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Health Agenda Update

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Mental Health

As of 1 July 2011, a range of new Mental Health initiatives are in place, including:

- Medicare funding for consultations via video conference for patients to see their psychiatrist from home.
- Funding for double the number of psychological services provided by the Access to Allied Psychological Services (ATAPS) program.
- A range of suicide prevention measures as part of the *Taking Action to Tackle Suicide* package.
- Funding for 18,000 people with severe mental illness to access Dad to Day Living providers to increase community participation.
- Increased base level funding for the existing 30 *headspace* services to help boost their capacity.

Steps are also being taken towards the establishment of Australia's first National Mental Health Commission with the appointment of Robyn Kruk as Chief Executive Officer designate of the new Commission. The core functions of the Commission will be to provide cross-sectoral leadership in mental health and drive transparency and accountability in the system to deliver better outcomes for consumers and carers. The Commission will also monitor the ongoing implementation of the 10 Year Roadmap for Mental Health Reform.

On 1 July 2011, Minister for Ageing and Mental Health the Hon. Mark Butler MP announced \$4 million of funding to establish a National Mental Health Consumer Organisation. The new organisation will be hosted by the Consumers Health Forum with a view to transitioning to a completely independent organisation after two years.

Australians living with mental illness are a step closer to being able to access online care and support following the establishment of a new e-mental health expert committee which will advise on the establishment of the Government's e-mental health portal and online clinic. These measures will make it easier for people with mental illness to access confidential information and services, including those having difficulty accessing face to face services, and those in rural and regional areas. For a full list of committee members, see <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr11-mb-mb103.htm>

Negotiations have begun with state and territory Governments to implement the new \$200 million National Partnership on Mental Health Reform, which will fill service gaps within existing state mental health systems.

Cancer-fighting Measures

The Government is investing more than \$2.2 billion for upgrades to Australia's cancer care centre system. In 2011-12, 24 Regional Cancer Centres are progressing around the country. From 1 July 2011, new cancer prevention measures will apply, including the continuation of the National Bowel Cancer Screening Program, and funding for the Prostate Cancer Foundation of Australia to develop resources and support services for men diagnosed with prostate cancer, especially in rural and regional areas.

From 1 July 2011, funding is also being provided to enable Cancer Australia to provide information to women with gynaecological cancers, to promote evidence-based clinical best practice to professionals caring for women with these cancers, and to fund research.

Over the last five years, NHMRC funding for cancer-related research has increased by 51% from \$116 million to \$175.4 million. The Gillard Government has also listed on the PBS over \$1.1 billion of new drugs used in the treatment of cancer patients, including Erlotinib for lung cancer, and on 1 September this year, Erbitux for late-stage bowel cancer.¹

In a speech to the National Press Club on 22 November 2011, Minister Roxon said,

A shining example of this emphasis on delivering clear, day-to-day benefits for people suffering from cancer is our Australia-wide network of regional cancer centres, announced in the 2010 and 2011 Budgets. 24 projects are in planning and under construction across the country.

When these centres are operational, they will cover a catchment area of well over 7 million people and provide world-class treatment for over 7,600 additional radiotherapy patients annually and over 127,000 additional chemotherapy treatments each year, along with 180 accommodation beds.²

Medicare Locals

On 1 July 2011 under the NHHN, the Australian Government took full funding and policy responsibility for GP and primary health care services, including primary mental health care. In order to improve the coordination of health services the Government is establishing a national network of primary health care organisations called Medicare Locals. Medicare Locals are independent legal entities with formal links to Local Hospital Networks and build upon the existing role of the Divisions of general practice. By working across health services, Medicare Locals will help to identify and respond to gaps in local services and help patients and professionals navigate the health system more easily.

Medicare Locals work with local GPs and allied health and community health providers to drive local integration and coordination of services and improve access to care. The first 19 Medicare Locals commenced operations on 1 July 2011, with the remainder set to commence in mid 2012.

