THE ROYAL AUSTRALIAN COLLEGE OF GENERAL PRACTITIONERS
College House
1 Palmerston Crescent
South Melbourne, Victoria 3205
Tel 03 8699 0414
Fax 03 8699 0400
www.racgp.org.au
ACN 000 223 807 ABN 34 000 223 807

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Christine McDonald
Committee Secretary
Senate Standing Committee on Finance and Public Administration
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Ms McDonald

Inquiry into the Council of Australian Governments Reforms Relating to Health and Hospitals

The Royal Australian College of General Practitioners (RACGP) thanks the Senate Finance and Public Administration Committee for the opportunity to contribute to the Committee's Inquiry into the Council of Australian Governments (COAG) Reforms Relating to Health and Hospitals as agreed by the Commonwealth Government, the five states, and two territories at COAG meeting on 19 April and 20 April 2010.

The RACGP is the specialty medical college for general practice in Australia, responsible for defining the nature of the discipline, setting the standards and curriculum for education and training, maintaining the standards for quality clinical practice, and supporting general practitioners in their pursuit of excellence in patient care and community service.

This submission is made in response to the issues relating to aged care and mental health services as outlined in the Committee Terms of Reference, which can be found at:
http://www.aph.gov.au/senate/committee/fapa_ctte/coag_health_reforms/index.htm

1. Role of the Commonwealth Government – taking full policy and funding responsibility for aged care

The Australian Government's third intergenerational report projects that, over the next 40 years, the number of Australians aged 85 and over will more than quadruple from around 400 000 in 2010 to 1.8 million by 2050. This will create an unprecedented demand for the full range of low to high dependency aged care services needed by older Australians as they increase in frailty, and develop chronic and complex aged related illnesses over time.

Given these projections, there is an urgent need to review existing resources and devise a comprehensive policy and funding strategy for the future. The RACGP therefore welcomes the Productivity Commission's current inquiry into Caring for Older Australians.

The College believes that the Commonwealth Government is well placed to take full policy and funding responsibility for aged care services across Australia. Assigning responsibility to one level of government will help progress the development of a nationally consistent and integrated system of assessment, service provision, and regulation, allowing older Australians to seamlessly move from basic home help through to high dependence residential care as their needs change.

In broad policy terms this would involve the development of a policy and funding strategy that supports easy access to more flexible models of care, significant investment in workforce development, expansion of community and residential aged care services in areas of high need, targeted funding and strategies for special needs groups (please see point 5), and robust compliance monitoring and service accreditation systems.

The RACGP acknowledges that the 2010-11 Budget provides funding for some of these requirements, including the investment in the allied health workforce, more acute and sub-acute beds, and the expansion of residential aged care places through the Zero Interest Loan Scheme.

However as highlighted in the Henry Review of the Australian Taxation System, and in recent reports released by the Coalition for the Care of Older Australians[1], current levels of funding are not enough. What is still required includes:

- increased funding and indexation for sustainable delivery of community and residential aged care
- consolidation of Commonwealth community care programs to provide flexible funding for prevention and treatment of chronic and complex disease
- improved remuneration for aged care workers, including general practitioners, which would help overcome the existing difficulty attracting and retaining health professionals in the aged care sector
- increased technology and infrastructure funding enabling health care providers to take advantage of the emerging e-health revolution which stands to improve both productivity and clinical care for older people.

2. The role of general practitioners in aged care provision

General practitioners play a central role in the provision of health care services for older Australians in a wide range of settings, for example home and community care settings, residential aged care facilities, hospitals, sub-acute and rehabilitation facilities.

General practitioners' duties include:

- initial assessment of elderly patients often with chronic and complex conditions
- provision of medical treatment
- multi-disciplinary health care planning
- case conferencing with allied health professionals
- care co-ordination and patient follow-up.

[1] A coalition, which includes Aged and Community Services Australia (ACSA), Aged Care Association Australia (ACAA), Catholic Health Australia and eight other church and charitable groups

However, many general practitioners find it difficult to participate in the full range of activities required to care for older Australians as the current MBS item numbers do not recognise the complexity and time involved in provision of such services.

The proposed allocation of flexible funding, through Medicare Locals, to target gaps in primary health care services may to a certain extent help address some issues. However, there is still a need to review the adequacy of MBS items to ensure that they allow general practitioners to dedicate more time to, and fully participate in, complex multi-disciplinary models of care, extending beyond traditional health care settings as required.

