



Looking Over the Horizon – Where to next for the Australian health system

AHHA Think Tank Communiqué

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Reforming the Australian health system is not a new concept. However, *reform* can mean different things to different people. Recent attempts at health system reform have been unable to arrive at a shared understanding of what reform should deliver. There is a need for a shared vision from all stakeholders to deliver a future-oriented health system. A policy process that leads only to fragmented, short-term change to the health system is not enough for the Australian public. Instead, stakeholders must look beyond the immediate funding and reform debates which dominate the policy debate and consider what lies over the horizon for the Australian health system. These were some of the key messages from the *Think Tank: Looking Over the Horizon – Where to next for the Australian health system?* recently convened by the Australian Healthcare and Hospitals Association (AHHA).

The Think Tank brought together around 80 health system leaders to debate the future of the Australian health system. With the Federal election looming, concerns regarding the long-term financial sustainability of the health system are well known. While other industries have reinvented their delivery models, technological base and value chain, healthcare has remained fundamentally unchanged. The existing supply models have been unable to match the economy's efficiency gains and face a major productivity gap. Meanwhile, demand for service is being driven by the burden of disease, rising consumer expectations and increased utilisation. This clash in supply and demand increases the imperative for a shared vision that aligns the competing and conflicting interests of all stakeholders.

Although specifics remain disputed, there was broad agreement amongst participants at the Think Tank that realising the vision of a fit-for-purpose health system will require transitioning from:

- A provider-driven system predominately driven by information asymmetries and fee-for-service financing to a system where providers undertake shared decision-making with consumers.
- A system with limited accessibility and transparency of information to a data-driven system where patient and system data is utilised to target care, ensure the best use of resources and achieve better patient outcomes.
- A lack of continuity of care across different healthcare providers and complementary sectors to a collaborative system where connectivity facilitates integration with different parts of the health sector and other relevant sectors such as aged care, disability and education.
- A system focused on responding to chronic health conditions at the end of life, including sometimes futile care, to one focusing on preventing chronic disease from the beginning of life with consumers using increasing information and technologies to achieve self-monitoring and healthier lifestyles.

Achieving these transitions requires a policy process that recognises the diverse priorities and motivations of stakeholders. The need for ‘system wranglers’ to reimagine the health system through a whole-of-system approach was a common theme throughout the Think Tank. Each of these factors is described below.

Reimagine the health system

To solve some profoundly entrenched problems within the health system there is a need to think differently.

Some participants offered the provocative premise that the notion of an Australian health care *system* is a fallacy. Instead, we have a web of services; ‘a loose connection of dysfunctional entities’. In addition, there was broad consensus that the Australian health system’s ‘Business As Usual’ cannot continue; there is a need for a demonstrable shift in approach to public policy which respects ‘the drivers of change’ and ‘reflects international best practice’. Changing ‘Business As Usual’ will deliver health, social and economic benefits to all stakeholders within the system. A more efficient and effective healthcare system will decrease system cost, increase individual wealth and create a healthier, more prosperous Australia.

The need for ‘culture change’ was repeatedly identified as a fundamental component of a reimagined health system. As an example, stakeholders suggested the perceived lack of urgency and nimbleness around innovation must shift to a steady pace of change and an increased tolerance for taking informed risks. There was an underlying sentiment that the persistent change of political leadership, and consequential churn of government policy, is exhausting. This inhibits any ‘appetite for risk’ within the system, as the aspirations and behaviour of stakeholders is persistently confined by short-term incentives, typically financial. This would suggest there is a currently a disconnect between prevailing political rhetoric and day-to-day system mechanics.

Take a whole-of-system approach

A whole-of-system approach that reduces silos and explores strategic partnerships should be a high-priority for system reformers.

Looking top-down, this approach would better integrate key portfolios and Ministers, including aged care, disability and health. Further, health system stakeholders need to build relationships with stakeholders outside the system. For example, Think Tank participants felt working closely with central agencies such as Treasury and Finance to better align funding with health policies would improve patient care and achieve system efficiencies.

Taking a bottom-up view, there is a need to connect service delivery, education institutions and research institutes. There exists a unique opportunity to better connect health care professionals with 'the bigger picture'; just as sensible health policy promotes the integration of research, service delivery and funding, it must be informed by an integrated vision for the system.

System actors must drive change

Achieving structural change within large systems is notoriously difficult, with health being no exception; a reality understood by all who attended the Think Tank.

Change must be a dynamic process informed by the narrative of all stakeholders, including patients, providers, researchers, policy-makers and politicians. Simultaneous change must be delivered at all levels of the system; government policy, service delivery and individual patient-provider interactions. This again illustrates the need for stakeholders to create a shared understanding of health system reform.

The Think Tank discussed the importance of celebrating and supporting change agents, or 'system wranglers'. These individuals will typically be clinicians who have 'the ability to form relationships with people in other sectors' and capacity to drive change in a structured and planned way. Enabling this process will require a mandate from a Ministerial level, given the silos that are in play.

