

















# HEALTH POLICY ASSESSMENT

## HEALTH IS A KEY ELECTION ISSUE FOR ALL AUSTRALIANS

The Australian healthcare system is built on a solid foundation, with Medicare and strong public healthcare and hospital sectors providing the basis for universal access to quality healthcare services. A priority for the incoming 46<sup>th</sup> Parliament must be to secure effective, accessible, equitable and affordable healthcare focused on quality outcomes. AHHA and other health sector leaders analysed the health policies of the major national political parties to raise awareness of, and encourage debate on, health policy as well as to educate health policy decision-makers and the health sector. Here are the results.

	 		
 <b>1. A COMMITMENT TO UNIVERSAL HEALTHCARE</b>	✓	✓	✓
 <b>2. A COMMITMENT TO EQUITY IN HEALTH</b>	○	✓	✓
 <b>3. POLICIES TO SUPPORT OUTCOMES-FOCUSED, VALUE-BASED HEALTHCARE</b>	○	○	○
 <b>4. A COMMITMENT TO LONG-TERM SUSTAINABLE FUNDING</b>	X	✓	○
 <b>5. POLICIES TO SUPPORT COORDINATED AND INTEGRATED CARE</b>	○	✓	✓
 <b>6. A COMMITMENT TO INNOVATION IN RESPONSE TO NEED</b>	○	✓	✓
 <b>7. POLICIES TO SUPPORT A HOLISTIC VIEW OF HEALTH AND WELLBEING</b>	○	✓	✓
<p>✓ positive    ○ neutral X negative    ? absence of policy</p> <p> significant deterioration in health policy direction  significant improvement in health policy direction</p>	 <p><b>“Coalition has invested heavily in research. Ensuring that innovative healthcare is accessible to all must be prioritised.”</b> AHHA</p>	 <p><b>“While Labor doesn’t tick all of the boxes, the intent to focus on health system reform is positive.”</b> AHHA</p>	 <p><b>“Greens raise the bar on prevention. More details are needed on Greens’ approach to inefficiencies and to prioritising high value care.”</b> AHHA</p>

Source: This assessment was based on publicly announced policies made up to 8 May 2019 and information provided to AHHA by the Liberal Party of Australia, National Party of Australia, Australian Labor Party and Australian Greens. These major national parties were invited to provide details on their health policies to address these seven domains.

The assessments presented here are based on analyses undertaken by a broad cross-section of invited health sector leaders and AHHA. This assessment was developed on the basis that announced policies will be acted upon and appropriately funded.

The Australian healthcare system is built on a solid foundation, with Medicare and strong public healthcare and hospital sectors providing the basis for universal access to quality healthcare services.

A priority for the incoming 46<sup>th</sup> Parliament must be to secure effective, accessible, equitable and affordable healthcare focused on quality outcomes.

Large structural reforms are needed to deliver better healthcare access and affordability, rather than the uncoordinated and piecemeal policy initiatives that have occurred in recent years. In particular, addressing out-of-pocket costs must be prioritised.

Australia's healthcare system consistently outperforms other OECD countries when comparing key health indicators—but an ageing population, rising rates of chronic and complex disease, and the advent of new medical technologies and treatments are increasing the cost and complexity of healthcare.

The Commonwealth Government has a vital role to play in supporting the healthcare sector as it reforms to meet these challenges and to meet the needs of all Australians—particularly those whose needs are currently not well supported such as Aboriginal and Torres Strait Islander peoples, people living in rural and remote Australia, people on low incomes and people with chronic disease and mental illness.

AHHA and Australian health leaders have mapped out how to transform our healthcare system into a fit-for-purpose 21<sup>st</sup> century system. *Healthy people, healthy systems* ([www.ahha.asn.au/Blueprint](http://www.ahha.asn.au/Blueprint)) is a comprehensive blueprint with a range of short, medium and long term recommendations on how to progressively reorientate our healthcare system to focus on patient outcomes and value rather than throughput and vested interests.

AHHA calls on all parties to commit to policies which support:

- **UNIVERSAL HEALTHCARE**
- **EQUITY IN HEALTH**
- **OUTCOMES-FOCUSED, VALUE-BASED HEALTHCARE**
- **SUSTAINABLE FUNDING**
- **COORDINATED AND INTEGRATED CARE**
- **INNOVATION**
- **A HOLISTIC VIEW OF HEALTH AND WELLBEING.**

Australians have consistently placed health at the top of the list as they make their voting decisions. We call on all parties and candidates to commit to a healthy Australia with a strong, fair and affordable health system that meets the needs of all Australians.

