

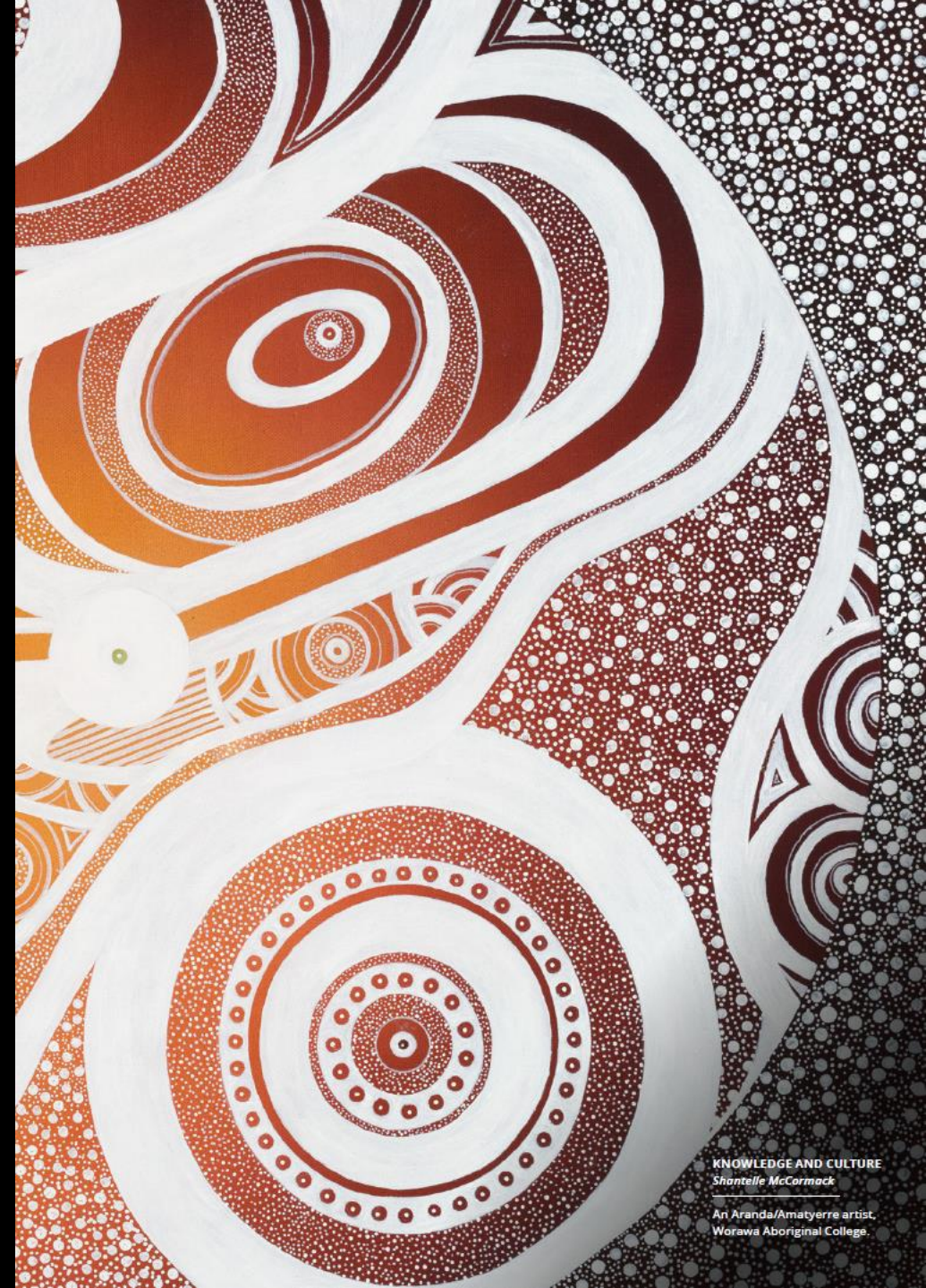


## Reimagining Australia's Health System

Luke Baxby – National Lead Partner Health  
July 2023

*Acknowledgement of Country*

I would like to show my respect and acknowledge the traditional custodians of this land, of Elders past, present and emerging, on which this event takes place.



