

Submission to NSW Health on the Discussion Paper on Implementing the National Health Reform in NSW



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About NCOSS

The Council of Social Service of NSW (NCOSS) is an independent non-government organisation (NGO) and is the peak body for the non-government human services sector in New South Wales (NSW).

NCOSS has as its vision a society where there is social and economic equity, based on cooperation, participation, sustainability and respect. NCOSS works with its members on behalf of disadvantaged people and communities towards achieving social justice in NSW.

It was established in 1935 and is part of a national network of Councils of Social Service, which operate in each State and Territory and at Commonwealth level. NCOSS membership is composed of community organisations and interested individuals. Affiliate members include local government councils, business organisations and Government agencies. Through current membership forums, NCOSS represents more than 7,000 community organisations and over 100,000 consumers and individuals. Member organisations are diverse; including unfunded self-help groups, children's services, youth services, emergency relief agencies, chronic illness and community care organisations, family support agencies, housing and homeless services, mental health, alcohol and other drug organisations, local indigenous community organisations, church groups, peak organisations and a range of population-specific consumer advocacy agencies.

NCOSS' approach to health advocacy and policy

NCOSS convenes a number of forums and Policy Advice Groups to inform our work so that it reflects the expertise and views of the sector. One such forum is the Health Policy Advice Group (HPAG). The NCOSS HPAG is a forum of peak and state-wide consumer and community non-government organisations that advise NCOSS on health policy issues, particularly access and equity issues for low-income and disadvantaged groups.

NCOSS believes that health policy and systems need to be based on principles that recognise health as a human right, the social determinants of health, and the importance of strengthening the role of the community and consumers in the development and delivery of health services.

The World Health Organisation Constitution states that: "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, and political belief, economic or social condition."ⁱ

More specifically, the United Nations have explained that seeing health as a human right can be understood as:

*"The right to... an effective and integrated health system encompassing health care and the underlying determinants of health, which is responsive to national and local priorities, and accessible to all. Underpinned by the right to health, an effective health system is a core social institution, no less than a court system or a political system."*ⁱⁱ

Simultaneously, an approach based on the social determinants of health recognises that the cultural, social and economic environment in which people live shapes their health, and that inequalities in these areas lead to inequalities in health. Recognising the social determinants of health as a principle in the development and delivery of health and other human services builds on the recognition of health as a human right, and facilitates a process of integrated service delivery.

NCOSS also believes that across health policy and service delivery, the community generally, and consumers of health services more specifically, should be involved in all aspects of health care design, from individual to systemic levels. Consumer engagement is essential to the development and delivery of accessible, effective, appropriate and patient-centred health services that lead to positive health outcomes.

These principles form the foundation of the work NCOSS undertakes in relation to advocacy and policy in Health.

General comments

Social Model of Health

NCOSS welcomes the expansion of Local Hospital Networks to the more comprehensive Local *Health* Networks (LHNs) in recognition of the broader range of services that comprise the health system.

NCOSS believes that the National Health and Hospital Network (NHHN) Agreement reinforces the traditional biomedical model of health by focusing on public hospitals and GP services. In order to improve health outcomes, the health system must be orientated around a social model of health that provides the full range of services to keep people well and promote good health by addressing the underlying causes of ill health (the social determinants of health).

It is critical that NSW Health's more holistic approach extends beyond the renaming of the LHNs and is translated into practice. This requires the development of clear roles, responsibilities and accountabilities of LHNs (and the State and the Commonwealth) for health services beyond acute or clinical care. NCOSS believes that the current proposal does not clearly articulate how LHNs will promote and maintain the health of the community (p14) beyond the delivery of acute services. NCOSS would welcome the development of a more detailed proposal for LHNs that identifies the full range of their roles and responsibilities to deliver on community health outcomes.