AHHA members representing the broad cross-section of the health sector analysed the publicly announced policies of the major national parties, as well as information provided to AHHA by the Liberal Party of Australia, National Party of Australia, Australian Labor Party and Australian Greens. These major national parties were invited to provide details on their health policies to address these seven domains. Parties with comprehensive health policies were included in this process.

This assessment seeks to raise awareness of, and encourage debate on, health policy as well as to educate health policy decision-makers and the health sector.

The Australian Healthcare and Hospitals Association is the national peak body for public and not-for-profit hospitals, primary health networks, community and primary healthcare services, and advocates for universal, high quality and affordable healthcare to benefit the whole community.

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## 1. A COMMITMENT TO UNIVERSAL HEALTHCARE

Australia’s public healthcare system is being severely tested by uncoordinated reforms occurring at both the Commonwealth level and within individual jurisdictions—all in the absence of any agreed overarching healthcare strategy, along with mounting financial strain and increasing demand.

Although Australians have had access to universal healthcare for more than 30 years, our system is not immune to pressures such as an ageing population, a growing burden of chronic disease, increasing life expectancy, increasing individual and community expectations, and escalating healthcare costs associated with new technologies and treatments.

Strong and strategic leadership is needed from the Australian Government to address these challenges, in cooperation with the state and territory governments, to preserve effective and efficient universal healthcare.

	 		
Access to quality healthcare for all Australians when and where needed	O	✓	✓ ✓
Out-of-pocket costs for patients are transparent and affordable	✓	✓ ✓	✓
Public oral health programs available	X	✓	✓
Mental healthcare programs available and affordable	✓	✓	✓ ✓
Private health insurance is reformed for better transparency and accountability	✓	✓ ✓	✓ ✓
✓ positive    O neutral X negative    ? absence of policy   significant deterioration in health policy direction  significant improvement in health policy direction			

“Labor \$2.3 billion investment to reduce out-of-pocket costs and waiting times for people with cancer is welcomed. A diagnosis of cancer should not mean having to meet unexpected medical bills of many thousands of dollars a year or long waiting periods for care.” [AHHA](#)

“Coalition has made some advances on out-of-pocket costs, but these are largely related to private health insurance. Out-of-pocket costs impacting the poorest Australians will not be lessened by these provisions.” [Community healthcare representative](#)

“Labor Productivity Commission inquiry into private health insurance is needed to look at new system funding models and successful ways to transition states and territories as well as not-for-profits and private providers to these new models.” [Hospital representative](#)

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## 2. A COMMITMENT TO EQUITY IN HEALTH

Complementing Australia’s universal health insurance scheme – Medicare – is a requirement to tailor major reforms to regional challenges and develop targeted programs for vulnerable populations. Market-based consumer-driven programs available in major capital cities do not work in rural and remote regions of Australia, where there are few or no services. Equitable access to emerging technologies and treatments such as precision medicine and genomics must also be considered.

Service providers in rural and remote areas, informed by Primary Health Network-led needs assessments, need the flexibility to pool funding from Commonwealth and state-funded programs to ensure service availability and to minimise duplication and fragmentation of care, while assuring access.

Targeted programs and services are also required to address issues specific to vulnerable populations in the Australian community including: people with disabilities; Aboriginal and Torres Strait Islander Australians; LGBTIQ+ people; the elderly; people with addictions; prisoners and refugees.

	 		
<b>Access to care in rural and remote areas</b>	✓	○	✓
<b>Closing the Gap in health outcomes for Aboriginal and Torres Strait Islander people</b>	✓	✓✓	✓✓
<b>Programs targeted to vulnerable populations</b>	○	✓	✓
<b>Equitable access to emerging technologies and treatments</b>	?	?	?
✓ positive    ○ neutral ✗ negative    ? absence of policy   significant deterioration in health policy direction   significant improvement in health policy direction			

“Closing the Gap has gone too long without achieving enough impact on the health inequalities experienced by Aboriginal and Torres Strait Islander people. Announcing policies is not enough. Real and sustainable improvements in health outcomes are urgently required.”  
**AHHA**

“An increase in Newstart Allowance is urgently needed, along with broader measures to address poverty, housing affordability and security, employment and underemployment and social inclusion. Coalition policies in particular do not respond to social determinants of health.” **Community healthcare representative**

“While access to medicines for more Australians remains assured, access to medicines in regional and remote Australia, and for people without funds to pay co-payments when leaving hospitals, are a significant inequity unaddressed by any of the major parties.” **Professional group representative**










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## 3. POLICIES TO SUPPORT OUTCOMES-FOCUSED, VALUE-BASED HEALTH CARE

Maintaining the status quo and tinkering around the edges of system reform will not provide a 21<sup>st</sup> century health system that Australians expect and deserve. Traditional approaches of measuring outputs rather than outcomes important to patients do not capture elements of quality and safety, nor do they place the patient at the centre of the care provided.

