

## Australian health policy research and development: where is it?

HEALTH IS ONE OF OUR MAJOR INDUSTRIES, employing more than half a million people — 7.1% of the national work force.<sup>1</sup> In the 1999–00 financial year its funding reached \$55.7 billion, equivalent to 8.8% of Australia's GDP. The major costs are incurred by the hospital sector (\$19.1 billion), medical services (\$9.7 billion) and pharmaceuticals (\$6.5 billion).<sup>2</sup> Conventional wisdom would have it that such an extensive and expensive enterprise as ours is underpinned by a lively culture of research and development informing health policy. But is it?

In October this year, the National Health and Medical Research Council (NHMRC) announced that, commencing in 2003, it would support 406 new research projects to the tune of \$150 million.<sup>3</sup> This welcome announcement was quickly followed by press releases from universities and research institutes proclaiming their success in attracting funds.

However, not one of the 406 projects directly involves health policy research and development (R&D).<sup>3</sup> Furthermore, of the 16 new NHMRC program grants — larger and longer-term multidisciplinary grants funded with an additional \$118 million — only one (with funding of \$6.8 million) specifically addresses health policy.<sup>4</sup> In short, from 2003, less than three cents of every dollar the NHMRC is investing in new research has been earmarked for policy R&D in an industry that costs the nation nearly \$56 billion.

So, is health policy R&D in Australia a virtual desert?

Before dismissing such a judgement as being too harsh, it might be helpful to revisit health policies that have had a major impact on our health system in the final quarter of the 20th century. Most will acknowledge that these include Medibank (1975) and its progeny, Medicare (1984);<sup>5</sup> casemix funding (1993) that accelerated the drive for efficiency and effectiveness in the hospital sector;<sup>6,7</sup> the evidence-based medicine movement (early 1990s)<sup>8</sup> that, among other things, augmented the growth of evidence-based guidelines;<sup>9</sup> and finally the development of an organisational structure for general practice — the Divisions (early 1990s).<sup>10</sup> While not wishing to downplay the contributions of many Australians to these health policies, is it not significant that all but one were imported ideas? Medibank came from Canada,<sup>11</sup> casemix funding from the United States,<sup>12</sup> and evidence-based medicine from North America and the United Kingdom.<sup>8,13</sup> Is it not intriguing that during this period of change, our own health bureaucracy apparently remained devoid of productive policy ideas?

Why has Australian health policy been a net importer of ideas? Could it be that its culture has not fostered an environment for “think tanks”, such as the Institute of Medicine and the Commonwealth Fund in the US, the King's Fund and the Nuffield Trust in the UK, or the Canadian Health Research Foundation, all of which regard health services research and policy as their primary concern?

There can be no doubt that coping with the clinical dividends of biomedical and biotechnology research, along with changes in society's expectations, will require innovative approaches to the health system through R&D. This can best be fostered in an environment free of political patronage, that

is permeable and receptive to ideas from academia, the health professions and bureaucracies, and the community itself. It will require capacity building, as recently recognised by the belated development of the Joint Health Services Research Program, a cooperative initiative of the NHMRC, the Commonwealth Department of Health and Ageing and the States.<sup>14</sup> But, most importantly, it requires a flagship — an independent institute — for vision and leadership.

Australia's health policy community recently published a collection of essays, *Daring to dream: the future of Australian health care*,<sup>15</sup> which paid tribute to the many contributions of John Deeble to healthcare in this country. His legacy is wide-ranging, from Medibank and the Australian Health Institute (the progenitor of the Australian Institute of Health and Welfare) to his work in Indigenous health. The essays clearly show that the R&D desert of Australian health policy is dotted with oases.

The dream, surely, is to consolidate this enterprise and other ventures, such as the Health Leaders' Network ([www.hln.com.au](http://www.hln.com.au)), into a policy flagship. Is it dreaming too much to envisage a John Deeble Institute of Australian Health Policy?

Australia is currently blessed with an array of internationally acclaimed medical research institutes. In light of this, the stark absence of an internationally recognised Australian institute for health policy is a damning national disgrace.

**Martin B Van Der Weyden**

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