

NCOSS Response to the NSW Government's discussion paper on the *A National Health and Hospitals Network for Australia's Future*



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Council of Social Service of NSW (NCOSS)

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About NCOSS

NCOSS is the peak body for the non-government human services sector in NSW. NCOSS provides independent and informed policy development, advice and review and plays a key coordination and leadership role for the non government social and community services sector in New South Wales. Through current membership forums, NCOSS represents more than 7,000 community organisations and over 100,000 consumers and individuals.

Introduction

NCOSS welcomes the opportunity to provide input to the NSW Government on the formal response to *A National Health and Hospitals Network for Australia's Future*. We have chosen not to respond to the individual questions outlined in the discussion paper as we believe they reinforce the disproportionate emphasis in the Commonwealth's health reform plan on clinical and hospital services. Rather, this submission focuses on the essential principles that we believe should underpin reform of Australia's health system, the key issues we have identified with the Commonwealth Government's proposal.

General reform direction

NCOSS is disappointed that the Commonwealth Government's proposal for reform of the national health system focuses predominantly on clinicians and hospitals, rather than primary and community services. We believe that *A National Health and Hospitals Network for Australia's Future*, in the absence of further details regarding primary and community care, re-enforces a medical model of health. It entrenches prevailing public perceptions of health care as equating to hospitals and the reliance on acute services. It is also not consistent with the Government's commitment to early intervention and prevention.

While we acknowledge the need to improve the management and operation of the public health system, NCOSS believes that a comprehensive, integrated, and holistic approach is needed to identify the appropriate balance between prevention/early intervention and emergency/crisis care across the health system. Importantly, action to promote wellness must not be limited to the formal health care sector. A social model of health extends responsibility for improving general health and wellbeing across all areas of social and economic policy.

On this basis, NCOSS believes that the priorities for health system reform should be:

1. Re-align the national and state health systems towards health promotion, prevention and early intervention within community based settings
2. Create a more equitable health system by addressing discrimination and health inequalities, particularly in areas of Aboriginal health, oral health, regional and rural health, mental health, and carers
3. Ensure equitable access to accessible health services
4. Provide a seamless, integrated continuum of care & flexible service options to meet people's diverse health needs.
5. Build a strong research and evidence base to support the provision of effective health programs and services

Principles to underpin the Australian health care system

1. Social model of health

NCOSS believes that health reforms should promote a social model of health care that focuses on wellness, rather than illness and injury. A traditional biomedical model of health has shaped the design of our current health care system. This model of care is orientated around identifying and treating the symptoms of disease, rather than promoting good health and wellbeing. As a result, the Australian health care system has

become highly medicalised and dominated by acute clinical services, such as hospitals. The rising costs of providing healthcare and the growing demand for acute services highlights the inadequacy of this prevailing approach.

In 2009-10, the NSW Health recurrent expenditure budget increased more than 10% on the previous year's Budget, to \$14.5 billion.¹ Of the total budget expenses, more than two-thirds (68%) were attributed to outpatient, emergency, and acute services, compared to just under 8% for primary and community based services.² At current growth rates, the level of health expenditure in NSW is unsustainable in the long term. NCOSS therefore believes that health reform must be based on a more sustainable social model of health focusing on early intervention and prevention.

2. Social determinants of health

In support of a social model of health, NCOSS believes that reform of the health system should be based on the social determinants of health. This approach extends responsibility for improving general health and wellbeing beyond the formal healthcare system. It requires action to address broader social, economic, cultural, environmental and political factors that shape the circumstances in which individuals are born, grow-up, live, work and age and that cause health inequalities (known as the social determinants of health).³

In order to initiate effective action on the social determinants of health and reduce health inequalities, policy coherence and service integration must be achieved across all levels and branches of government. This includes planning, transport, housing, environment, and health.⁴ It also requires service integration and effective community partnerships involving government agencies, non-government organisations, businesses, and the local community.