To ensure high quality, equitable and accessible healthcare, quality measures must be in place that show if reforms are achieving intended outcomes. Robust, near real-time, linked data, through national minimum data sets, are needed both within and across care systems to inform the development of performance indicators focused on health outcomes, along with routine monitoring of those outcomes.

	 		
Data standards that inform system performance focus on value-based, patient-centred outcomes	○	○	○
Monitoring and reporting of performance indicators focused on outcomes and value	○	✓	✓
Financial incentives to improve health care value on the basis of outcomes data	○	✓	✓
Develop the evidence-base in Australia to inform system design in the transition to value-based care	○	○	○
✓ positive      ○ neutral ✗ negative     ? absence of policy   significant deterioration in health policy direction  significant improvement in health policy direction			

“The Coalition agreed public hospital funding and health reform with 6 of the 8 states and territories in 2018 noting paying for outcomes and value as a priority, but policies continue to reward service volume when we need to shift the whole system to value-based healthcare—that is, better outcomes for patients relative to costs.” **AHHA**

“While all parties have identified value-based health care in some way, there needs to be definitive action to realise this strategic health goal. Achieved in cooperation with states and territories, and with affected healthcare professionals included in the change process of designing new models of care and funding mechanisms.” **Professional group representative**

“Labor’s plan to establish a permanent Australian Health Reform Commission has the potential to refocus the healthcare system on outcomes and value-based care, although more details are needed to assess how this will be achieved in practice.” **Community healthcare representative**










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## 4. A COMMITMENT TO LONG-TERM SUSTAINABLE FUNDING

The Australian healthcare system needs to be appropriately funded in a sustainable and durable way, providing certainty for longer-term funding arrangements for the Commonwealth, states and territories.

The overriding objective of the healthcare system should be to ensure high quality care that is equitable, accessible and affordable. Health budget sustainability must include the concept of affordability for individuals and communities while acknowledging capacity to pay and individual/family/community health vulnerability.

The inefficiencies of siloed approaches to funding should be acknowledged and addressed. Existing resources should be used effectively with all parts of the health system working together to eliminate waste, remove inefficiencies and remove low-value care. The interface with aged care and disability funding must also be considered to ensure people needing care do not fall through the gaps.

	 		
System inefficiencies identified and addressed	O	✓	✓
Low-value care identified and eliminated	O	?	?
Funding directed to patient and community needs, not sector needs, at a regional level	X	✓	?
Mixed funding models that appropriately compensate for activity, protect equity, and reward and incentivise agreed performance standards and outcomes	O	O	O
Funding that achieves sustainability for health services and models of care, and minimises out-of-pocket costs	X	✓	✓
✓ positive      O neutral X negative      ? absence of policy   significant deterioration in health policy direction  significant improvement in health policy direction			

“Labor investment of \$115.6 million in health promotion and disease prevention deserves a big tick for refocusing attention on health improvements for the health dollar, rather than health service activity.” **AHHA**

“There is a clear focus on ‘picking winners’ via funding to minimise political damage in Coalition policies. There is little to transform and realise latent capacity in the health system and health workforce.” **Professional group representative**

“Greens state there are a range of inefficiencies in the health system they would address, including instances of low value care, but currently there are no details.” **Community health representative**

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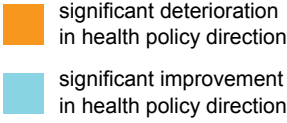





## 5. POLICIES TO SUPPORT COORDINATED AND INTEGRATED CARE

A whole-of-system approach to reform is needed to ensure Australians with multiple care needs can seamlessly access services.

As our population ages and rates of chronic disease continue to rise, Australians will increasingly find themselves in need of multiple types of care. Better coordination is required, both within the healthcare sector and with other sectors such as aged care and disability services.

Greater coordination and integration of services across care sectors will ensure better service delivery, improved efficiency, better health outcomes and improved quality of life.

