AMA VICTORIA

2022 Election Statement

DRIVING A HEALTHCARE-LED RECOVERY FOR VICTORIA

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Introduction

Throughout 2022, AMA Victoria has been relentlessly advocating for a healthcare-led recovery for Victoria.

This recovery-encompassing medically comprehensive investment into public hospitals, general practice, and mental health would lead not only medical recovery for Victorians, but also be the underpinning driver of Victorian economic recovery through investment in essential health infrastructure and services.

AMA Victoria was pleased, and acknowledges, that in its 2022-23 State Budget, the Victorian Government placed health at the centre of its agenda. This was a sound result for our members, for all medical practitioners, but most especially for the community.

However, we are acutely aware that whilst the current government has prioritised billions of dollars of new spending on health in the coming years, this does not improve the critical situation healthcare workers face on the ground right now, whether in public hospitals or in general practice. This crisis has built up over decades, across multiple administrations, due, in no small part, to now past lack of sophisticated, coordinated, long-term planning failing to recognise increasing demand and capacity constraints as systems stretched to cope. AMA Victoria acknowledges that this has now changed for the benefit of all Victorians. There also remains a profound failure between federal and state governments to sensibly co-operate to improve and ready the interconnecting parts of the health system for the health care demands we face today.

Today, the plight of general practice, indeed its business viability, remains dire. General practice shoulders over 90 per cent of the healthcare burden in Victoria yet receives the least attention from the state government. This must change, as it is key to the sustainability of the Victorian healthcare system. Funding must be prioritised to create a Division of General Practice within the Victorian Department of Health to ensure that the voice and concerns of general practice are embedded within the very machinery of Victorian government, and resources should be directed urgently to improve the interface between general practice and our hospitals, both public and private. Addressing the parlous financial state of many general practices to ensure that they can remain viable businesses dedicated to providing care to Victorians is also an issue immediately worthy of the next Victorian Government's attention.

AMA Victoria is profoundly concerned at the present trajectory of mental health reform in Victoria. We note reform is required, but it must be balanced and sensible.

We re-state that the recent Royal Commission occurred because many Victorians could not access timely and appropriate medical care. Reasserting the importance of the medical model, particularly at the forensic end of desperately required mental health care, of the wisdom and insights of medical practitioners at the origin of the reform process, is a matter of the utmost urgency. We note that medical practitioners have been functionally excluded, invited at the eleventh hour to contribute after conclusions have been reached and decisions have been made. There must be a fundamental re-orientation of funding priorities towards acute medically required care so that those patients who are most in need can obtain the treatment and support they require. The 'lived experience' perspective is very important, but it does not represent the complete picture in the profound circumstances of urgent, serious, complex, high-risk cases.

AMA Victoria appreciates that our agenda is ambitious, but now is the time to double down on a healthcare-led recovery for our state. Victorians deserve no less.

We extend the hand of cooperation to the next State Government (and, indeed, all political parties and independents) in seeking to implement our vision for Victoria contained within the following pages.

I am thus pleased to introduce AMA Victoria's State Election Statement for 2022.

Dr Roderick McRae
President AMA Victoria

1 Public Hospitals

Victoria's public hospitals are in extremis. They have faced a significant increase in demand over several decades which until recently has not been met by sufficient increased investment in staffing and infrastructure. AMA Victoria recognises the recent increased medical staff employment in public hospitals, and this must continue to expand. Factors including an ageing population, an increase in chronic and complex health conditions, and escalating presentations to Emergency Departments (EDs) for physical and mental health conditions, have all contributed to a health system under immense pressure. A shortage of inpatient beds means EDs are unable to admit patients in reasonable time. This 'access block' leads to overcrowding and longer wait times for increasingly frustrated and angry emergency patients, as well as ambulance ramping, creating a vicious cycle on staff morale.

AMA Victoria acknowledges that, while issues with the public hospital system predate COVID-19, the pandemic has nonetheless severely aggravated the circumstances. We also note that remedial action is now under way, which must be buttressed, and continued.