Addressing the social and economic inequalities that underpin the determinants of health will have multiple benefits for individuals through improved life expectancy, lower burden of disease and better quality of life; and for society, including decreased health care spending, reduced welfare payments, increased productivity and workforce participation, and fairer, more cohesive and inclusive communities.

3. Equal opportunities to good health and well-being

Addressing health inequalities is a basic human right. This is outlined in the World Health Organisation constitution that states:

*“The enjoyment of the highest attainable standards of health is one of the fundamental rights of every human being without the distinction of race, religion, political belief, economic or social condition”.*⁵

As a signatory to the International Covenant on Economic, Social and Cultural Rights, Australia has committed to work towards the granting of economic, social, and cultural rights to individuals, including rights to *“the highest attainable standard of physical and mental health”*.⁶ The Ottawa Charter on Health Promotion also commits countries to *“respond to the health gap within and between societies, and to tackle the inequities in health produced by the rules and practices of these societies.”*⁷

There are major economic impacts of social and health inequities. Excess morbidity and mortality is a major economic burden, both in terms of increased health and social costs and reduced economic productivity. The excessive burden of health problems such as infectious disease, alcohol and drug misuse, mental illness and violence in disadvantaged groups also have adverse health and social impacts on all sectors of society.⁸

Rather than being the concern of a small minority, we believe that health inequities are the concern of everyone as they affect the health and wellbeing of society as a whole. On this basis, NCOSS believes that the key focus of health reform should be to address inequities in health that are caused by inequalities in the social determinants of health.

4. Health promotion, prevention, and early intervention

NCOSS urges the NSW Government to insist the Commonwealth makes health promotion, prevention, and early intervention the key focus of national health reform. There is a substantial and growing evidence-base within NSW,⁹ Australia,¹⁰ and internationally¹¹ that the prevention of problems, and intervening early when problems do arise, will manage the growing demand for acute services and contain rising health care costs.

Not only will this approach create a more sustainable health care system, but the evidence indicates that health care systems orientated around wellness through health promotion, prevention, and early intervention are more efficient and effective as they reduced inequity of health outcomes experienced by disadvantaged groups, and improve overall health and wellbeing of the general community.

5. Primary and community health services

NCOSS strongly encourages both the NSW and Commonwealth governments to make primary and community health services front and centre of reforms to the health system. The Australian health system is more than just public hospitals. It also includes private hospitals, GP's, community health services, dental services, allied health services, and more.

Community health encompasses a broad spectrum of services, including prevention, early intervention, assessment, treatment, health maintenance and continuing care services.¹² Community health services, particularly those operated by NGOs, predominately operate from a social model of health that views good health as more than the absence of disease to include a state of complete physical, mental and social wellbeing.¹³

Support services such as transport to and from health related appointments and post treatment support are critical in ensuring the best possible outcomes for people. Such services are, however, often overlooked or inadequately funded.¹⁴

NCOSS believes that in this context, the focus of community health service on promoting good health and wellbeing and the nature of the services they provide means they should be at the forefront of health reforms, rather than hospitals and acute services. NCOSS strongly supports greater investment in primary and community health services in order to re-orientate the health system from the prevailing medical model to a social model based on health promotion, prevention and early intervention.

6. The value of non-government organisations (NGOs)

NCOSS believes that the role of NGO's in health system must be recognised and appropriately addressed in the national reform proposal. Non-government health and community services are an essential element of the overall health system. They provide a holistic framework for the promotion and maintenance of good health within community settings, whilst responding to and meeting the changing and diverse needs of local communities and priority population groups.

Services delivered through this sector are an important alternative to the public health system for individuals and communities who may not access more formal institutional health settings, or who would otherwise default to an already overloaded acute care

system. Despite this, the Commonwealth government's proposal does not acknowledge NGO's as health providers in Australia, or address their role in the health system.

