 7 services within Victoria. The VHA supports the recommendation to broaden access to this model by increasing the target population to 12,000. The application of this model would be significant through the proposed governance Option B.

The VHA supports investment in telemedicine to enhance access to specialist services for rural communities. The VHA supports enhanced patient travel and accommodation assistance schemes, but notes that such schemes only support 'planned' care.

The VHA encourages the Commission to consider 'urgent' care transportation as an integral element of hospital access for rural communities. In particular, the funding mechanisms applying to 'urgent' care transportation requires review to ensure a consistent approach across Australia.

6. Oral healthcare

The VHA supports universal access to dental services through a public dental system. The "Denticare Australia" model will require significant improvement in workforce capacity to be successful, and the VHA supports the workforce initiatives recommended.

The funding model for "Denticare Australia" adds another level of complexity to the already confusing public/private mix of funding and will also require reworking. The VHA does not therefore support the notion that private health insurance premiums relating to oral healthcare can be replaced through a universal 'Denticare' model, as this is contradictory to the principles of financing evident in all other healthcare modalities.

7. Governance

The VHA and its members believe Option A should be implemented initially with a gradual transition to Option B, or a variation thereof. The implementation of Option B should be a long-term objective, with the maintenance of local governance structures throughout transition and in the final model.



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The creation of regions must retain 'local' relevance to ensure local ownership and accountability. The current Victorian Primary Care Partnership (PCP) boundaries are an example of how this may be achieved.

Regional authorities must be structured to ensure ongoing engagement with a representative group of these Boards of Governance who oversee local service delivery. The Victorian Health Ministers' Council of Board Chairs provides an example of how this could be implemented.

The VHA recommends that an ongoing National Health and Hospitals Commission should be created, with representatives from the Federal, State and Territory Governments. The Commission would be tasked with overseeing the national health system, regional health authorities and setting national health policy.

At the State government level, a "health in all policies" approach should be developed to ensure the determinants of health are considered by all portfolios and departments.

8. Workforce

The VHA and its members believe that some of the significant workforce challenges being faced in Australia have not been addressed in the Commission's report. The significant problem of funding following providers, which leads to inequity of funding distribution and workforce shortages, has not been adequately discussed in the report. The VHA would welcome new funding approaches and innovative workforce strategies in this area.

Conclusion

The VHA looks forward the final Commission report. Please contact me on 0390947777 to clarify any information in this submission.

Sincerely,

A handwritten signature in black ink, appearing to read 'Trevor Carr', with a long horizontal line extending to the right.

Trevor Carr
CEO,
The Victorian Healthcare Association