

Chapter 1

Introduction

1.1 On 25 June 2014, the Senate established the Senate Select Committee on Health.¹ The reporting date for the committee is 20 June 2016. The committee's resolution allows the committee to make interim reports such as this one.

Public hearings

1.2 The committee began its inquiry by setting an initial submission closing date of 19 September 2014 and planning a comprehensive program of public hearings. To date, the committee has conducted hearings in:

- Townsville, Queensland, 21 August 2014
- Canberra, Australian Capital Territory, 28 August; 4, 25 and 30 September; and 2 October 2014
- Lismore, New South Wales, 15 September 2014
- Moruya, New South Wales, 16 September 2014
- Geelong, Victoria, 6 October 2014
- Melbourne, Victoria, 7 and 8 October 2014
- Adelaide, South Australia, 9 October 2014
- Perth, Western Australia, 10 October 2014
- Hobart, Tasmania, 3 November 2014
- Launceston, Tasmania, 4 November 2014

1.3 The committee anticipates that hearings in early 2015 will focus initially on Australia's primary care system, and other issues relevant to the committee's Terms of Reference.

1.4 Through this initial program of public hearings, the committee has taken evidence from many health experts and practitioners. It has also enabled the committee to engage the wider Australian community, including those in rural and regional areas which may not normally be able to talk to a Senate Committee. Further, by travelling to various states and territories, the committee has provided an opportunity for state and territory governments to participate at this initial phase of the committee's inquiry.

1.5 Unfortunately, despite numerous invitations, to date only the South Australian state government has participated in the committee's public hearings and provided a

1 *Journals of the Senate*, 25 June 2014, pp 996–998.

submission. The Queensland and Australian Capital Territory Governments have provided submissions but have not yet appeared before the committee. The committee is hopeful that they will participate in future hearings in Canberra and Brisbane in 2015. While the Northern Territory Government advised that it would make a submission, nothing has been received to date. The Victorian Government declined to attend hearings held in Victoria, well in advance of the November 2014 caretaker period. Western Australian Government officials at first confirmed their attendance but, just prior to the hearing day advised that they had to cancel without any reason being provided. The Tasmanian Government provided no response to an invitation to attend the committee's hearing in Hobart. The New South Wales Government declined the invitation to appear at a planned hearing in Sydney in late November.

1.6 The committee hopes that in the coming months of its inquiry that there will be opportunity to constructively engage with the state and territory governments.

1.7 The committee also made a number of site visits, including to:

- a public hospital in Far North Queensland and another in regional Victoria;
- a private hospital in Northern New South Wales;
- a General Practice and allied health clinic on the Southern New South Wales coast; and
- a Medicare Local integrated health services centre in Launceston, Tasmania.

Submissions

1.8 The committee has received over 100 submissions since the beginning of its inquiry.² While the committee is still accepting general submissions, it is the committee's intention to seek submissions on specific topics as the need arises over the course of the inquiry.

Structure of this report

1.9 This interim report is the first of a series with which the committee proposes to report on its findings and conclusions to date. The committee's terms of reference are wide-ranging and it is the committee's intention to explore the various issues in depth over the course of its inquiry. This first report will outline the issues brought to light by the committee's work to date, and focus in depth on three in particular:

- the government's proposed patient co-payments, cuts to hospital funding and the abolition of Australian National Preventative Health Agency (ANPHA) (Chapter 3);
- the government's plan to close the 61 Medicare Locals and replace them with 30 Primary Health Networks (PHNs) (Chapter 4); and

2 The submissions received by the committee can be accessed via the committee's website: www.aph.gov.au/Parliamentary_Business/Committees/Senate/Health/Health/Submissions.

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- the merger of the Organ and Tissue Authority (OTA) and the National Blood Authority (NBA) (Chapter 5).

1.10 Patient co-payments, that is the \$7 "contribution" that the government is asking all Australians to pay for visits to GPs, out-of-hospital pathology and diagnostic imaging, has been raised as a key issue at every one of the committee's hearings. Although the government has so far supplied very limited detail on how the patient co-payments will work, the policy has drawn strong and consistent criticism across the health policy sector. This report marks the evidence heard by the committee to date and makes initial comment on the patient co-payments policy, cuts to hospital funding and the abolition of ANPHA. The committee will continue to monitor these issues as the government announces further details.

1.11 Focussing on the closure of Medicare Locals and the establishment of PHNs is timely. As the committee's report is tabled, the Department of Health has just released tender documents for the PHNs. During its inquiry, the committee has heard a number of significant concerns regarding the closure of the Medicare Locals and the transparency of the transition to the PHNs. With its first interim report, the committee seeks to publish these concerns and to make recommendations which, it is hoped, can be used by the government to achieve a better outcome for the primary healthcare sector and ultimately the patients that they care for.

Notes on references

1.12 References to submissions in this report are to individual submissions received by the committee and published on the committee's website. References to the committee Hansards are to the proof transcripts.³

Acknowledgements

1.13 The committee thanks the many organisations and individuals that made written submissions, and those who gave evidence at the public hearings to date.

1.14 In particular, the committee thanks the staff of the various hospitals and health services who have hosted the committee's site visits, and the staff of the various Medicare Locals who have participated in the committee's inquiry to date. The committee also wishes to thank the numerous individuals who brought their own personal experiences with the healthcare system to the committee's attention.

3 Committee Hansards can be accessed via the committee's website:
www.aph.gov.au/Parliamentary_Business/Committees/Senate/Health/Health/Public_Hearings.