Headlines of increasing ED waiting times in the 'emergency' triage category (the second most urgent classification) reflect real experience related to across-hospital patient flows. Regarding workforce, Victoria's public hospitals have fewer staff per 1000 people than the national average, with 14.8 staff per 1000 people in 2019-20, compared to 15.7 nationally. We need to continue to attract and retain required numbers of medical practitioners into our public hospital system, related to their terms and conditions of employment. Regarding hospital beds, Victoria has 2.3 per 1000 people, compared with the national average of 2.5. Per capita funding is perhaps the most troubling statistic, with Victoria being last in the nation. Whilst per capita funding for Victoria's hospitals increased to $2,687 in 2019–2020 (a 28.4 per cent increase) this is lower than the national average increase of $2,971/42.9 per cent over the same period. AMA Victoria calls for an ongoing increase in per capita funding to above the national average. Elective surgery statistics are equally disquieting, and, recognising what the Victorian Government has already put in train, the planning to address this must continue to be rationally observed, soundly and permanently funded, and regularly assessed for fitness for purpose.

Recent reports of rising inflation impacting hospital funding during a period of record-breaking demand are concerning. AMA Victoria does, however, in this context recognise the changing manner of healthcare delivery, including changes based on learnings related to the COVID-19 pandemic, in particular hospital-in-the-home pathways. We urge the next Victorian Government to both commit to public hospital funding that exceeds inflation for the next four years, and to seek to address funding complications around hospital-in-the-home pathways. We are interested in driving best healthcare outcomes for Victorians.

Concurrently, Victoria's existing public hospital infrastructure is ageing; we call for a well-planned, sophisticated, clearly articulated program for upgrading, improvement and renewal, including requirements for climate-change-based electricity requirements to meet the State Government's own guidelines, as well as support in the regions as we approach the 2026 Commonwealth Games.

Many older public hospital buildings are functionally and structurally at end-of-life and are severely constrained in their ability to meet the standards expected in the delivery of health care in 2022 and beyond. Buildings need to be flexible and need to be built to evolve as technology develops, delivery of care models change, and community expectations shift.

The situation in Albury/Wodonga is a particularly stark example. Albury/Wodonga is a centre as big as Bendigo or Ballarat but has continually been overlooked in terms of funding. Members in the region report that Albury/Wodonga's public hospital is well past its use by date and simply no longer fit for purpose. Funding for a new facility should be prioritised as a matter of urgency. It should be Victoria's leadership that supervenes in this otherwise neglected area.

Beyond the buildings themselves, the management of public hospital assets and equipment requires huge investment to ensure end-of-life infrastructure does not fail. When such critical public hospital infrastructure actually does fail, as we have seen in several major tertiary hospitals in Melbourne in recent years, quality and safety of patient care is compromised and public confidence in the system is undermined.

Whilst the problems are profound, the solutions are not complicated. Victoria's public hospital system requires sustained and planned investment in infrastructure coupled with programmed workforce career planning. This is not only to allow the system to return to a sustainable footing, but also to ensure that Victoria's hospitals are able to scale up for any future surges from likely anticipated viruses in the medium-term future.

AMA Victoria acknowledges that the Commonwealth Government has an equally instrumental role in public hospital funding. AMA Victoria has consistently advocated for a 50:50 split of public hospital funding. However, given the current and particular ravages of the COVID-19 pandemic on our state, coupled with the longstanding underfunding of our public hospitals as compared to other jurisdictions, the next Victorian Government has a special responsibility to adequately fund the system.