For LHNs to promote the health of the community there must also be clearly articulated relationships and pathways with the full range of service providers in the health system, such as allied health, NGOs, Medicare Locals, and private providers. The Discussion Paper does not consider how the various health sectors might be structurally aligned and operate together to enhance outcomes for health consumers. NCOSS would welcome the development of a more detailed proposal for LHNs that identifies the full range of their roles and responsibilities and how effective integration and coordination will be achieved across the service continuum.

Recommendation

1. The development of a more detailed proposal for LHNs that identifies the full range of their roles and responsibilities and how effective integration and coordination will be achieved across the service continuum including how they will promote and maintain the health of the community beyond the delivery of acute services.

Roles and responsibilities

Scope of services

NCOSS notes that the State will retain responsibility for the planning of state-wide and specialty services (p6), but it is not identified who has responsibility for the delivery of these services, or the structures for service provision. The role of other providers state-wide and specialist services, such as Health NGOs, and their relationship with the State is also not considered.

The Discussion Paper does also not clearly identify responsibility for the planning and provision of those general primary health care services not transferred to the Commonwealth, such as general sexual health services.

Recommendation

2. That further details regarding the roles and responsibilities of the State, LHN's, and other service providers such as NGOs, for the full scope of health services, needs to be identified in order to make a more informed assessment of the proposed model.

Partnerships

As noted, the Discussion Paper lacks consideration of how LHNs will work collaboratively with other parts of the health system. This includes the relationship between LHNs and Medicare Locals, a critical success factor identified in the NHHN Agreement to support more coordinated and integrated care.

NCOSS believes that it is essential to develop state-wide policy guidance and implementation levers to ensure effective linkages between LHNs, Medicare Locals, and other key service providers at the local level and improve coordination and integration in the planning and provision of health services.

Mechanisms could include a requirement for Governing Councils to develop engagement protocols with Medicare Locals, requirements for cross-representation on governance councils, the development of service MoUs, or common performance measures / shared accountabilities.

Recommendation

3. That state-wide policy guidelines and implementation levers are developed to ensure effective linkages between LHNs, Medicare Locals, and other key service providers at the local level and improve coordination and integration in the planning and provision of health services

Consumer and community participation

The Discussion Paper states that LHNs will have responsibility for community engagement (p5), however it does not describe what this will involve or the framework for how it will occur. The Paper does not identify responsibility for community engagement in service planning at the state-wide level.

The status of existing participation mechanisms at the AHS-level, such as Area Health Advisory Councils (AHACs) is also not addressed in the Discussion Paper. NCOSS believes that the development of state-wide policy or guidelines on consumer and community participation mechanisms at both the State and LHN level is needed to ensure the consistent application of best practice.

In 2008/09, the NCOSS Health Policy Advice Group (HPAG) undertook a review of the Area Health Advisory Councils (AHACs). It found wide variations in regional practice

and identified a number of issues. These included low levels of consultation practices with local communities to inform development of health services, a lack of transparent, accessible information about how to get involved with AHACs, and a lack of public reporting and accountability.

The NCOSS HPAG made a number of recommendations to NSW Health to enhance the accessibility and accountability of the AHACs. They included the need for:

- Transparent, accessible and identifiable participation structures
- Transparent process for reporting and responding to issues raised by the community
- Inclusive and accessible communication in a range of languages/formats
- Publically reported work plans and outcomes
- Development of communication guidelines
- Information about AHAC contact details and local participation mechanisms is published
- Training, advice and support to AHAC members.

NCOSS refers NSW Health to these recommendations and suggests that they be used to inform the development of state-wide guidelines on community participation mechanisms at both the State and LHN level.

Recommendation

4. That NSW Health develops an overarching framework for the participation of health consumers and the community in the planning and provision of health services at the local and state-wide levels. This should identify the roles and responsibilities of both the LHNs and the State for consumer engagement and participation within the content of the new reform model, along with clear performance measures.

