

Taking leadership — tackling Australia's health challenges

The health policy of the Labor Party

Nicola Roxon

In view of the impending election, we asked representatives from the two major political parties for their policies on health. The Shadow Minister for Health replies.

Labor recognises that national leadership is needed to drive better health outcomes for the community. Hospitals and health services are struggling to meet demand; our health workforce is overworked and under stress; and many Australians have problems accessing the care they need.

Federal Labor has a \$2 billion health and hospital reform plan which will kick-start the reform process needed to end the “blame game” between the states and the Commonwealth, to better equip our health system for the needs of the future, and to put preventive health care at the centre of our approach, rather than at the margins.

Poor health affects the quality of life of Australians and their families, and can have significant economic effects by reducing their ability to participate in the workforce and through lost productivity and higher costs for business.

A constellation of challenges face our health system:

- *Long term trends*, such as population ageing, the increasing prevalence of chronic disease, labour costs and shortages, and the escalating cost of new health technologies;
- *Costs and inefficiencies generated by blame and cost shifting* between levels of government over funding agreements that concentrate on inputs rather than health outcomes;
- *Health care services that reflect these flawed funding arrangements* rather than the needs of patients; and
- Health care services that fail to intervene early or comprehensively to maximise people's *productivity and workforce participation*.

Under the Howard Government, our health system is plagued by rising costs and is increasingly unable to cope with the changing health needs of Australian families.

Labor believes change is needed to ensure these challenges are tackled, guaranteeing the long-term sustainability of the Australian health system. Australians are sick and tired of politicians passing the buck when it comes to health care and hospitals. To end the blame game, Federal Labor has announced that it will take responsibility for improving Australia's health and hospital system — easing pressures on families and delivering long-term productivity benefits to the community.

To deliver that change, Labor has proposed the single biggest health reform since Federation.

Big picture reform: Labor's National Health and Hospitals Reform Plan

A Rudd Labor Government will invest \$2 billion in a National Health and Hospitals Reform Plan to kick-start investment in immediate reforms to reduce blame and cost shifting and improve health services for Australians.

Labor's reform funding program will:

- Invest in hospital and primary care infrastructure that will help drive needed reforms;

- Provide incentive payments to state and territory governments if they achieve agreed reform milestones based on improved health outcomes, not simply inputs; and

- Provide more appropriate care options for older Australians.

Our aim is to improve health outcomes and reduce the pressure on our hospitals. We will fund projects that:

- Reduce avoidable hospitalisations and readmissions to hospital;
- Reduce non-urgent accident and emergency presentations;
- Decrease waiting times for people who require essential hospital services, such as elective surgery;
- Provide more appropriate non-acute care for older Australians; and
- Increase access to medical and specialist services in the community.

Within the first 100 days of its election, a Federal Labor Government, through the Council of Australian Governments (COAG), will establish a National Health and Hospitals Reform Commission to develop a long-term health reform plan for the nation.

This Commission, headed by an eminent Australian, will, in cooperation with the states and territories, and in consultation with health experts, professionals and consumers, develop stringent performance benchmarks that the states and territories will be required to meet. Pressing issues, ranging from rural health to workforce, will be key parts of the Commission's work. The Commission's early work will form the framework for developing the next Australian Health Care Agreements.

Our aim is to deliver better health outcomes through negotiation with the states. However, if the states and territories have not begun implementing a national reform plan by the middle of 2009, a Rudd Labor Government will seek a mandate from the Australian people for the Commonwealth to assume full funding responsibility for the nation's public hospitals.

If a Commonwealth takeover of hospital funding was supported by the Australian people, a model would be devised that ensures the future of state, private and community-managed hospitals. There would be provision for regional and local authorities to participate in the management of public hospitals and to ensure responsiveness of local hospitals to community needs. Under Labor's proposal, no public hospitals would be managed directly from Canberra.

The assumption of Commonwealth funding for all public hospitals would require a parallel reduction in Commonwealth outlays to the states and territories at the point of transfer, to ensure there would be no windfall gain of any description to the states and territories. Despite some mischievous suggestions, this will under no circumstances involve an increase to the GST.