On 29 October 2010, the Government released a discussion paper on the planned roles, functions and governance of Medicare Locals. The paper outlines what activities Medicare Locals will undertake, how they will be structured, and how they will engage with patients and health providers. The paper is available at:

¹ Minister for Health and Ageing, *Address To The National Press Club 'Why Policy And Politics Matter To Patients'* Canberra 22 November 2011 available at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/sp-yr11-nr-nrsp221111.htm?OpenDocument&yr=2011&mth=11>

² Minister for Health and Ageing, *Address To The National Press Club 'Why Policy And Politics Matter To Patients'* Canberra 22 November 2011 available at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/sp-yr11-nr-nrsp221111.htm?OpenDocument&yr=2011&mth=11>

<http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/MedicareLocalsDiscussionPaper>

In February 2011, the Government re-examined the Medicare Local catchments which had been proposed on 23 December 2010. Eighteen Medicare Locals will be established from 1 January 2012, with the remaining 25 (20 of which were announced on 4 November 2011)³ to commence from 1 July 2012. Once all the new Medicare Locals are established there will be a network of 62 nationally to ensure that patients receive locally responsive primary health care. Further information and maps detailing the boundaries are available at:

http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/MediLocBound_Review.

GP Super Clinics

GP Super Clinics are a key element of the Australian Government's strategy to build a stronger primary health care system by providing a range of health services to the public in the one location. The Gillard Government is investing \$650 million to build more than 60 GP Super Clinics and invest in more than 400 infrastructure programs in GP clinics around the country. 33 GP Super Clinics are either open, delivering early services or under construction.

For details of locations and future commitments, go to:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/pacd-gpsuperclinics-budgetcommitments>

Further information can be found at:

<http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/Health-reform-and-better-quality-primary-health-care>.

Primary Care Infrastructure Grants

In 2010-11, the Australian Government invested \$64.5 million in Primary Care Infrastructure Grants to upgrade existing facilities in around 240 general practices, primary care and community health services, and Aboriginal Medical Services to improve access to integrated GP and primary health care.

In 2011-12, the Australian Government invested a further \$54 million in the grants; around 189 local clinics around the country will benefit from Round Two funding. A full list of shortlisted applicants can be found at www.health.gov.au/internet/main/publishing.nsf/Content/pacd-gpsuperclinics-pcigg2010

³ Minister for Health and Ageing Media Release, 23 November 2011, available at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr11-nr-nr231.htm?OpenDocument&yr=2011&mth=11>

After Hours GP Helpline

On 1 July 2011, a new After Hours GP Helpline began operations for people living in the ACT, NSW, NT, SA, Tasmania and WA. Queenslanders will also be able to use the service from early 2012.

The After Hours GP Helpline is intended for people whose health condition cannot wait for treatment until regular general practice services are next available, cannot see their usual GP out of hours, do not know where to access after hours care or are not sure what they should do. Depending on their condition, the caller may be provided with self-care advice by the telephone-based nurse or GP, or may be referred to the most appropriate health services in their local area.

Telehealth

Telehealth is a new service which provides patients with easier access to specialists, without the time and expense involved in travelling to major cities. As of 1 July 2011, patients in remote, regional, and outer metropolitan areas, and in aged care facilities and eligible Aboriginal Medical Services throughout Australia can access Medicare and DVA rebates for telehealth services. These patients face greater barriers to accessing specialist services than those in city areas. Telehealth helps patients to overcome these barriers; accessing specialist services sooner with lower travel costs, and better continuity of care. Further information about Telehealth can be found at <http://www.mbsonline.gov.au/telehealth>.

Personally Controlled Electronic Health Records (PCEHR)

The PCEHR system is a key element of the Australian Government's national health reform agenda. The development and testing of e-health infrastructure and standards in real world settings is currently being undertaken in 12 sites around the country.

On 23 November 2011, the Minister for Health and Ageing, introduced the *Personally Controlled Electronic Health Records Bill 2011* into Parliament to introduce Australia's national eHealth records system, with the rollout starting from July 2012.

The Bill includes provisions for:

- Strong penalties for breaches of privacy, such as inappropriate access;
- The ability for patients to nominate authorised and/or nominated representatives to have rights in regard to their eHealth records;
- An Independent Advisory Council to advise on operational and policy matters;
- Audit logs available for consumers to see on the access to health records; and
- The Australian Information Commissioner to become the key system regulator.

