Health Reform in Australia and the Place of E-Health

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Introduction: Health needs reform

Health is of great importance for Australians. Politically, health, the health system and funding for it are major issues. Elections can be influenced by health policy[1]: the 2010 Australian Federal election, not to mention the 3 State elections in Tasmania, South Australia and Victoria this year will see Health as a key policy area being considered by voters.

The system of health care in Australia continues to evolve. People in Australia see health as an investment and as economic status improves, they pay for more health services. The election of a new Government in November 2007 in Australia signaled reform to the Health Care system.

The new Labor government has declared its intention to be a reforming administration which intends to plan the health system of the future. It will make systemic changes with a view to the long term sustainability of the health system. This requires fundamental changes to the governance and funding arrangements across Australia. Work practices, including how health professionals are deployed, must be addressed. Supporting and enhancing the high quality, but diminishing numbers, of Health professionals including medical practitioners and the work they do is vital to success.

The geography of the nation and the disjointed health system[2] with its many components and large numbers of different health professionals engaged in health care mean that national standards of care need to be set. These will require activity to be measured, clinical information to be electronically transferred and shared (with strict security, privacy, confidentiality and standards—technical and ethical—applying). The use of e-Health enables the reform process but also supports the processes of health care improving the patient journey, patient outcomes and health professional effectiveness, efficiency and arguably satisfaction.

The reasons for the need for health reform are widely recognised across the globe.

They relate to:

- growing demands for health care and services
- greater expectations of consumers from these services
- a need for consumer centred health care, self-care and health literacy
- research and medical advances that drive best practice and innovation
- greater ability to prevent, diagnose, treat illness and maintain health
- technological advances including e-Health[3]
- improved, safer and more targeted pharmaceuticals
- growth of non-communicable diseases (chronic disease)
- an ageing population with chronic and complex care needs
- increased complexity of care, management systems and organisation of services
- the vital role of safety and quality in healthcare
- the need for an accessible and sustainable system
- accountability and responsiveness of health professions and the health system

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Context of Australia & Japan

Population & geography

On 7 March 2010 at 08:15:10 PM (Canberra time), the resident population of Australia was projected to be: 22,178,199.[4] The official figure for 2008 is 21,644,000.[5] Japan's 2008 total population was 127.69 million.[6]

Australia has a land area of 7,692,000 sq km and Japan 377,944 sq km.[6] Japan's population density measured 338 persons per sq km in 2008, compared to Australia where there are fewer than 3 people per sq km. This reflects the terrain of the country. Consequently there are highly