## The context for reform

“*There are decades where nothing happens; and there are weeks where decades happen.*”

— Vladimir Ilyich Lenin



## The context for reform

“ *While we are finished with COVID, COVID is not finished with us!* ”



# Australia's Health Reimagined

The journey to a connected and confident consumer

Download our whitepaper and view our digital health resources by scanning the QR code below



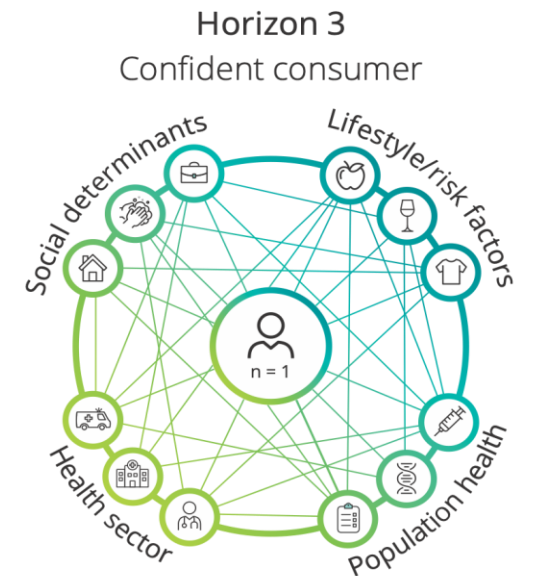
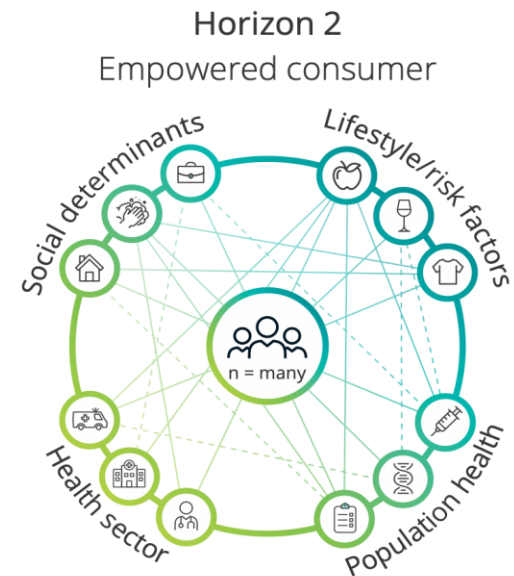
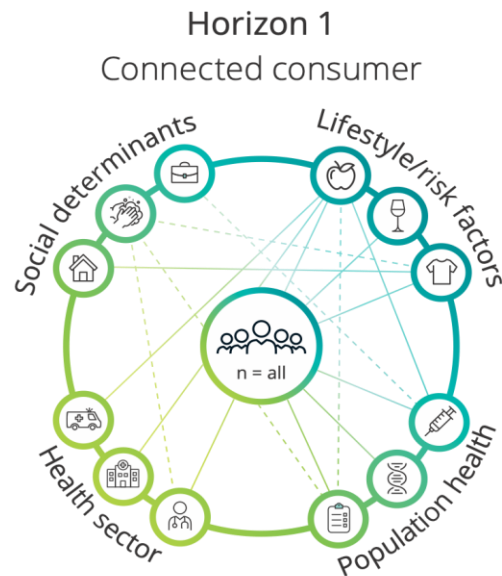
# Three horizons to a reimagined health system



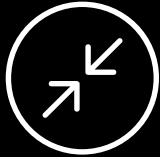
*Vision – a health system that supports all Australians to live their best, healthiest lives.*

The diagram describes **a number of important transitions that will reorientate the health system to focus on the needs of individuals.**

We envisage some overlap between the horizons with activities and advances occurring in parallel over the next ten years.



# Reimagining Australia's Health System



## 1. System Pressure



## 2. Drivers



## 3. Reform Directions

# A system under pressure

## VIDEO: NSW paramedics take industrial action over clogged emergency departments

Posted 21h ago, updated 14h ago



**INDUSTRIAL ACTION**  
ABC NEWS

Thousands of paramedics in New South Wales will take industrial action, disobeying health department orders to stay with

## AMA report card highlights steady national decline in hospital beds for over 65s

By Cason Ho

Posted Sat 26 Mar 2022 at 4:56pm, updated Sat 26 Mar 2022 at 5:31pm



**THE AUSTRALIAN**  
Wednesday, March 22, 2023 | Today's Paper | Mind Games

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## Patients at 'significant risk' in NSW hospital staffing crisis

By NATASHA ROBINSON  
HEALTH EDITOR  
Follow @NCRobinson

UPDATED 5:45AM MARCH 22, 2023. FIRST PUBLISHED AT 12:00AM MARCH 22, 2023  
NO COMMENTS

NSW doctors have spoken of their distress at being unable to keep up with surgical waiting lists or tend to patients in a timely manner.