NCOSS is also concerned that non-government service providers have been overlooked during the recent consultation process at both the state and national levels. The recent working forum held by NSW Health on 15 March 2010 focused largely on clinicians, with a lack of representation from non-government health sector. The message from the NSW Premier and the Minister for Health in the NSW Government Discussion Paper on the national reforms states, "*We want to hear from doctors, nurses, carers, academics and other health professionals.*" but makes no mention of non-government health service providers. We strongly argue that to be truly consultative and effective, NGO's must be engaged and in design and development of future health system for Australia and NSW.

Potential issues arising in relation to Local Hospital Networks

1. Local decision-making

NCOSS supports local decision-making in order for communities to develop responsive, flexible, and appropriate solutions that meet their identified needs. However, we believe that this must be supported within a nation-wide policy framework to ensure consistency, coordination and accountability.

Some decisions are also best made centrally rather than a local level, such as strategic planning and resource allocation. National or State-wide resource allocation enables the equitable distribution of resources based on the evidence of greatest need of the whole population, not just within local areas. The value of local decision-making must therefore be balanced with the value of retaining some decision-making at a central level.

For the value of local decision-making to be fully realised, we strongly believe it must be supported by effective community engagement and participation. A commitment to local decision making alone does not necessarily mean that the local community will be involved in making decisions about its needs and how best to meet them. Decisions can be made locally by an elite few in positions of local power or influence. Genuinely participatory local decision-making requires systematic engagement that goes beyond routine, one-off consultations. It requires governments to actively empower individuals and communities to be involved and engaged in the decisions that affect them.¹⁵ This is supported by both the Marmot review and the Ottawa Charter on Health Promotion.^{16,17}

2. Equitable access to health services

NCOSS is concerned that the proposal to create Local Hospital Networks may result in unequal access to health services and equity issues. Depending on their size, not all Local Hospital Networks may be able to provide a full range of health services within their region. This raises equity issues regarding patient choice about where to receive treatment and which health services they will be given access.

We believe these factors could result in inequality of access to services for health consumers in different local areas. It also raises equity issues regarding individual choice about where they receive treatment and which health services they will have access to in what local areas. To mitigate these risks, we recommend that the Commonwealth must commit to equitable access to health services and ensure that safeguards are put in place to guarantee that people who require services in another area/region are not refused access or given a lower priority for service.

3. Viability

NCOSS notes the potential risk to the clinical and financial viability of services in some smaller Local Hospital Networks due to smaller populations which do not permit sufficient economies of scale in service provision.¹⁸

4. Operational efficiencies

We note that inefficiencies from inconsistent or duplicate funding administration and management practices have at times occurred between different Area Health Services. This has the potential to be exacerbated with the expansion from eight AHS to around 50 Local Hospital Networks.

The creation of Local Hospital Networks also has the potential to cause greater duplication of corporate services, such as finance, human resources, IT, and procurement. To avoid or reduce potential duplication, NCOSS recommends having standardised infrastructure across Networks with minimum standards set by a centralised body that provides an appropriate balance between autonomy and accountability.

5. Standards and reporting

NCOSS welcomes the Commonwealth Government's requirement for strong national standards and transparent reporting for the health system. We believe timely, transparent and accessible data and information about the performance of health services is critical to empowering consumers and communities to determine the most appropriate services to meet their individual and collective needs.