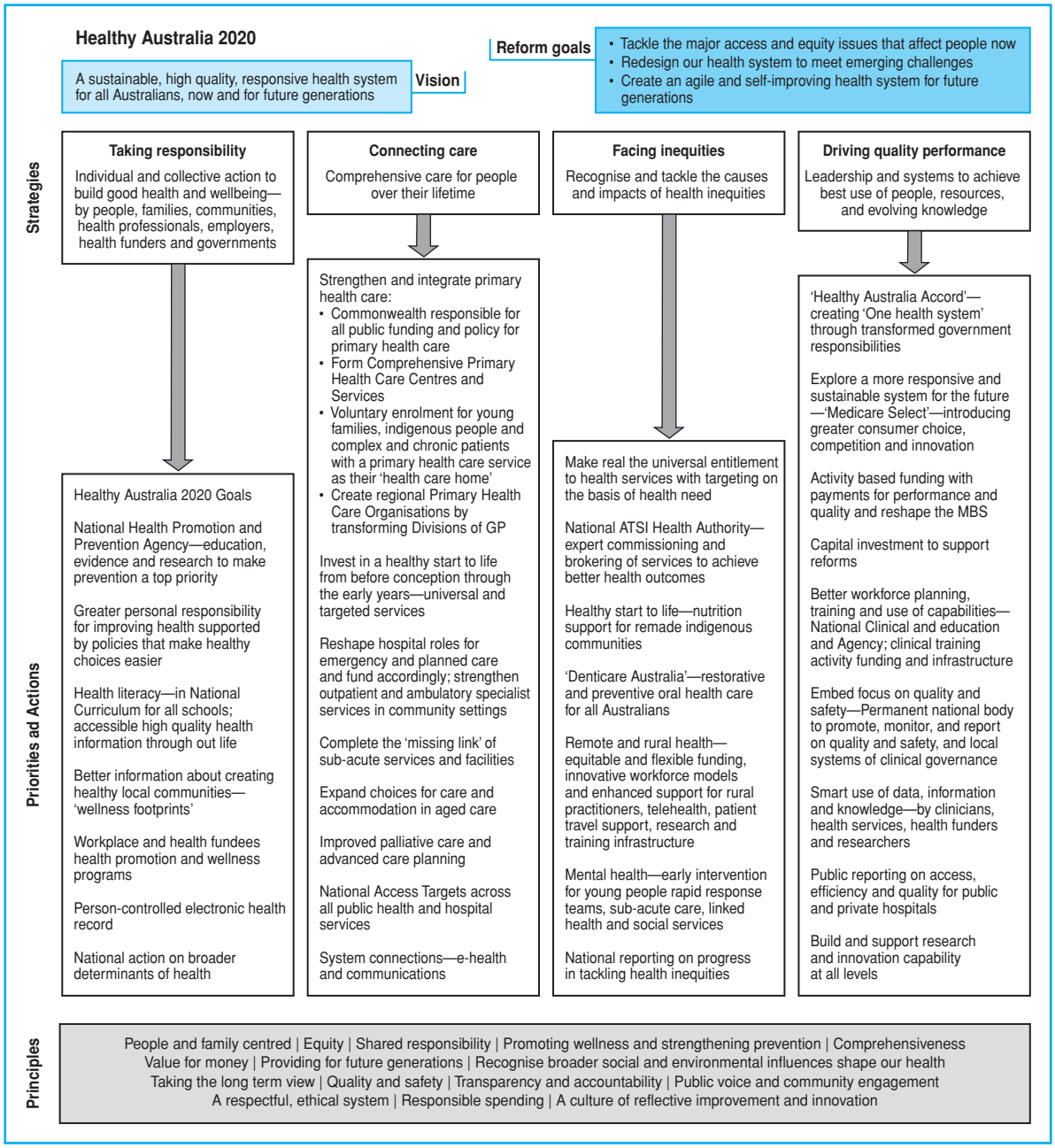

Fig. 1 NHHRC final report: 4 pillars

concentrated population centres with over 70% of Australians living in urban areas mainly near the coastline. The proportion of the population identified as Indigenous (Aboriginal and Torres Strait Islander peoples) is 2.5%, the larger proportion of who also live in urban areas.

Ageing

Australia's population, like that of most developed countries, is ageing[7] as a result of sustained low fertility and increasing life expectancy. The population in Japan 65 years and over in 2008 was 28.22 million, constituting 22.1% of the total population.[6] Ageing of Japan's population is of interest in Australia where the ABS shows that 2.92 million, or 13.3% of the population in 2008 of 21.87 million.[5] Lessons learnt in Japan will be of great benefit to Australia as the population here ages. This is expected to have significant implications for Australia including health, labour force participation, housing and demand for skilled labour. On 1 February 2010 the Australian Treasurer released the Inter-Generational Report.[8] This government document makes an economic analysis of the future of Australia, including health needs, taking into account changing demographics. It emphasised the need for Health reform.

Comparative health data

Internationally, Australia's health compares well within the OECD[9] and more widely, as does that of Japan. Consultations with a doctor per year per capita is 6.1 in Australia and 13.6 in Japan[9] highlighting the fact people in both nations highly value their medical services and utilise them regularly. The WHO data from 2007 reports life expectancy at birth for Australian males to be 79.0 years second only to Iceland (Japan 78.7 third on the list). For females the figures are 83.7 for Australia, 5th ranking of Nations (Japan 85.5 highest expectancy).[10] Infant mortality is quoted in 2008 as 4.1 infant deaths per 1,000 live births in Australia.[11] The comparable figure for Japan is 2.8/1000.[12]

Health Reform in Australia

The Australian Labor Party election pledge[13] to take over Public hospitals from the states[14] was a major election platform in the 2007 Federal election. This was part of a bold plan to re-organise the entire health system, in particular the public hospitals currently owned, organised and run by each of the State and Territory governments (States) with some support from the Federal government. The health system is complex, disconnected, under-funded and indeed struggling under financial pressures, inadequate infra-structure, workforce shortages and inappropriate deployment of staff and poorly planned services.[15] Despite this it does perform well but cannot continue to do so without reform.