	 		
Governance arrangements to support integration and coordination of services at a regional level (primary, community, acute, sub-acute, aged, disability)	O	✓✓	✓✓
Health data that is integrated around the patient and available wherever care is accessed	O	O	O
Funding models support integration and coordination of services	O	✓	✓
Improved consumer health literacy and informed consumer consent	?	?	O
✓ positive    O neutral X negative    ? absence of policy  			

“Labor proposed Australian Health Reform Commission has the potential to take the politics and finger-pointing out of health in order to deliver a better integrated and coordinated health system for the nation.” [AHHA](#)

“While they don’t directly tick all of the policy boxes, all parties flag at least one initiative focused on people receiving the right care in the right place and, where appropriate, keeping people out of hospital. While positive, such initiatives are too few and underfunded for scale-up.” [Hospital representative](#)










“Integrated funding models are by necessity complex. Recent moves by Coalition to cut funding delivered to hospitals through the PBS medicines in hospitals program is an example of what happens when a drive for simplicity is at the cost of positive patient outcomes.” [Professional group representative](#)

# HEALTH POLICY ASSESSMENT

## 6. A COMMITMENT TO INNOVATION IN RESPONSE TO NEED

Australia has a high-quality health system delivering world-class population health outcomes. However, for some groups health outcomes are not shared equally. Investment in research must be matched by health reforms which ensure all Australians have equitable access to best-practice care including new technologies and medicines.

Innovative approaches to health service delivery—being responsive and overcoming entrenched interests—underpinned by a strong evidence base, are required in order to respond effectively to health system challenges such as climate change and an ageing population.

	 		
<b>A workforce with scopes of practice and models of care to meet public need</b>	O	✓	✓
<b>Flexibility in funding pools at the regional level to respond to local need</b>	?	?	?
<b>Research that supports innovative approaches to health care delivery, safely and effectively</b>	✓	✓	✓
<b>Adapting and responding to the health impacts of climate change</b>	X	✓	✓
✓ positive      O neutral X negative      ? absence of policy   significant deterioration in health policy direction  significant improvement in health policy direction			

“Innovation is more than agreeing strategy with doctor and pharmacy groups.” [AHHA](#)

“Continued support for Primary Health Networks welcomed, but all parties must provide them with the long-term flexibility and independence to be visionary leaders at their regional level for the planning and delivery of care.” [AHHA](#)

“Support for innovation in allied health continues to fly under the radar for the parties. International innovation provides some key roadmaps for Australian policymakers keen to optimise existing workforce capacities.”

[Professional group representative](#)

“Labor and Greens have committed to tackle the health effects of climate change, based on the Framework for a *National Strategy on Climate, Health and Wellbeing*, developed by medical and climate change experts in the Climate and Health Alliance.” [Community health representative](#)

“Pledges by Greens and Coalition fall short on how they will grow the professional aged care workforce, which is estimated to require almost 1 million workers by 2050 according to Australia’s Aged Care Strategy released in 2018.”

[Aged care representative](#)

“Will Labor’s Australian Health Reform Commission include a health workforce division?” [Hospital representative](#)



# HEALTH POLICY ASSESSMENT



## 7. POLICIES TO SUPPORT A HOLISTIC VIEW OF HEALTH AND WELLBEING

A person’s healthcare should extend beyond immediate presenting concerns to take a broader view of their health and wellbeing. This requires consideration of the social determinants of health, as well as a preventive approach to healthcare, supported by deliberate investment by government. ‘Health’ as a key decision-making factor in all areas of policy is widely supported, including recognition of the significance of the early years of life.

Health should be seen as an investment and not just a cost. As reinforced in the Productivity Commission’s recent report, *Shifting the Dial: 5 Year Productivity Review*, there is a strong rationale for a greater emphasis on public health and prevention in an integrated system, with expenditure on such measures contributing to budget repair by reducing future demand on the health system while simultaneously improving health outcomes and quality of life for all Australians.

	 		
Health is a key decision-making factor in all areas of policy	O	✓	✓
Investment in preventive health strategies	O	✓	✓
Investment in primary and community health	✓	✓	✓
✓ positive    O neutral X negative    ? absence of policy  			

“Labor \$115.6 million commitment to preventive health is holistic and sorely needed after six lost years under Coalition lack of action.”  
**Professional group representative**

“Greens support of health as a key decision making factor in all policy areas is welcome.” **AHHA**

“Coalition commitment to invest in mental health, including to address youth suicide, is applauded, but the particular needs of young Aboriginal and Torres Strait Islander people is a significant gap. And the lack of additional investment in harm minimisation and treatment services for alcohol and drug use is a disappointing gap.” **AHHA**



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