Details of the *Personally Controlled Electronic Health Records Bill 2011* are available at:

<http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;adv=yes;orderBy=priority,title;page=0;q>

[query=Dataset_Phrase%3A%22billhome%22%20ParliamentNumber%3A%2243%22%20Portfolio_Phrase%3A%22health%20and%20ageing%22;rec=13;resCount=Default](#)

Australian Commission for Safety and Quality in Health Care

One of the key parts of the NHHN Agreement is the establishment of the Australian Commission for Safety and Quality in Health Care (the Commission) as a permanent, independent statutory authority. The Commission is an important element in the NHHN strategy, functioning as a leader and coordinator of improvements to safety and quality in health care.

Further information about the *National Health and Hospitals Network Bill 2011* is available at <http://parlinfo.aph.gov.au/parlInfo/search/display/display.w3p;query=Id%3A%22legislation%2Fbillhome%2Fr4433%22>.

Local Hospital Networks (LHNs)

Local Hospital Networks are being implemented in order to devolve operational management of public hospitals to the local level. Local Hospital Networks will mean Australians will benefit from access to better coordinated health care and more efficient use of resources and will find it easier to navigate between service providers and health services. New South Wales has agreed to 18 LHNs and the boundaries for all other states have been agreed with the exception of Victoria and Western Australia. All LHNs are expected to be in operation by July 2012.

Preventative Health

Under national health reform, the Australian Government is investing \$56 million in preventive health measures, building on the \$872 million COAG National Partnership Agreement on Preventive Health. This investment will tackle the rise of chronic and preventable conditions through a range of initiatives, including:

- the establishment of the Australian National Preventive Health Agency, which began operations on 1 January 2011;
- the Australian Health Survey, which commenced in March 2011;
- a range of preventative health campaigns, including the National Tobacco Campaign, the complementary Targeted Approach and National Indigenous Tobacco Campaigns, the Live Longer Campaign, and the Swap It Campaign;
- funding through the Healthy Workers and Healthy Children programs, which commenced in July 2011, to support healthy living programs in workplaces and to increase levels of activity and intakes of fruit and vegetables in child care centres and schools;

- funding through the Healthy Communities Grants program for local governments to offer innovative healthy lifestyle programs and activities that have a focus on supporting adults not in the paid workforce.

On 21 November 2011, the Australian Parliament passed the Gillard Government's world-leading tobacco plain packaging legislation, meaning all tobacco products sold in Australia will need to be in plain packaging from 1 December 2012. The plain packaging legislation comprises two bills: the *Tobacco Plain Packaging Bill 2011* and *Trade Marks Amendment (Tobacco Plain Packaging) Bill 2011*. Further details are available from www.yourhealth.gov.au

National Preventative Health Agency

The National Preventative Health Agency will support Australian governments to address the increasingly complex challenges associated with preventing chronic disease.

The ANPHA was established under the auspices of the National Partnership Agreement on Preventive Health (the Prevention NP), a COAG initiative announced in November 2008. Through the Prevention NP, the Commonwealth Government is providing \$872.1 million over six years for a range of initiatives targeting the lifestyle risk factors of chronic disease, including:

- settings-based interventions in pre-schools, schools, workplaces and communities to support behavioural changes in the social contexts of everyday lives, and focusing on poor nutrition, physical inactivity, smoking and excessive alcohol consumption (including binge drinking);
- social marketing aimed at obesity and tobacco; and
- the enabling infrastructure to monitor and evaluate progress made by these interventions, including the ANPHA.

On 7 July 2011, Lisa Studdert was appointed Acting Chief Executive Officer of the ANPHA. More information about the agency is available at its website at <http://www.anpha.gov.au>.

MyHospitals Website

The Government's MyHospitals website (www.MyHospitals.gov.au) was launched in December 2010 with information about public hospitals in all states and territories— including Western Australia.

