

Council of Procedural Specialists (COPS)

Submission concerning the National Health Reform Amendment Bill 2011 to establish the National Health Performance Authority

1. The Council of Procedural Specialists notes that the Federal Government has determined to create the National Health Performance Authority, a **new federal government agency at the cost of \$118 million over four years.**
2. COPS notes that this agency will **exercise legislative authority** over health organisations and health care providers **in both public and private sectors.**
3. While COPS has always supported the collection of meaningful data, which when accurately analysed and interpreted, will lead to better policy and clinical decision making, **COPS has a number of concerns about the agenda, nature, and ultimate purpose of this new agency.**
4. COPS can find **no justification or compelling case** as to why “a new health watchdog for Australia’s health system”¹ needs to be created for the purpose of monitoring and reporting on the performance of various aspects of the Australian health sector.
5. COPS notes that the **Australian Institute of Health and Welfare (AIHW)** is “a major national agency set up by the Australian Government ... to provide reliable, regular and relevant information and statistics on Australia’s health and welfare.” Furthermore the AIHW is “an independent statutory authority ... accountable to the Australian Parliament through the Health and Ageing portfolio.”²
6. Furthermore, the **AIHW**, which describes data as “the core resource of the institute”, **has to its credit a considerable number of detailed reports in the area of health** including reports on health expenditure, hospitals, mental health, mortality, veterans’ health, rural health, and many others.
7. The **AIHW also manages the MyHospitals website** which supplies key information on many aspects of hospital performance, including waiting times.
8. COPS also notes the existence of the Australian Council of Healthcare Standards (ACHS), an independent organisation dedicated to improving the quality of health care in Australia through continual review of performance assessment and accreditation.³ This organisation has 1,450 member health care organisations.
9. COPS must therefore be concerned that the establishment of a **new authority may have a wider purpose** than that which is currently being outlined
10. COPS notes that the **principles of quality assurance** as espoused by the eminent authority, W. Edwards Deming, **does not support the use of targets or shaming** to improve quality of product and service. Deming’s 14 Principles are foundation stones for quality assurance and total quality management. Principle 10 states “*Eliminates slogans, exhortations and targets for the workforce asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships as the bulk of the causes of*

¹ Nicola Roxon, Second Reading Speech, House of Representatives Hansard, Thursday 3 March 2011

² AIHW, About the AIHW, <<http://www.aihw.gov.au/about/>>

³ www.achs.org.au

low quality and low productivity belong to the system and lie beyond the power of the workforce.”⁴

11. **COPS is not advised as to what “monitoring” the performance of health service providers will entail** and as to what extra burdens or obligation may be placed on procedural specialists as a result of this authority exercising its functions using executive judgement and ministerial direction.
12. **Individual doctors and hospitals do not appear to have effective legal and administrative redress** against misreporting, and/or misinterpretation of data which may unfairly and unjustly impugn the reputation of ethical health providers.
13. COPS is also **concerned to know what is meant by the term “push our hospitals to deliver better services”⁵**. In particular what coercion, penalties and threats may be applied to health care organisations that are not responding to the political and agency agenda?

Summary

COPS believes that no specific reasons have been advanced as to why a new agency needs to be established to provide accurate information on the costs of health care across the health sector given the already sizable investment in the size and expertise of the Federal Department of Health and existing agencies such as the Australian Institute of Health and Welfare.

COPS is concerned that yet another health agency with a list of bureaucratic and administrative demands on hard working doctors and other health professionals will lower productivity and lead to further declines in morale and adopt practices that are contrary to principles of quality assurance.

COPS believes that ‘shame reporting’ on health organisations is counter-productive and may lead to injustices to both organisations and individuals who are working within their resources and capacity to deliver the best possible health care under the circumstances and who have no effective redress against the power of government-funded reporting and media management to correct injustices.

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Australian Society of Anaesthetics
Australian Society of Orthopaedic Surgeons
Australian & New Zealand Association of Urological Surgeons
Australian Association of Surgeons

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⁴ W Edwards Deming Institute, www.deming.org

⁵ Nicola Roxon, Second Reading Speech, House of Representatives Hansard, Thursday 3 March 2011