Further, as highlighted in the latest intergenerational report, there is a severe shortage of doctors in aged care facilities. It is often difficult to get a doctor to attend to elderly patients in nursing homes, resulting in frequent, expensive, stressful, and unnecessary ambulance transfers of the frail elderly to hospital emergency departments – which is wasteful and needs to be addressed.

The RACGP welcomes the Government's allocation of additional funding (under the *Improving Access to General Practice and Primary Health Care Services for Older Australians Initiative*) to increase annual financial incentives for general practitioners to provide a minimum specified number of services to residents of aged care facilities. However, what has been allocated in the 2010-11 Budget is unlikely to be sufficient.

In summary, nationally consistent policy combined with significant and sustained funding is needed to address inadequacies in aged and chronic care, which will require both investment in aged care infrastructure and incentives for aged care health workers.

3. Mental health service provision in general practice

The RACGP acknowledges and welcomes the expansion of adolescent and young adult mental health services and the increased access to Allied Psychological Services (APS) for up to 25,000 people with severe mental illness managed in the community. However, the College is disappointed by the lack of recognition and support for the vital role that general practitioners play in the early detection and treatment of mental illness as part of their holistic approach to patient care.

The Medicare Benefits Scheme needs to be appropriately structured to allow general practitioners to dedicate the time required to:

- carefully assess and understand their patients' mental health care needs
- provide cognitive and/or pharmaceutical treatment
- ongoing monitoring of their patients' condition.

In addition, where needed, general practitioners are in an excellent position to develop comprehensive long term mental health care plans and coordinate the services of allied health professionals and other community support services to enhance patient treatment and their health outcomes.

Again however, the Medicare Benefits Schedule needs to be appropriately structured and funded to cover the cost of providing such long-term multi-disciplinary models of care. The Schedule needs to encourage general practitioners to lead inter-disciplinary teams, communicate, delegate tasks, and provide on-going monitoring and adjustment in accordance with changing patient needs.

Many general practitioners want, and are appropriately skilled, to play a greater role in the prevention and treatment of mental illness but feel their efforts are currently not appropriately recognised and remunerated.

The College would appreciate this matter being taken into careful consideration as part of this inquiry.

4. Patient travel and accommodation assistance scheme

The RACGP notes that the NHHRC final report, under 'Delivering health outcomes for remote and rural communities', recommends that:

> a patient travel and accommodation assistance scheme be funded at a level that takes better account of the out-of-pocket costs of patients and their families and facilitates timely treatment and care.[2]

It is disappointing that the NHHRC's Recommendation 65 has not yet been adopted by the Government, which would increase patient access to medical services, and provide a nationally consistent approach to travel assistance for patients living in rural and remote Australia, including Aboriginal and Torres Strait Islanders.

The College believes that the Government should adopt the NHHRC's recommendation and introduce a nationally consistent patient travel scheme, which will provide much needed access to medical services for patients in rural and remote communities, and contribute to the Government's Closing the Gap Campaign. When developing a national patient travel scheme, there are a number of existing schemes in the states and territories which could be built upon.

5. Targeted funding for special need groups

In Australia there are a number of special needs groups who experience particular difficulties accessing health care services. The special needs groups include:

- people from Aboriginal and Torres Strait Islander backgrounds
- people who are financially disadvantaged
- people living in remote and isolated areas
- people from culturally and linguistically diverse backgrounds
- people who are frail, aged and living with dementia.

To address the needs of these special groups, there must be a policy and funding strategy that supports easy access to more flexible models of care. Strategies would include a range of tailored and targeted service options to improve patient outcomes. This would allow for early detection and prevention or treatment of conditions that are prevalent among members of such patient groups.

Studies have shown that these groups experience significant health improvements following primary health care intervention.[3]

[2] National Health and Hospitals Reform Commission, A Healthier Future For All Australians – Final Report of the National Health and Hospitals Reform Commission – June 2009

[3] Swerissen H et al. A randomised control trial of a self-management program for people with a chronic illness from Vietnamese, Chinese, Italian and Greek backgrounds. Patient Education and Counseling, 2006 Dec;64(1-3):360-8. Epub 2006 Jul 21.

6. Closing comments

The RACGP thanks the Senate Standing Committee on Finance and Public Administration for the opportunity to submit its views on the COAG reforms relating to health and hospitals and asks that the College be called upon in future to participate in consultations that are expected to take place between relevant stakeholders and the Commonwealth and state and territory governments to help guide future reform in the primary health care sector.

Yours Sincerely

Professor Peter Mudge
Chair of Council