Upon taking office, the government through the Minister for Health and Ageing and the Prime Minister set up the National Health and Hospitals reform Commission.[16] The committee sat for 16 months and reported to the government in June 2009. The mode of engagement was really quite novel in that the Commission was given a blank page on which to chart and "shape" the system of the future, from a 'helicopter view' and to propose how the future system could work and to advice a transition pathway.

The final report—(A Healthier Future for All Australians)[15] made 123 recommendations and was a comprehensive review of health care in Australia. The assertions within the report about the current situation and the many facets of healthcare and its delivery were widely accepted as a clear, reliable, accurate and balanced. The explanation of the deliberations of the Commission is neatly summarised on page 13 (**Fig. 1**). I refer to these as the 4 Pillars of the Reform agenda.

The Health system in Australia as noted is excellent overall, but there is a need to renew and ensure that investment and organisation improve to guarantee its stability and ability to function into the future.

The first pillar—**Taking responsibility**—is a review of the system as being one that is Patient Centred and provides patients with better information and tools to manage their own health. It also emphasises that people need to take greater responsibility for their own health and how it is managed. Information is both about their medical conditions and current management as well as preventative measures and tools and support to enhance these.

Connecting care emphasises the vital role of good communication between all those involved in managing the health of patients in the private and the public system, in the community or in the hospitals, in Federal, State or Local govern-

ment funded facilities and across specialties and disciplines in health care.

Facing inequalities recognises that some portions of Australian society are not as well served in particular the Aboriginal and Torres Strait Islander peoples, those in Rural and remote areas, those with a mental illness, living with a disability and those without the means to access Dental Health care. These must be addressed.

Driving quality performance brings into more general use the medical practitioners' disciplines of scientific method, measuring performance, ensuring safety and quality as well as using best available evidence and experience. It is acknowledged that there must be equal access to care and there is a reasonable expectation that care will be of the same high quality wherever in Australia it is delivered. To ensure this, health care must meet pre-determined requirements. The matrix of measurements, benchmarks and indicators and the need for the use of modern technologies (e-Health) to help measure and formulate future planning and to embed research and findings are compelling arguments.

My personal view as a medical practitioner and former commissioner is that these measurements need to be clinically crafted, with the engagement of other relevant disciplines including managerial and even political. They must be robust, defensible and have relevance and benefit to patients and their care team.

E-Health: Enabler of the system

Recommendations 13 and 115–123 in particular emphasised the vital enabler to the system is e-Health. There are numerous other recommendations pertaining to the four pillars above which too would be enhanced, improved and supported by the use of modern electronic technologies in health. The benefits to this are attached below (**Appendix 1**) and the current Australian drive in e-Health are being co-ordinated by the National e-Health Transition Authority.[17]

The World Medical Association (WMA) Statement of Telemedicine[18] and the WMA Statement on the Ethics of Telemedicine[19] are noteworthy international, medical statements about enhancing and ensuring the ethical principles are in place when harnessing e-Health technologies including telemedicine. I would contend that this is an irreplaceable benefit for those who use it and must be made available to those who not—providing the tools, training and change management required to help them their patients and the systems where they work.

Progress of reform

The release of the NHHRC report brought very positive commentary, not least by the Prime Minister[20] and health groups including the Australian Medical Association.[21] There was a huge expectation that the woes and ills of the Health system would be addressed and in a collaborative framework. That these changes would be comprehensive and across all sectors and would eliminate the duplication, inefficiency and would bring with it flexibility to enhance care systems and make them more responsive to local needs and to innovation.