Performance and Accountability

The NHHN Agreement identifies that the States will be responsible for managing LHN performance (Clause A18 e), however scope of the State's authority over LHNs is not clearly defined in the Discussion Paper (p6). While it is clear that the State will have the power to appoint or remove Governing Council Chairs and Members, it is less clear what authority it has in relation to the on-going performance management of the LHN's and how this authority would be exercised.

The proposal for the States to have the "capacity to direct LHNs" potentially undermines the autonomy and sovereignty of the LHNs.

NCOSS notes that part of the NHHN Agreement included the establishment of a national Performance and Accountability Framework and a new National Performance Authority. NCOSS believes that it is essential that LHNs have clear responsibility for the collection and maintenance of local health and service data to support transparent reporting for the health system.

We also believe that the performance indicators developed as part of the Service Level Agreements between the State and the LHNs should be outcomes focused, quality driven targets, rather than service outputs, which do not reflect improvements (or otherwise) in the health of the community.

Recommendation

5. That NSW Health develops a transparent performance management framework for LHNs that includes mechanisms for managing variances in the LHNs performance while simultaneously respecting the autonomy of the LHN as a statutory body. This should include a performance management strategy that identified a range of measures to proactively address performance issues collaboratively, and clear principles and benchmarks for when State intervention is required.

LHN Structure

Equitable access to services

NCOSS notes that proposed boundaries for LHN would result in no level 4 or 5 services in the Far West LHN. Southern NSW and the Central West will also lack the full range of specialist services.

We acknowledge that it is not possible for all Local Hospital Networks to provide a full range of health services within their region given the need to ensure cost-effective service delivery based on economies of scale. However, NCOSS believes that safeguards must be put in place to ensure equitable access to services and reduce the potential disadvantaged for health consumers in the Far West.

Currently, a person in Broken Hill requiring specialist mental health services must travel over 1000kms to Orange, while the closest facility is located across the border in Adelaide.

Recommendation

6. That NSW Health prioritise development of cross-border protocols with other States, in particular South Australia, to ensure equitable access to services for people in rural and remote areas of the Far West and for other communities in border regions.

Functional networks

The Discussion Paper proposes the establishment of two specialist networks, Forensic Mental Health and the Sydney Children's Hospitals. However, the paper lacks detail about the roles and responsibilities of these Networks, and the intersections with non-clinical specialist and primary health services in these program areas.

It is also unclear what the role and relationship of Health NGOs is with the LHNs, as there are a number of NGOs that also provide specialist mental health and family and children's services, and youth services, in both the acute and primary care settings.

Recommendation

7. That further consultation be undertaken to develop more detailed proposals regarding these networks and their scope of services, including the role and positioning of Health NGOs. This consultation should include the peak mental health NGOs, such as the Mental Health Coordinating Council and Mental Health Association NSW, drug and alcohol peaks such as Network of Alcohol and other Drug Agencies, and the peak youth health NGO, NSW Adolescent and Youth Health.

State-wide services

While the State will have responsibility for the planning of state-wide and specialist services, the structures for governance and delivery of state-wide services and programs, such as oral health, refugee health, community health promotion and population health, and the Health NGO Program is not described in the Discussion Paper.

NCOSS and the NSW Oral Health Alliance¹ support the establishment of a centrally managed state-wide service for oral health that is managed vertically but linked horizontally into LHN and Medicare Locals. We believe this has a number of benefits including:

- Coordinated and consistent policy and planning across the State
- Sufficient economies of scale to provide specialist services
- More equitable resource allocation across the State to areas of greatest need. This includes more targeted workforce management, which is a critical issue for oral health services in rural and remote areas
- Facilitates a more holistic approach to oral health by integrating health promotion activities with clinical services
- Maintaining budget integrity and reduce the risk of program funds being diverted into other activities within LHNs.

Recommendation

8. That NSW Health establish centrally managed state-wide service for oral health that is managed vertically but linked horizontally into LHN and Medicare Locals.