At the time of writing, three important components of this national strategy have been detailed.

GP Super Clinics

As part of the \$2 billion Health and Hospitals Reform Plan, a Rudd Labor Government will invest \$220 million in the health system to

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establish *GP Super Clinics* in local communities — bolstering frontline health care for Australian families.

Labor's GP Super Clinics plan will help get doctors and other health professionals into areas that need them most, working together to meet the new service delivery challenges of modern medicine. The plan will provide infrastructure funding for general practitioners and other health professionals, including allied health workers, nurses and some specialists, to work together in the one place, providing a greater range of quality services in local communities — and much greater convenience for patients. The clinics will be tailored to the needs of local communities and particularly targeted to rural, regional and outer urban areas where Medicare has not been utilised to its fullest extent because of workforce shortages.

Along with incentives to pay for administrative and nursing support, funds can be used to provide teaching rooms and facilities to make the GP Super Clinics attractive to new graduates, trainees and GP registrars — encouraging health workers into regions where there are currently workforce shortages. With 65% of Australia affected by a GP workforce shortage, initiatives that encourage doctors to train and work in underserved areas are crucial to the long-term sustainability of our health system. By having renovated or purpose-built facilities that allow space for group sessions and a range of staff, the GP Super Clinics will have a particular focus on assisting people to stay well or to better manage existing chronic conditions.

Labor's GP Super Clinics will:

- Help take the pressure off hospitals;
- Provide a greater focus for tackling the challenge of chronic disease in local communities;
- Attract medical graduates and health professionals to areas of need; and
- Mean much greater convenience for patients.

Aged care

Currently, about 2300 older Australians who have been assessed as needing residential aged care are waiting in hospital wards. Some have waited months for a bed in a nursing home. This is tough on families, and also means that much needed hospital beds are not available to Australians of all ages waiting for surgery or medical treatment.

A Rudd Labor Government will help older Australians waiting in hospital wards to get an aged care bed or to return home sooner. This will ensure that older Australians get more appropriate care, and that significant pressure is taken off our hospital system.

Under Federal Labor's initiative, \$158 million will be invested over the next 5 years to create up to 2000 transition care beds for older Australians who are currently waiting in hospital for an aged care bed and to allow others to return to their home. Federal Labor will also provide \$300 million of loans at zero real interest rates to aged care providers to make up to 2500 permanent residential aged care beds available sooner to older Australians.

Preventive health

For the past year, Federal Labor has been arguing to move prevention to the centre, not the margins, of our health system. A Rudd Labor Government will treat preventive health care as a first-order economic challenge, as well as a health issue — because failure to do so will have a long-term negative impact on workforce

participation, growth in productivity and the overall health budget.

A Rudd Labor Government has committed to:

- Develop a *National Preventative Health Strategy* to provide a blueprint for tackling the burden of chronic disease, with an initial focus on obesity, tobacco and excessive consumption of alcohol. The Strategy will be supported by an expert taskforce.
- *Shift the focus from so-called "6-minute medicine"* in general practice by beginning a reform process to provide incentives for GPs to practise quality preventive health care, including longer consultations;
- Broaden the focus of the major health care agreement between the Commonwealth and the states and territories beyond hospital funding by developing a *National Preventative Health Care Partnership*; and
- In its first term, commission the Treasury to produce a series of *definitive reports on the impact of chronic disease on the Australian economy*, and the economic benefits of a greater focus on prevention in health care.

A focus on prevention would mean nothing without attention to the health of Australian children. There can be no better investment in Australia's future. By ensuring that children are able to develop healthy habits early in life, we take a significant step forward in our battle against chronic diseases.

