



Australian Government
Department of Health and Ageing

SECRETARY

Mr Elton Humphery
Committee Secretary
Australian Senate Community Affairs Committee
PO Box 6100
PARLIAMENT HOUSE ACT 2600

Dear Mr Humphery

Submission to the Senate Community Affairs Committee inquiry into the *Health Workforce Australia Bill 2009*

The Department is pleased to provide a submission to the Senate Community Affairs Committee inquiry into the design of the *Health Workforce Australia Bill 2009* as introduced into the House of Representatives on 13 May 2009. The submission is at Attachment A.

Thank you for the opportunity to contribute to the Senate Community Affairs Committee inquiry. I would note that the Department's submission can not be as comprehensive as would usually be the case as some key operational components of the proposed new Authority are still to be determined by all Health Ministers.

The Department is able to provide the Committee with further information on the Bill should it be required.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Halton', written over a horizontal line.

Jane Halton PSM
Secretary

1 June 2009

ATTACHMENT A
Submission to the Senate Community Affairs Inquiry into the *Health Workforce*
Australia Bill 2009

Introduction

Many Australians find it difficult to access health services within a reasonable and clinically appropriate timeframe. It is acknowledged that there are significant health workforce shortages across the health care continuum. The health workforce is fundamental to ensuring all Australians have access to high quality, effective, efficient and financially viable health services.

The Council of Australian Governments (COAG) agreed on 28 November 2008 to a comprehensive package of measures to support Australia's health workforce now and into the future. The health workforce package is part of the \$64 billion National Partnership Agreement on Hospitals and Health Workforce Reform. The measures contained in the package are:

- Clinical training subsidy for pre-professional entry students;
- Expanded supervisory capacity to deliver training;
- Greater use of simulated learning environments in clinical training;
- Development of a national health workforce statistical database
- International recruitment program for health professionals;
- Workforce policy and planning; and
- The establishment of a national health workforce authority.

Funding for the health workforce package is \$1.6 billion – \$1.1 billion in Commonwealth funding and \$540 million in state and territory funding.

The national health workforce authority, to be known as Health Workforce Australia, will have responsibility for implementing the majority of these measures. On 13 May 2009, the Minister for Health and Ageing, the Hon Nicola Roxon MP, introduced the Health Workforce Australia Bill 2009 (the Bill) into the House of Representatives. On 14 May 2009 the Senate, on the recommendation of the Selection of Bills Committee, referred the provisions of the Bill to the Community Affairs Legislation Committee for inquiry.

Health Workforce Australia

There is currently a need for more effective governance arrangements around health workforce training, planning and policy development that can work across and with jurisdictions and the health and education sectors. The creation of a new single body that can operate across both the health and education sectors and jurisdictional responsibilities in health is critical.

A new Commonwealth authority, Health Workforce Australia (HWA) will manage and oversee key national health workforce measures on behalf of and with all jurisdictions. HWA will establish more effective, streamlined and integrated clinical training arrangements and support national workforce policy and planning.

HWA will also ensure best value for money for the workforce initiatives, a more rapid and substantive workforce planning and policy development environment and will provide advice to Health Ministers on relevant workforce issues.

HWA's responsibilities will include:

- Comprehensively planning, coordinating and funding pre-professional entry clinical training across all health disciplines. HWA will ensure this training occurs in the most streamlined, integrated and educationally effective manner with appropriate support for coordination and supervision at regional, local and health service delivery levels. This will include new structural arrangements that attach clinical training funding to students in a range of service settings, and support for clinical supervision, administered through HWA;
- Leading and supporting health workforce research, planning and policy development to inform policy decisions on workforce supply and demand and distribution. This will include continually improving national health workforce information and the establishment of a national workforce statistical resource; and
- Providing a coordinated approach to both the use and financing of simulation training, including the establishment and operation of simulated learning environments.

The major function of HWA will be to administer the funding for students undertaking a clinical placement as part of their professional entry education. A number of operational parameters such as eligible courses, the delivery model and level of funding per student are still under discussion with stakeholders to ensure the most effective solution for clinical training.

HWA will comprehensively plan, coordinate and fund pre-professional entry clinical training across all health disciplines. HWA will ensure this training occurs in the most streamlined, integrated and educationally effective manner with appropriate support for coordination and supervision at regional, local and health service levels.

This will include new arrangements that attach clinical training funding to students in a range of settings (which may include private and community settings), with payments to service providers to support the cost of training. Universities and other training providers can enter into arrangements with HWA to ensure that their students are able to access appropriate clinical training placements and that their existing relationships and infrastructure are not compromised.

It is anticipated that HWA will work with a number of regional or local entities to support clinical training and this is expected to account for a significant proportion of HWA's administration funding of \$125m over the forward estimates. Subject to further agreement and consultation with stakeholders, regional entities would broker and oversee relationships and collaborations between education and clinical training providers with benchmarking by HWA.

Regional entities are expected to match supply and demand for placements and distribute them appropriately, including student support activities where necessary. They would have a role in ensuring that performance indicators are met. The entities would monitor service provider clinical placement quality and safety. Regional entities will be directly accountable to HWA for the local management of placements, ensuring that outcomes around maximising capacity and efficiency are met. It is expected that most of the regional entities would be partnerships with existing bodies such as Divisions of General Practice, relevant universities and local health services. This new role for these entities would be funded through HWA.

The COAG health workforce package has provided funding for greater use of simulated learning environments (SLEs) to support clinical training. HWA will identify the most appropriate settings for SLEs in consultation with the states and territories and stakeholders. This will include determining the size and location of training centres, with priority being given to rural and regional settings. HWA will also fund the establishment of mobile SLE units which will support training and professional development in areas which traditionally have limited access to facilities. This will help improve access to clinical training for an increasing number of health students in coming years.