As part of discussions on how we might transition to a future oriented health system there were a number of specific policy issues debated at the Think Tank, including technology, health workforce, and the role of the consumer.

Role of technology and data

Technology is not necessarily a saviour of the system, but instead, an enabler of change.

The Think Tank heard how the use of emergent technology is already playing an increasing role in the health system. This is unlikely to reverse. As such, both high and low cost technologies have a role to play in the future of the health system, providing they are evidence-based and individualised. Concerns remain regarding what funding mechanisms will best actualise the opportunity provided with the rapid advances in health technology.

There was also consensus for the need to move beyond the myth that technology is intrinsically complicated, as simple self-monitoring can be as effective as more complex systems. However, evidence is often lacking. Regardless, there was broad recognition that the future health system must be designed to integrate self-monitoring into the system. This integration will necessitate linking up existing IT infrastructure with health professionals and patients, both within and between jurisdictions. Effective use of technology has the potential to increase the quality and safety of care, transition delivery closer to patients in their homes and reduce health system costs.

There is also significant potential for the role of data to reduce inefficiency and increase consumer empowerment. This will only be realised by increased accessibility and transparency of information. In order for this to be achieved the Think Tank acknowledged much work is needed to address data

ownership, access and privacy concerns. This includes balancing both public and private interests in how data is shared and used. In addition, there was a strong view that the collection of any new information must provide a clear benefit and should not involve excessive administrative burden. It will also require information technology capacity building amongst clinicians, and augmentation of technology and data use between researchers, academics and clinicians; yet another example of the need for a better integrated system. This social and cultural change will not be successful unless supported by funding and capacity investment.

Workforce: the elephant in the room

Immediately addressing workforce challenges is a prerequisite to future-proofing the Australian health system.

Multiple speakers and participants suggested there has been a failure to firstly recognise, and then act on, the enormity of the workforce challenge facing the health system. The Think Tank heard that within the context of constant review the scale of the problem is constantly diluted. It would seem this creates an inertia to action, at political, policy and organisational levels.

It is reasonable to consider workforce challenges in three broad categories;

1. An ageing workforce demographic
2. Increased professional expectations that are not commensurate with support for professional development or appropriate remuneration
3. Unpredictable financing models and decreased funding of jobs (including research positions) are 'eroding' the workforce

Ensuring a future oriented health system requires a productive workforce; the system's intellectual capital is an inherently valuable asset. There was acceptance that there is a need for the workforce to evolve. Health professionals need a new approach to problem solving and thinking critically as improving health service delivery and workflow will require staff to 'solve non-routine problems creatively'. There was broad agreement that for this evolution to occur, health services management will need to shift leadership 'to the front line'. This may also require changes to funding models to facilitate a culture change. Again, we might consider how technology can be used as an enabler to support solutions to workforce challenges.

Role of the consumer

Future reforms that both harness the opportunities and mitigate the risks presented by increased consumer empowerment was a consistent theme throughout the Think Tank

Consumers are already taking steps to manage their own health and better navigate the health system. Increases in health literacy are facilitating a 'democratisation of knowledge', which is enabling patients to participate in shared decision making. Importantly, shared decision making is not equivalent with the foundational ethical principles of informed consent and patient autonomy. Whilst these ethical principles were considered necessary, they are not sufficient to increase patient participation to the level that translates to new models of care and better health outcomes.

Obviously, a lower level of literacy will inhibit an individual's ability to participate in shared decision making. Health inequity was an area of considerable concern amongst Think Tank attendees. In fact, a recent OECD report found that 'at age 30, those with the lowest levels of education are expected to live roughly six years less than well-educated counterparts'. A focus on increasing health literacy is not only an imperative for the health sector, but requires a whole-of-government response. There is

a role here for technology here too, with increasing access to decision support tools giving patients the confidence to ask questions and be involved in their health care decisions.

Enthusiasm for increasing consumer empowerment was linked with a degree of caution with many at the Think Tank concerned with the influence of 'Dr Google'. In particular, participants were alarmed at the increasing demand for inappropriate health services based on online advice. There must be a renewed focus on educating both patient and clinician on the benefits and risks of online platforms. More too can be done to bring evidence and decision-tools to the fingertips of clinicians. This will harness the full potential of digital technologies to better enable self-management and remote monitoring.

Conclusion

Reimagining the Australian health system will require re-centering the health system around patients; redesigning workforce and professional roles; reducing silos and exploring strategic partnerships. This will require a whole-of-system approach inspired by a culture change and increased use of technology and data.

Too often stakeholders within the health care sector have a narrow view of the future of the Australian health system. The Think Tank encouraged participants to consider the bigger picture and participate in an open dialogue that facilitates the recognition of priorities and motivations of different stakeholders.

If all parties come to this challenge with a commitment to collaboration we can develop a pathway to ensure Australia's health system continues to deliver effective and efficient health care, improve outcomes for disadvantaged groups, support the effort of health professionals and be future-oriented to continue providing for future generations.

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