NEWS > LATEST NEWS

## NSW Labor task force targets elective surgery backlogs

By Duncan Murray  
Updated March 20 2023 - 1:46pm, first published 1:46pm

Politics Victoria Mental health

## Staff shortages the 'biggest stumbling block' to fulfilling mental health reforms

Rachel Eddie  
March 13, 2023 - 7:09pm

Staff shortages in frontline services could stop Victoria from fulfilling the recommendations of the mental health royal commission, the chair of the psychiatrists' college has warned, after a psychiatric unit for prisoners was forced to close.

Melbourne Today 16°/23°

# Herald Sun

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News > South Australia

## Elective Surgery Waiting Lists Balloon 27/02/23

Sick Queenslanders are languishing on ballooning elective surgery lists where the number of patients waiting longer than clinically recommended has doubled in a year, with a shocking three in five heart patients not seen on time.

NEWS

## Data shows disastrous decline in public hospital performance

Published 8 December 2022

Public hospital performance for emergency departments and elective surgery is at a record low with patients waiting longer because hospitals are logjammed, denying timely access to healthcare for many Australians.

## Elective surgery wait times pushed out as WA grabbles with beds shortage

10 HOURS AGO

SHARE THIS ARTICLE

## Demand side factors

### Population and Ageing

Population of people aged 65 and over grew 2.2 times faster than the under 65 population between 1981 to 2021

### Chronicity

1 in 3 Queenslanders are living with long term illness

### Activity Growth

Health activity is growing about twice the rate of what can be explained by population growth and ageing