HWA will not set standards around the actual clinical training to be undertaken. Matters regarding training content, length of placements, assessment and so forth are the responsibility of the accreditation body for that profession and the universities. For example, universities offering courses in medicine will still need to be accredited by the Australian Medical Council (AMC) and will be responsible for ensuring that clinical placements satisfy the AMC's guidelines. Post graduate medical education is out of the scope of HWA. The medical colleges, such as the Royal Australasian College of Surgeons or Royal Australian College of General Practitioners, will continue to assess and maintain standards in post graduate medical education.

The establishment of HWA will also allow for a national approach to workforce planning. Historically, data on the health workforce has been sporadic and unreliable, often relying on voluntary surveys. HWA will work with the National Registration and Accreditation Scheme (scheduled to commence in July 2010), Medicare Australia and other sources to build a statistical database holding detailed de-identified information on Australia's health workforce.

The availability of quality data will assist HWA in the analysis of current workforce distribution, quantify shortages and provide for a tool to support policy development and workforce planning.

Health Workforce Australia Governance

The Bill will establish HWA as a statutory authority under the Commonwealth Authorities and Companies Act 1997 (CAC Act) and specify the functions, governance and structure of HWA, including the interaction with Ministers and Ministerial committees. Funding for HWA's operations is \$125m over four years. HWA will also administer approximately \$1.1 billion of Commonwealth, state and territory funds over four years.

HWA will consist of:

- A Board of Directors comprising of a nominee from each State and Territory and the Commonwealth, an independent Chair and may include up to three independent members selected by Health Ministers. The Board will govern HWA, advise and report to Health Ministers and develop policies and operational plans as required;
- A Chief Executive Officer (CEO) who will be responsible for the day-to-day administration of HWA and will report to the Board;
- Expert committees and consultants engaged to assist with HWA functions as required; and
- HWA staff.

Although it is a Commonwealth authority, HWA will operate as a national body. Consequently, governance arrangements reflect this joint responsibility. The Australian

Government Minister for Health and Ageing is responsible for appointments to the Board and the first CEO of HWA. However, the Bill provides for consultation with the Minister's state and territory colleagues on appointments. Similarly each state and territory will nominate one member to the Board. The Board will also provide advice on health workforce planning and national policy issues to all Ministers.

The CEO will be recruited through an open recruitment process and will be appointed for between 3 and 5 years. The CEO will be responsible, under direction of the Board, for all things necessary to ensure the sound administration of HWA. The CEO will also be responsible for establishing a human resource framework for the employment of staff. Employees of HWA will not be Commonwealth public servants.

This Bill also enables Health Ministers to give general directions to HWA on performing its functions and exercising its powers. This will be done through the Australian Health Ministers' Conference. It is expected that Health Ministers' directions will be used to determine significant issues, such as eligibility criteria for the pre-professional entry clinical training subsidies.

The establishment of expert committees will be crucial in ensuring HWA can provide quality advice to the Board and Health Ministers. The committees will draw upon relevant health, education and other experts as required. Committees will also provide an opportunity for stakeholders to be fully engaged in the policy development and workforce planning tasks required to ensure an effective and sustainable health workforce in the longer term.

Many governance and operational issues will be managed through the operational plans and policies developed by the Board. Health Ministers may develop protocols and policy directions with which the HWA must abide.

The Board will determine the financial management practices of HWA (in line with the CAC Act requirements) and will be accountable to jurisdictions for financial matters under legislation. Financial management arrangements for the payment of subsidies (which includes State and Territory funding) will be determined by the Board and approved by Health Ministers.

Implementation of HWA has been managed through the National Health Workforce Taskforce (NHWT) and the Commonwealth on behalf of all governments. The NHWT has undertaken, and will continue to undertake, consultations with universities, training providers including public and private hospitals, professional organisations, students and health consumers. In developing the Bill, the Department of Health and Ageing has consulted with the Department of Finance and Deregulation, the Department of Education, Employment and Workplace Relations and the Australian Public Service Commission about a number of structural and governance matters.

Health Workforce Australia's Powers

Clause 5(1)(b) Bill specifies that HWA may "provide other support for the delivery of clinical training...". This provision is intended to cover functions other than funding - for example, including establishing an IT system, statistical analysis to support planning and the promotion of clinical training opportunities to non-traditional areas such as aged care facilities. As stated earlier, HWA's role covers funding clinical training across the health

workforce, expanding supervisory capacity in clinical placement providers and developing new simulated learning centres. A key role of HWA will be to support long term health workforce planning at the national level. Provisions of the Bill allow HWA to develop workforce planning advice for Health Ministers to ensure the sustainability of Australia's health system.

Clause 6 of the Bill specifies that HWA will also "has power to do all things necessary or convenient to be done for or in connection with the performance of its functions". This is a standard clause which allows it to spend monies, enter into contracts and other similar activities as required to undertake its function.

HWA will also have the power to establish expert committees. Committees will draw on the knowledge and expertise of relevant stakeholders to address specific health workforce issues. Through the use of the expert committees, HWA will be able to readily engage with the health workforce at all levels and across all disciplines.

The HWA will be subject to directions from Health Ministers. This provides a level of accountability to ensure that HWA stays within its remit as outlined in the Bill and the Ministerial directions.

Summary

The establishment of Health Workforce Australia will support health workforce planning and policy development at a national level by working across jurisdictional boundaries and across the health and education sectors. The governance arrangements for HWA reflect the shared funding and policy interests of all jurisdictions and provide for directions from, and reporting to, Australia's Health Ministers. Passage of the Bill will enable the Commonwealth, States and Territories to establish HWA which will undertake the immediate activities needed to improve the health workforce, and therefore the health system, for the Australian population.