The Prime Minister (PM), Hon. Kevin Rudd, announced sweeping changes to the Australian Health system at the National Press Club[22] on the 3rd of March 2010 and launched another website to provide details of the plan.[23] This has been received enthusiastically as a sign that change may happen at long last: "the devil is in the detail" is the cry that goes with this! Negativity does persist though, particularly by the States in Australia. Although all can see the need and the benefits from change, the choices offered really provided all States with a dilemma. An offer to take over an on-going funding responsibility for 60% (of an efficient cost) of the Hospital system—from 40%—was made bitter by the condition of the Federal government taking a 30% proportion of their tax revenue from the National Goods and Services Tax. Interestingly, he repeated an earlier threat from 2007 that if the States could not reach an agreement of this reform, he would take the matter to the people both at the election and by way of a referendum to allow the federal government to take over the right to run health in Australia.

More announcements on non-hospital services and systems are imminent. A key reform direction of the NHHRC was to direct more work from hospitals to the community sector, in particular General Practice and other Primary care. Such a move would need to be accompanied by significant investment and support of this sector.

The national newspaper the Australian[24] encapsulates these choices for governments.

The Age, a Victorian newspaper, commented[25]

that the best State health system is in Victoria. It stated that the system as a whole does need reform. The PM's proposals and the response of the State government were predictably about increasing their funding pool and not about participating in the bigger picture requiring fundamental change. The changes signalled by Rudd however use many of the established processes in Victoria and has claimed them as reform measures for elsewhere in Australia. This currently does work against the efforts of the Victorian government: past and future.

That being said, the desire for change, the need for reform and the very comprehensive processes that have been undertaken to reach this point mean that there has to be a concerted effort to reach a compromise position amongst the governments of Australia on Health Reform. Failure to do this does threaten the sustainability, the access, the universality and the excellence of the Australian health system and indeed the health of the population, the nation. Key sectors of the system must become that: a system. Health care in Australia must not remain disparate, unsupported autonomous spheres of health care.

If we fail to do this, it will be many generations before the goodwill about and desire for change will be re-gained. The cynicism and scepticism of governments will continue. The value of the opinions, needs, desires and the enthusiasm and experience of a nation, in particular its workforce, must be understood, encompassed and enacted into a truly connected, agile self-improving health system.

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Appendix 1

Electronic health will contribute to the health system by delivering

• SAFER HEALTHCARE by:
— Improving direct patient care as a consequence of timely access to better and more accurate clinical information arising from its efficient transfer; Continuity of care
— Improving patient care through improvements to safety and quality arising from the capacity to share clinical information and use of clinical decision support systems.

• EFFICIENT AND SUSTAINABLE HEALTHCARE by:
— Promoting improved effectiveness in health resources-allocation;
— Improving the management and planning of health services derived from more accurate and up to date information;
— Contributing to increased accountability;
— Enabling monitoring of progress of health reform and performance of the health sector;
— Delivering cost savings as a consequence of reductions in the duplication of treatment, diagnostic tests and hospital admissions;
— Improving the capacity for disease surveillance and disease management especially with emerging diseases (HIV, Swine "flu," Bird "flu," SARS);
— Improving outcomes of public health interventions on the basis of better, more accurate population health data;
— Improving health research through access to more accurate and timely data, particularly population health data.

• HIGHER QUALITY HEALTHCARE by:
— Supporting team based care by improving the capacity to engage all health professionals in an individual's health care delivery through improved access to shared clinical information;
— Supporting improvements in chronic disease management through access to shared clinical information by an individual's health providers;
— Increasing the capacity for knowledge sharing among health professionals nationally and internationally;
— Contributing to continuous quality improvement and better health outcomes arising from improved capacity to monitor health performance, population health and for health professionals to share knowledge.

• EQUITABLE HEALTHCARE by:
— Supporting and promoting innovation and responsiveness to local needs and demands arising from improved population health data, health monitoring and surveillance and capacity for improved health planning and resource allocation;
— Increasing consumer empowerment by increasing consumer access to tools that support self health caring/health management, health awareness and literacy;
— Ensuring transparency.

• ACCESSIBLE HEALTHCARE by:
— Continuing to support choice in our health system;
— Improving responsiveness in our health system to local needs and demands;
— Improved population health planning that contributes to improved health resources allocation.

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