However, we believe this proposal could be strengthened by extending the type of data collected beyond the acute system. This should include clinical and non-clinical information on health status, service use and health outcomes along with information on the health of local communities, as recommended by the National Health and Hospital Reforms Commission.¹⁹ We believe this would enable a more comprehensive, balanced, and holistic assessment of health services across the broader health system. We also recommend that health benchmarks are developed to specifically address the needs of marginalised and disadvantaged groups.²⁰

Supporting resources

In addition to our submission, NCOSS refers the NSW Government to the following documents to inform the response to the Commonwealth:

1. Extract: *Recognising the Importance of Community Health in Vote 1 - Fairness in NSW*, NCOSS 2011 NSW State Election Campaign, Council of Social Service of NSW (NCOSS), Sydney, 2010. Available at <http://www.ncoss.org.au/vote1fairness/Vote-1-Fairness-in-NSW.pdf>
2. NCOSS Submission to Centre for Health Service Development, University of Wollongong, *Feedback on the Review of NSW Health operated Community Health Services*, Council of Social Service of NSW, Sydney, April 2009. Available at <http://www.ncoss.org.au/resources/090428-Community-Health-Review-Feedback.pdf>
3. *NCOSS Submission to the NSW Health NGO Program Review*, Council of Social Service of NSW, Sydney, 2009 <http://www.ncoss.org.au/resources/091105-NCOSS-Submission-to-the-NSW-Health-NGO-Program-Review.pdf>
4. Williams A, *A healthy NSW - the valuable role of NGOs (Draft)*, Council of Social Service of NSW, Sydney, 2009 (Copy available on request).

Endnotes

1 NSW Government, NSW Budget Estimates 2009-10: Department of Health, Sydney, 2009.

2 Ibid

3 Commission on the Social Determinants of Health, *Closing the gap in a generation - Health equity through action on the social determinants of health*, World Health Organisation, Geneva, 2008.

4 World Health Organisation, First International Conference on Health Promotion, Ottawa Charter for Health Promotion, Ottawa, 1986.

5 *World Health Organisation Constitution*, adopted by the International Health Conference New York 19 June - 22 July 1946, signed on 22 July 1946 by the representatives of 61 States (*Off. Rec. Wld Hlth Org.*, **2**, 100), and entered into force on 7 April 1994.

6 Article 12, *International Covenant on Economic, Social and Cultural Rights*, United Nations, New York, 16 December 1966

7 First International Conference on Health Promotion, *Ottawa Charter for Health Promotion*, World Health Organisation, Ottawa, 1986

8 *A Stronger, Fairer Australia – a new social inclusion strategy*, Social Inclusion Unit, Australian Department of Prime Minister and Cabinet, Canberra, 2009.

9 Owen A et al., Community health: the evidence base: A report for the NSW Community Health Review. Centre for Health Service Development, University of Wollongong, 2008.

10 National Health and Hospitals Reform Commission, *A Health Future for All Australians: Final Report*, Canberra, 2009.

11 The Marmot Review, Strategic review of health inequalities in England post-2010, Fair Society, Healthy Lives - The Marmot Review Final Report, London, 2010.

12 Garling P, Final Report of the Special Commission of Inquiry into Acute Care Services in NSW Public Hospitals, NSW Government on behalf of Special Commission of Inquiry into Acute Care Services in NSW Public Hospitals, Sydney, 2008.

13 Preamble to the Constitution of the World Health Organization as adopted by the International Health Conference, New York, 19-22 June, 1946

14 *No Transport No Treatment Community Transport to health services in NSW*, The Cancer Council, NCOSS, Community Transport Organisation, 2008.

15 Strategic review of health inequalities in England post-2010, *Fair Society, Healthy Lives - The Marmot Review Final Report*, The Marmot Review, London, 2010

16 Strategic review of health inequalities in England post-2010, *Fair Society, Healthy Lives - The Marmot Review Final Report*, The Marmot Review, London, 2010

17 First International Conference on Health Promotion, *Ottawa Charter for Health Promotion*, World Health Organisation, Ottawa, 1986.

18 *ibid*, p5.

19 National Health and Hospitals Reform Commission, *A Health Future for All Australians: Final Report*, Canberra, 2009

20 Woodruff T, Armstrong F, Legge D, & Wilson R, *Putting Health in Local Hands: Shifting Governance and Funding to regional Health Organisations*, Centre for Policy Development, Sydney, 2009, p9.