We have committed Labor to some major initiatives for children:

- All children starting school will receive a health and early skills assessment. The *Healthy Kids Check* will include an assessment of a child's basic health, such as teeth, hearing, balance and sight.
- The *Australian Early Development Index* will be rolled out from 2008. This rigorous checklist, covering five key aspects of children's development, will assess how Australian children are faring when they reach school age.
- A *Healthy Habits for Life* guide will provide practical information to help parents assist their children to develop healthy habits for life.
- \$12.8 million will be provided to establish the Stephanie Alexander Kitchen Garden Program in 190 primary schools across Australia. The program will tackle the rising trend of childhood obesity by giving children hands-on experience in healthy eating: teaching them how to grow, harvest and cook produce, as part of the school curriculum.
- \$1.7 million will fund research that brings together the lessons learned from community obesity prevention projects, analyses the data to determine which projects work, and shares this knowledge with other communities who want to be involved in similar initiatives.
- \$3.5 million will be provided to develop and distribute guidelines on healthy eating and physical activity in early childhood settings.

This package forms the start of the comprehensive approach needed to tackle children's health and the particular issues with childhood obesity.

Severe problems in our health system

For years, Australia has struggled to provide decent health services to our Indigenous and rural communities. Delivery is often hampered by workforce shortages, which have not been planned for, or dealt with consistently, by the Howard Government. These issues, and Labor's commitments, will be part of Labor's overall

health strategy, but some concerns and commitments are flagged here as an indicator of our concern.

Rural health

Investment under Labor's \$2 billion National Health and Hospitals Reform Plan will prioritise areas where need is greatest, based on indicators that include workforce shortages and poor infrastructure. Those areas will include many rural and remote areas of Australia, as we have noted with our GP Super Clinics plan.

The Reform Commission will have the task of developing a long-term rural health strategy. Federal Labor believes it is worth considering in this process whether the next Australian Health Care Agreements should include a rural health service commitment. It is time to consolidate and invest in existing successes, not to continue with more and more pilot programs.

Consistent with this approach, Federal Labor will reform the Rural Medical Infrastructure Fund, expanding its eligibility and raising its funding cap to ensure more communities can access this important source of funding.

Indigenous health

A Rudd Labor Government has committed to closing the 17-year gap in life expectancy at birth between Indigenous and non-Indigenous people within a generation.

Labor will make a \$260 million down-payment on this commitment with our investment in Indigenous early childhood health. This initiative will ensure that Indigenous women have access to:

- Proper antenatal care (including a visit to a midwife or doctor, an ultrasound examination and a general health check);
- Practical advice on parenting, breastfeeding and nutrition for their babies;
- Home visit services for new Indigenous mothers and children aged 0–8 years (in conjunction with the states and territories).

Dental health

Labor has announced the first instalment of its plan to establish a Commonwealth Dental Health Program and will fund up to one million additional dental consultations and treatments for Australians needing dental care.

Federal Labor will invest up to \$290 million in a Commonwealth Dental Health Program — one of the first programs scrapped by the Howard Government in 1996.

The Howard Government's Medicare Chronic Disease Management scheme has failed to help the hundreds of thousands languishing on dental waiting lists. Over the past 3 years, it has helped only 7000 people, owing to its complex eligibility and referral criteria. The complexity of the referral process has also overloaded GPs with even more red tape, creating more work for doctors who are already under pressure.

As part of Federal Labor's determination to take national leadership and end the blame game in health, our funding will be available for the states and territories to help clear the backlog at public dental clinics. They will either supplement their existing services or purchase private-sector appointments for the hundreds of thousands stuck on their waiting lists.

Our dental plan is a significant investment in making health care more affordable for Australians. We know that rising health costs under the Howard Government are a challenge for many families, and we will work to tackle this situation. Because we realise that

many family budgets now rely on them, we support the private health insurance rebates and the Medicare Safety Net.

Conclusion

Federal Labor has outlined a clear, comprehensive national strategy for health care. A national, coordinated strategy has been lacking from Australia's health system for far too long. Federal Labor believes that the long-term challenges facing Australia in health must begin to be tackled immediately.

That is why Labor has announced policies in key areas of health, including primary care, hospitals, prevention and chronic disease, children's health, dental health, aged care and Indigenous health.

Australia deserves a government willing to re-examine the health system, and to drive the changes that we all know are needed. A Rudd Labor Government will do precisely that, delivering clear solutions, responding to the needs of people across Australia, and establishing a long-term direction for the future of health in Australia.

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