MyHospitals compares hospital performance with key national benchmarks, such as national average waiting times for elective surgery and emergency department care. The website also lists the medical services provided, bed numbers and data for outpatient services if such services are provided.

On 27 October 2011, infection rates were published as the first quality measure that's available on the MyHospitals website.

“We want to shine a light on hospitals to make it easier for all Australians to access important information about the services and performance of their local hospital.”⁴

- Minister for Health and Ageing, the Hon. Nicola Roxon MP, 10 December 2010

The National Aboriginal and Torres Strait Islander Health Plan

On 3 November 2011, the Hon Nicola Roxon MP, Minister for Health and Ageing and the Hon Warren Snowdon, Minister for Indigenous Health issued a joint release announcing the establishment of the *National Aboriginal and Torres Strait Islander Health Plan* by the Australian Government working in partnership with Aboriginal and Torres Strait Islander peoples and organisations, and with the participation of state and territory governments. An advisory group co-chaired by the Department of Health and Ageing and the National Congress of Australia’s First Peoples will inform the development and content of the plan.⁵

Regional Health

The ‘Regional Health Package’ negotiated between the Government and the Independents following the 2010 election committed \$9.9 billion to a package focussed on regional infrastructure, health and hospitals and education.

The package included \$1.8 billion towards the first Regional Priority Round of the Health and Hospitals Fund for hospitals in regional Australia and in Tasmania only. Projects funded are listed at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr11-nr-nr090.htm?OpenDocument&yr=2011&mth=05>.

Another Regional Priority Round with \$475 million of funding was announced in the 2011 Budget. The Government has received 176 new applications for improvements to regional health services, totalling \$2.83 billion from the 2011 Regional Priority Round. These applications will now be forwarded to the independent HHF Board. The Government will also reconsider 37 eligible from the 2010 Regional Priority Round, totalling \$550 million.⁶

Examples of the Gillard Governments investments in regional Australia include:⁷

⁴ Minister for Health and Ageing Media Release, 10 December 2010, available online at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr10-nr-nr204.htm>.

⁵ Minister for Health and Ageing Media Release, 3 November 2011, available at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr11-nr-nr228.htm?OpenDocument&yr=2011&mth=11>

⁶ Minister for Health and Ageing Media Release, 2 November 2011, available at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr11-nr-nr225.htm?OpenDocument&yr=2011&mth=11>

⁷ Minister for Health and Ageing Media Release, 4 November 2011, available at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr11-nr-nr230.htm?OpenDocument&yr=2011&mth=11>

- In 2011-12 the investment in targeted rural, regional and remote health programs will exceed \$1.2 billion, in addition to significant funding provided to rural communities through the Medical Benefits Schedule, PBS and the National Healthcare Agreements.
- This represents more than a 150% funding increase for rural programs compared to the last year of Howard Government.
- \$620M for Telehealth, providing Australian patients with access to Medicare funded consultations with medical specialists via video conference.
- More than \$2.9 billion in regional Health and Hospital Fund infrastructure projects will have been committed to when the final round of the HHF is completed in 2012.
- 24 Regional Cancer Centre projects, including two additional centres announced for Geelong and Albury-Wodonga.
- Record numbers of doctors are now working in regional Australia following the Government's \$134m Rural Workforce Strategy, which began in 2010.
- More than 30 GP Super Clinics are dedicated for regional Australia

Education and Training

The 2010-11 Annual Report of General Practice Education and Training Limited (GPET) was tabled in the Parliament on 22 November 2011. The report shows that the Gillard government is on-track to double the number of GPs entering training from 600 to 1200 in 2014, with over half of the training places offered in 2011 based in rural, regional or remote Australia. Minister Roxon said the report also showed an increase in the amount of time GP registrars are training in Indigenous health.⁸ The report can be found at: <http://www.agpt.com.au/PoliciesPublications/AnnualReport/>

Fairer Private Health Insurance Incentives Bill 2011

On 7 July 2011 the Government reintroduced legislation to the Parliament to reform the Private Health Insurance rebate. Under the proposed legislation, new income thresholds or 'tiers' at which different rebate amounts would apply would be introduced from January 2012.