## Supply side factors

### Workforce and Skill Shortages

Currently 72,400 vacancies across Health Care and Social Assistance

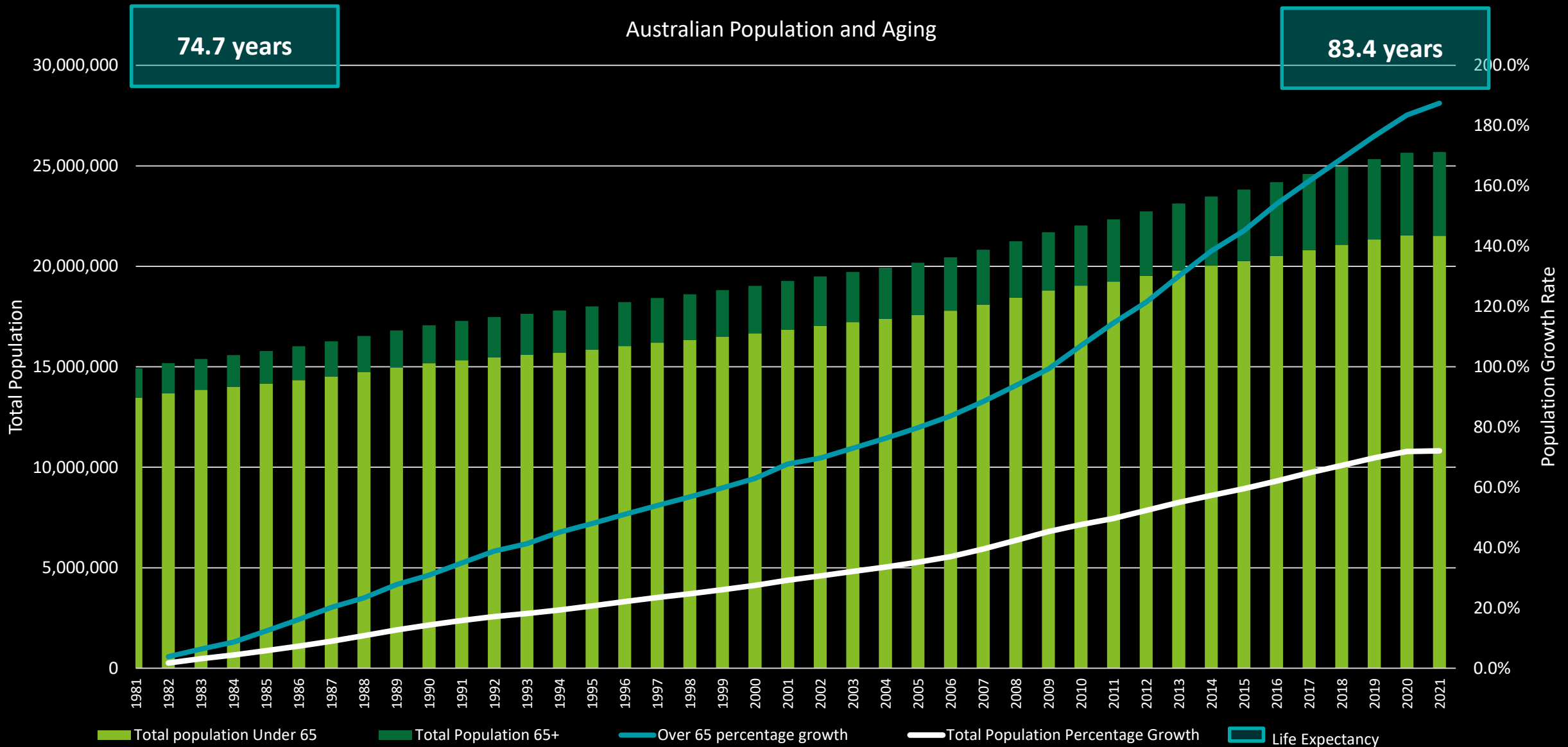
### Cost Escalation

Cost escalation 7% vs Price escalation of 4%

### Funding

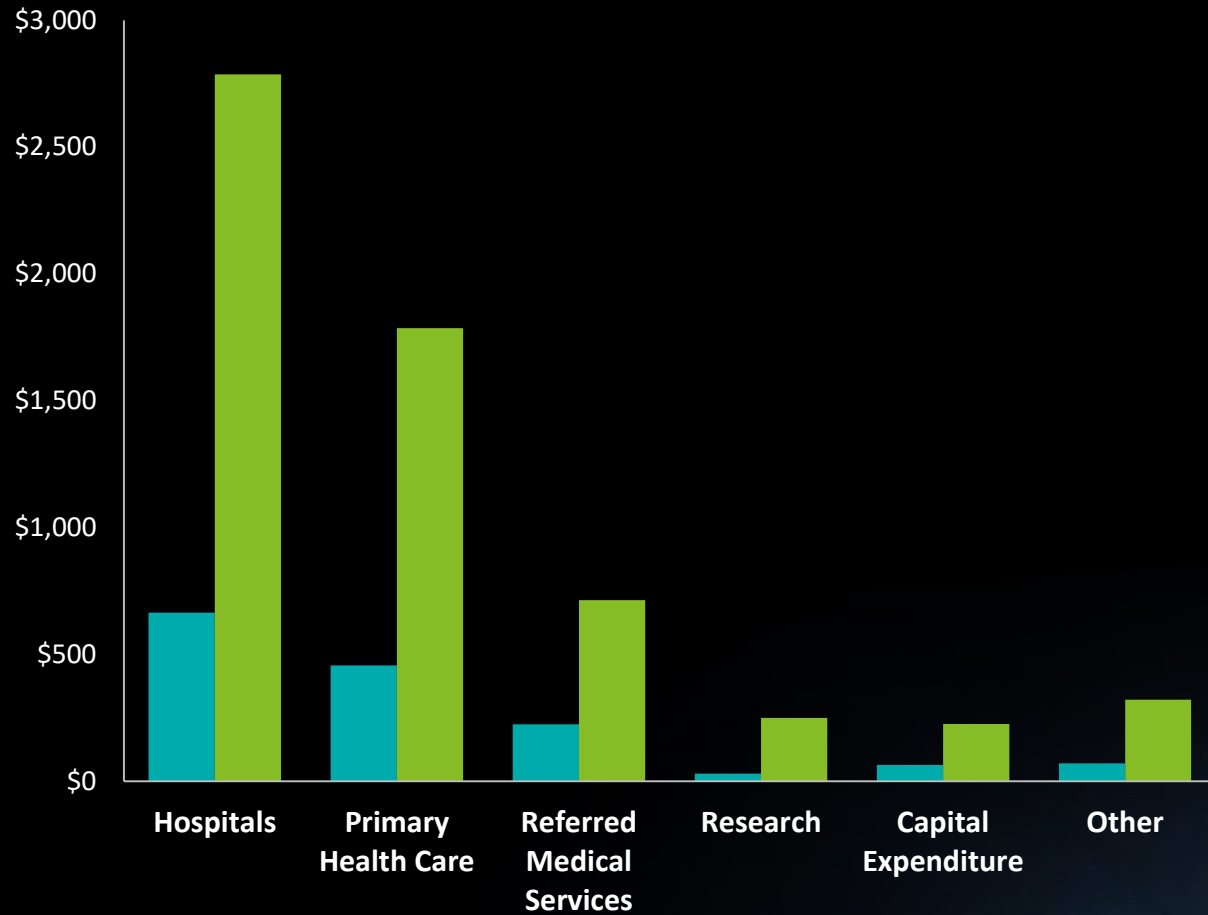
Health Aged Care and NDIS spending increasing from 26.5 to 27.5% of total govt spending to FY27