Governance

Model

NCOSS notes that while the overarching model for governance of the LHNs has been identified, there is a lack of detail about key elements of the Governing Councils, including the term of membership, the number of terms that can be served, who will

¹ The NSW Oral Health Alliance is a group of non-government organisations with an interest in oral health issues for low income and disadvantaged people in NSW. It is convened by NCOSS.

form the selection committees to short list applicants, and how cross representation will be facilitated with Medicare Locals.

Recommendation

9. That to ensure the development of a robust and effective governance system, a more detailed proposal is developed and that further consultation is undertaken with the community before the Governing Councils are recruited and established.

Selection Process

NCOSS has concerns that the Ministerial appointment process runs the risk that LHN membership will be comprised of those who already have influence, at the expense of those who do, not through the potential politicisation of appointments. This was a key issue with the previous system of hospital board in NSW.

Recommendation

10. That the selection process involves a mix of both ministerially appointed representatives and elected representatives to ensure the openness, transparency and accountability of the Council.

Membership composition

The Discussion Paper proposes that members of the Council could include clinicians. However, having clinical representatives may give rise to potential conflicts of interest, such as around resource allocation decisions for non-clinical health services. While the Discussion Paper states that members will be required to comply with principles for conduct, including a duty to manage conflict of interest, NCOSS strongly recommends that NSW Health develops clear state-wide guidelines around the disclosure and management of conflicts of interest to ensure consistent and transparent practice.

The National Health and Hospital Network states that the LHNs and Governing Councils will foster increased local control and decision-making. The model proposed in the Discussion Paper focuses on the involvement of clinicians in the corporate and clinical governance of hospitals. There is no consideration of consumer and community participation in the governance of hospitals or the broader range of health services.

NCOSS believes that consumer and community input into the governance and operation of the health system is critical to ensure that services are appropriate and responsive to local health needs. It also supports greater transparency and accountability in service planning, funding and delivery. The provision for representatives to have the 'capacity to represent community interests' (p16) is broad and exactly what this means is not defined.

Recommendation

11. That in accordance with the recommendations of the Marmot Review, the Governing Councils are based on a balanced, partnership approach between not just health managers and clinicians, but also with the local community. Rather than

enhancing professional and institutional power, we believe the emphasis should be on fostering, “...new kinds of partnerships in a delivery model based on co-production that encourages genuine public engagement in decision-making, shifting the balance of power towards local people and away from professionals and formal institutions”.²

Enabling factors

NCOSS believes that this partnership approach towards the governance of LHNs can be achieved by having:

- Membership of Governing Councils that is representative of the local community. This should include Aboriginal, carer, consumer, culturally and linguistically diverse and community representatives, with equal gender representation and a range of ages including young people.
- Mechanisms to support appropriate and equitable representation and participation on Governing Councils, such as identified positions, professional development, funding support for consumer representatives, or health literacy training.
- Clear guidelines and robust processes for LHN engagement with the community about decision making in relation to the availability and priorities in the delivery of health services in particular areas.
- Empowerment of local communities by building social capital and resources.
- Identified accountabilities and reporting against performance measures for the Governing Council for empowering the local community, and delivering improved health outcomes, rather than service outputs.

Other issues

Consultation process for reform implementation

The Discussion Paper reports that NSW Health has consulted with doctors, nurses and health professionals about the best ways to implement the LHN reforms. There is no mention of previous consultation with other key stakeholders, including Health NGOs and health consumers.

While NCOSS recognises that the primary role of the LHNs is the provision of hospital services, the Discussion Paper acknowledges that LHNs are also accountable for the health of the community more broadly, not just acute services (p14). It is therefore important that a range of views from across the health system are sought to ensure that the role of LHNs in relation to non-clinical health services is appropriately considered, along with the operational and governance mechanisms to ensure effective linkages

² Strategic review of health inequalities in England post-2010, *Fair Society, Healthy Lives - The Marmot Review Final Report*, The Marmot Review, London, 2010

between LHNs and other parts of the service system, such as primary health care organisations.