The \$4.7bn private health insurance rebate is the part of the health budget that is growing at the fastest rate. The means test was expected to deliver national savings of \$768 million in 2012-13, rising to \$829m by 2014-15. The means test would affect 2.4 million health fund members, hitting individuals earning more than \$80,000 a year and families earning more than \$160,000.⁹

⁸ Minister for Health and Ageing Media Release, 23 November 2011, available at <http://www.health.gov.au/internet/ministers/publishing.nsf/Content/mr-yr11-nr-nr245.htm?OpenDocument&yr=2011&nth=11>

⁹ <http://www.theaustralian.com.au/national-affairs/defeat-of-health-rebate-means-test-to-leave-29bn-black-hole/story-fn59niix-1226200599278>

On 16 November 2011, the Private Health Insurance Administration Council (PHIAC) issued new figures showing that more Australians are covered by private hospital insurance now than at any other time in the past 35 years. See <http://www.phiac.gov.au/for-industry/industry-statistics/quarterly-statistics/> Failure to pass the legislation will make it difficult for the government to meet its target of delivering a budget surplus in 2013, but is unlikely to be responsible for any deficit that year on its own.

Pharmaceutical Benefits Scheme

The Government has reformed PBS pricing arrangements for medicines that are subject to competition in the market place. The *National Health Amendment (Pharmaceutical Benefits Scheme) Bill 2010* amends the *National Health Act 1953* (the Act) and provides for the following:

- On 1 February 2011, a two per cent statutory price reduction was applied to all drugs listed on F2A as at 11 October 2010;
- On 1 February 2011, a five per cent reduction was applied to all drugs listed on F2T as at 11 October 2010. Drugs that were allowed staged 25 per cent reductions, and any related brands, had this five per cent reduction applied as if the full 25 per cent price reduction had already been applied; and
- On 1 February 2011, an increase from 12.5 per cent to 16 per cent for the price reductions under the Act which apply when the first bioequivalent brand of a pharmaceutical item becomes available on the PBS (or the 12.5% reduction has not been taken previously).

These reforms were designed not to have any price impacts for consumers.

Hospitals Pricing Authority

Legislation establishing an independent authority charged with the determination of the national efficient price for hospital services passed through parliament on 21 November 2011. Shane Solomon is the Chair of the Authority and Jim Birch is the Deputy Chair. The Interim Authority, led by acting CEO, Dr Tony Sherbon has been at working hard since September and this work will soon transfer to the permanent Authority.

Minister Roxon said in a Press Release on 22 November 2011 “National efficient pricing will improve hospital funding and drive better performance from hospitals resulting in more services being delivered locally.” This means that Local Hospital Networks will be charged for the services they actually provide. See

[http://www.health.gov.au/internet/ministers/publishing.nsf/650f3eec0dfb990fca25692100069854/8DC A3B0B6828BAB4CA2579500002844B/\\$File/NR244.pdf](http://www.health.gov.au/internet/ministers/publishing.nsf/650f3eec0dfb990fca25692100069854/8DC A3B0B6828BAB4CA2579500002844B/$File/NR244.pdf)

Conclusion

The Gillard Labor Government has made significant progress in delivering its health reform agenda, laying out its plans for policy implementation and driving supporting legislation through the Parliament.

The underlying framework for reform is the [National Health and Hospitals Network \(NHHN\) Agreement](#) made between the Commonwealth and State and Territory governments in April 2010 and finalised on 2 August 2011. This agreement underpins the historic reform to hospitals funding, and facilitates a number of other reform initiatives such as Medicare Locals. Further details about the COAG agreement are available at <http://www.hawkerbritton.com/hawker-britton-media/federal-act/344/coag-health-agreement.htm>.

The Government has released an important implementation document, [A National Health and Hospitals Network for Australia's Future – Delivering the Reforms](#), outlining the extensive implementation plan including key timelines and milestones.

The Government is taking practical measures to implement reform in key areas of preventative health and primary health care with the aim of improving access to and quality of care, supporting the health workforce, and strengthening coordinated governance.