# 40 year trend in Australian population growth & ageing + life expectancy

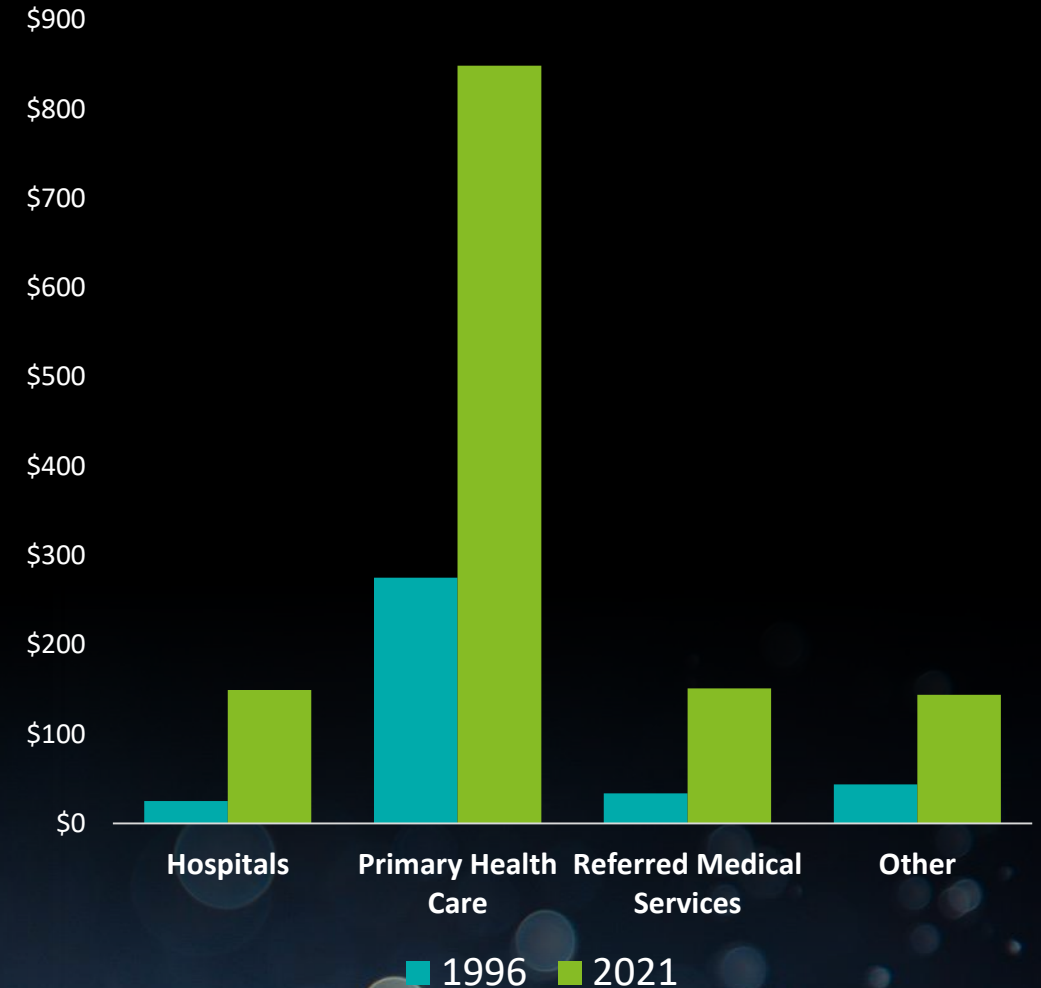


# Snapshot of national health funding

Total Health Expenditure Growth (Government)