By focusing on the clinical perspective, the reform implementation agenda is also being predominately informed and driven by a medical 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. This requires consultation across the broader health system and the community.

Recommendation

12. That it is essential that Health NGOs, health consumers, and the community are recognised as key stakeholders in the health system and are consulted on the implementation of all aspects of the national reforms. This will ensure the development of a more coordinated, integrated health system that meets the needs of the community.

Conclusion

NCOSS thanks NSW Health for the opportunity to provide comments on this Discussion Paper. We believe that an inclusive, integrated, and whole-of-system approach to the development and implementation of the national health reforms will ensure a more coordinated, responsive and effective health care system in NSW.

As the peak body for non-government human services sector in NSW, NCOSS would like to offer its assistance to the NSW Government in facilitating future consultation with the sector on implementation of the reforms.

Recommendations

1. The development of a more detailed proposal for LHNs that identifies the full range of their roles and responsibilities and how effective integration and coordination will be achieved across the service continuum including how they will promote and maintain the health of the community beyond the delivery of acute services.
2. That further details regarding the roles and responsibilities of the State, LHN's, and also other service providers such as NGOs, for the full scope of health service needs to be identified in order to make a more informed assessment of the proposed model.
3. That state-wide policy guidelines and implementation levers are developed to ensure effective linkages between LHNs, Medicare Locals, and other key service providers at the local level and improve coordination and integration in the planning and provision of health services
4. That NSW Health develops an overarching framework for the participation of health consumers and the community in the planning and provision of health services at the local and state-wide levels. This should identify the roles and responsibilities of both the LHNs and the State for consumer engagement and participation within the content of the new reform model, along with clear performance measures.
5. That NSW Health develops a transparent performance management framework for LHNs that includes mechanisms for managing variances in the LHNs performance while simultaneously respecting the autonomy of the LHN as a statutory body. This should include a performance management strategy that identified a range of measures to proactively address performance issues collaboratively, and clear principles and benchmarks for when State intervention is required.
6. That NSW Health prioritise development of cross-border protocols with other States, in particular South Australia, to ensure equitable access to services for people in rural and remote areas of the Far West and for other communities in border regions.
7. That further consultation be undertaken to develop more detailed proposals regarding these networks and their scope of services, including the role and positioning of Health NGOs. This consultation should include the peak mental health NGOs, such as the Mental Health Coordinating Council and Mental Health Association NSW, drug and alcohol peaks such as Network of Alcohol and other Drug Agencies, and the peak youth health NGO, NSW Adolescent and Youth Health.
8. That NSW Health establish centrally managed state-wide service for oral health that is managed vertically but linked horizontally into LHN and Medicare Locals.

9. That to ensure the development of a robust and effective governance system, a more detailed proposal is developed and that further consultation is undertaken with the community before the Governing Councils are recruited and established.
10. That the selection process involves a mix of both ministerially appointed representatives and elected representatives to ensure the openness, transparency and accountability of the Council.
11. That in accordance with the recommendations of the Marmot Review, the Governing Councils are based on a balanced, partnership approach between not just health managers and clinicians, but also with the local community. Rather than enhancing professional and institutional power, we believe the emphasis should be on fostering, "*...new kinds of partnerships in a delivery model based on co-production that encourages genuine public engagement in decision-making, shifting the balance of power towards local people and away from professionals and formal institutions*".
12. That it is essential that Health NGOs, health consumers, and the community are recognised as key stakeholders in the health system and are consulted on the implementation of all aspects of the national reforms. This will ensure the development of a more coordinated, integrated health system that meets the needs of the community.

ⁱ World Health Organisation Constitution, available at:
http://www.who.int/entity/governance/eb/who_constitution_en.pdf

ⁱⁱ UN Special Rapporteur on the right of everyone to the enjoyment of the highest attainable standard of mental and physical health, 2006