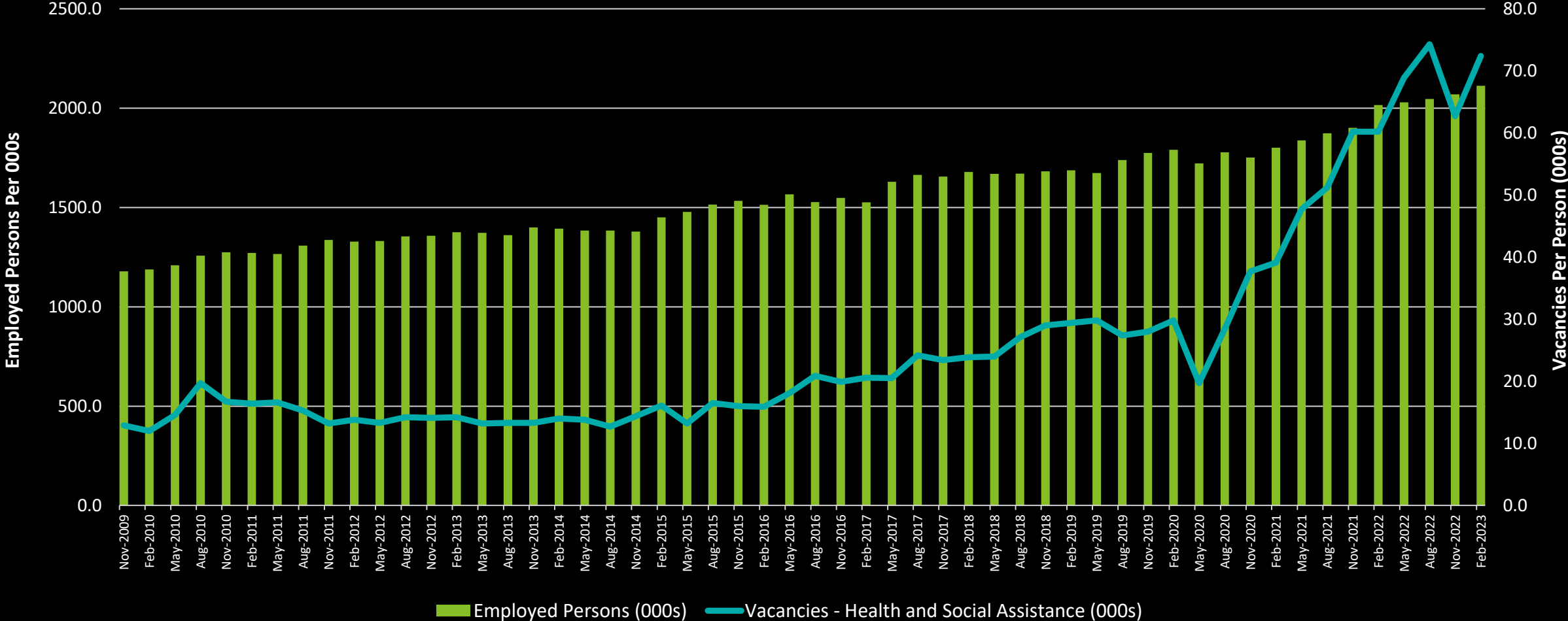


Total Health Expenditure Growth (Non Government: Individual)



# Snapshot of national health care and social assistance workforce

## Employment vs Career Vacancies for Health Care and Social Assistance Over Time



# Response levers

Theme	Capital	Workforce	Funding	ICT
Issue	Capacity Constraints - \$40 billion in committed Health Infrastructure	Skills Shortage  72,400 Vacancies in Health and Social Care (ABS) (Feb 2023)	77% of CFOs anticipate a deterioration in financial performance (Deloitte Healthcare CFO Survey)	Sub Scale  Implementation Risk  Data Privacy
Risks	Deliverability	Industrial Relations	Fiscal Capacity	Fragmentation / Interoperability
Time to Impact	Med – long term	Med – Long Term	Short term	Med – Long Term

# Factors influencing the system



## Forces of changes

System demand and backlog

Inflation – wage and inputs costs

Workforce and skills shortage

Consumer expectations



## Responses

Policy and system reform


Regional and jurisdictional collaboration

Local optimisation

Digital, data and technology

System  
Performance  
& Sustainability

# Policy and system reform



## Review of Medicare Integrity and Compliance


### TERMS OF REFERENCE

#### Introduction

The Minister for Health and Aged Care has requested an independent, high-level review of the Integrity of Medicare and the compliance mechanisms. The review will focus primarily on the Medical Benefits Scheme.

The three main outcomes sought are the delivery of:

- an assessment of the potential value of non-compliance across the Medicare system
- identification of specific integrity risks related to Medicare payment channels
- an assessment and options for improvements to pre-payment mechanisms and controls, specified compliance treatments and legislative arrangements.



## Strengthening medicare

### Strengthening Medicare Taskforce

#### Communiqué

All Australians deserve equitable access to affordable quality primary care.

Today, the Strengthening Medicare Taskforce held its inaugural meeting on the land of the Gadigal people of the Eora Nation.

The Strengthening Medicare Taskforce members are health leaders, representing a cross section of perspectives on the primary care system.

At today's meeting, all members undertook to work together in the best interests of the health of Australians and the Australian health system. I was delighted with the spirit of partnership and collaboration.

The Australian Government established this Taskforce to identify the highest priority reforms in primary care.

There is no doubt primary care around the country is in a parlous state.

The Government is committed to ensuring Australians get the care they need, when they need it and without worrying about the cost.

The Taskforce will develop recommendations to achieve this through five focus areas to achieve concrete results for patients:

- a reliable training and development pipeline, to build a strong and vibrant primary health care workforce
- increased access to multidisciplinary care, harnessing the full skills of nurses, pharmacists and allied health professionals
- new models of care and stronger relationships between patients and practices, to better respond to today's health needs, including older Australians and those with complex and chronic conditions
- ensuring access to care is modern, patient-centred and easy, harnessing the power of technology, and
- providing universal health care and access for all through health care that is inclusive and reduces disadvantage.

Taskforce members had the opportunity to discuss the reform journey to date from the co-chairs of the former Primary Health Care Reform Steering Group, who guided the development of the *Primary Health Care 10 Year Plan 2022-2032*.

Members also had the opportunity to share their priorities for reform.

The Government has committed \$750 million in the Strengthening Medicare Fund to turn proposals into concrete actions for a person-centred primary health care system.

March 2022



## Future focused primary health care:

### Australia's Primary Health Care

#### 10 Year Plan 2022-2032

March 2022



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## We encourage anyone thinking about sharing their experience with the Disability Royal Commission to contact our Intake, Counselling and Support team



## Royal Commission into Aged Care Quality and Safety

### Final Report: Care, Dignity and Respect

Volume 1  
Summary and recommendations

National Health Reform Agreement – Addendum 2020-25

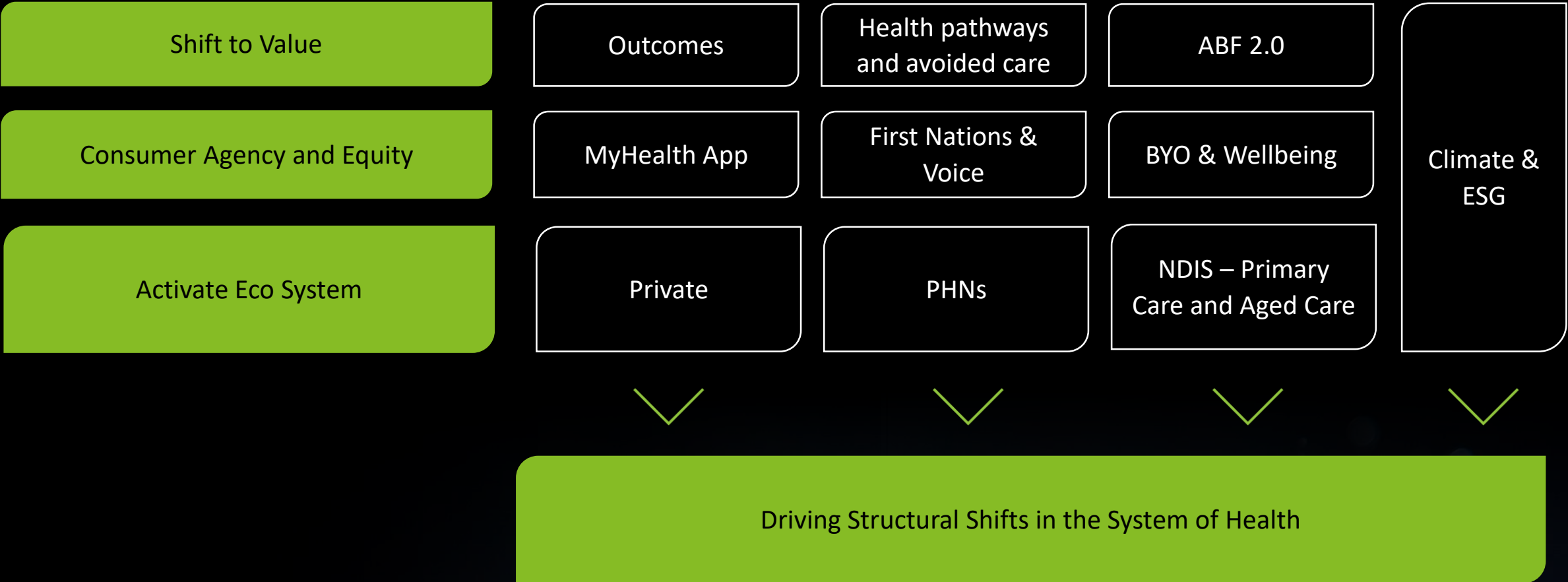
# ADDENDUM TO NATIONAL HEALTH REFORM AGREEMENT

## 2020-2025

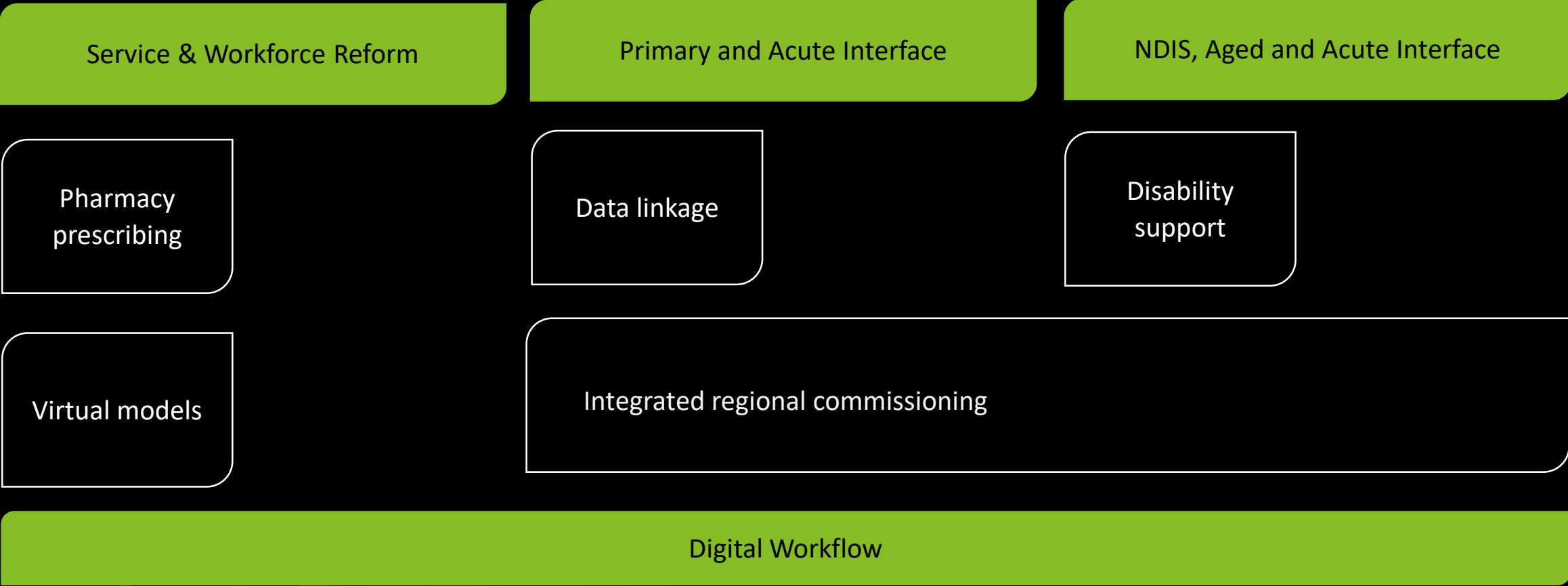
This document is a compilation and is provided for ease of reference.

The Addendum as signed by First Ministers is available at:  
[www.federalfinancialrelations.gov.au/content/national\\_health\\_reform.aspx](http://www.federalfinancialrelations.gov.au/content/national_health_reform.aspx)

# Policy and system reform themes



# Regional and jurisdictional collaboration



# The system of tomorrow will be driven by change at all three levels

Macro - Policy and System Reform



Meso - Regional and Jurisdictional  
Collaboration



Micro – Cost Optimisation & Tactical  
Improvement



## What's your perspective?

“

*The health system of tomorrow will be fundamentally different to the system we operate in today*

”



# Thank you



**Luke Baxby**

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