RECOMMENDATIONS:

- Provide urgent funding to ensure Victorian public hospitals are adequately staffed to meet demand, with future funding based on projected patient numbers, including physical and mental health support requirements;
- As a minimum match, and optimally exceed, national per capita funding for public hospitals;
- Commit to public hospital funding that exceeds inflation for the next four years;
- Fund more inpatient beds and increase overall hospital capacity to meet demand and reduce access block;
- Funding for a new hospital for Albury/Wodonga (based on support from Victoria);
- Establish strategies to facilitate effective workforce planning and rapid identification of areas of shortage, with data analysis of quarterly reporting by health services of the numbers of employed hospital medical officers in positions and the number of specialists in each specialty;
- Identify and analyse the amount of unrostered overtime being worked by junior and senior medical practitioners in public hospitals;
- Increase investment in the maintenance budgets of all public hospitals;
- Implement a maintenance and renewal strategy to address the future infrastructure needs of Victoria's public hospital system, factoring in an ageing population, an anticipated decrease in private health insurance coverage, ongoing care for COVID-19 patients, impact of deferred care during the global COVID-19 pandemic, and the elective surgery backlog;
- Ensure new hospital developments are built with consideration given to Enterprise Bargaining Agreement clauses and entitlements, including climate emissions, infection control and digital technology requirements.

ALTERNATIVES TO INPATIENT CARE

These measures are unlikely to replace the need for more hospital bed capacity, but will help ease the current overwhelming demand for inpatient beds currently faced by our public hospitals.

RECOMMENDATIONS:

- Commit significant funding towards Victoria's public hospital specialist outpatient services;
- Resource options to prevent and respond to urgent health care needs outside the acute system such as extended hours and after-hours primary care clinics, support for primary care practitioners to undertake wound management, psychiatry outpatient clinics, 'hospital-in-the-home' services, community care, and mobile diagnostic services, all to decrease the need for hospital presentation, aiming to reduce avoidable ED presentations;
- Increase funding for diagnostic and rehabilitation services for inpatients- such as extended hours radiology, allied health, and pathology- to decrease delays and allow earliest, safe discharge of patients where clinically appropriate;
- Fund telehealth and virtual care options to decrease the strain on hospitals and presentations to emergency departments — for example, Northern Health's virtual ED;
- Adequately fund support and safe accommodation for patients who are medically fit for discharge but must remain in hospital as 'long stay' patients as they do not have access to the support they need in the community (for example NDIS patients).

2 General Practice

Most medical care in Victoria occurs in general practice. Moreover, most complex illnesses need comprehensive health care planning and provision across both hospitals and primary care. However, there has been a longstanding neglect of general practice by successive Victorian governments. The impacts of COVID-19 and subsequent delayed and deferred care will place a profound stress on all parts of the healthcare system for years to come, and general practice, as always, will shoulder much of the burden.

There are four areas in need of substantial reform:

- High level general practice knowledge, input and authority directly into the Victorian Department of Health;
- General practice and public hospital interaction;
- Rural and regional health;
- Fundamental financial sustainability of general practice.

HIGH LEVEL GENERAL PRACTICE KNOWLEDGE AND AUTHORITY IN THE VICTORIAN DEPARTMENT OF HEALTH

Historically, the Victorian Department of Health has had a limited role, almost a disconnection, related to general practice, despite the fact that general practice plays such an important role in reducing hospital admissions today. This includes how government might be able to tap into the knowledge, connections and understanding of GPs to their patients and community, and leverage their existing systems and care models. This has been seen recurrently throughout the COVID-19 pandemic: in contact tracing, notification, vaccination, and support to GPs, including personal protection, and the state's aged care response.

RECOMMENDATION:

- **The Victorian Department of Health introduce a Division of General Practice headed by an experienced, registered, specialist GP at the level of Deputy Secretary, with relevant support. This role should oversee the development of structures and practices to improve hospital and GP interaction, and thus community care. It must embrace supporting employment terms and conditions of training of doctors who are keen to enter general practice.**

GENERAL PRACTICE AND HOSPITAL INTERFACE

There has evolved what is now a substandard communication interaction between general practice and hospitals, to the detriment of Victorians' healthcare. This chronically poor interaction results in significant problems in many areas including safety, equity and access, and gaps and duplication. With respect to referrals, in 2022, it is scarcely believable that many public hospitals continue to rely on facsimile (fax) as a mode of communication. This results in both clinical governance problems (lost referrals, lack of accountability and audit trails) and efficiency issues (hundreds of pages printed, faxed and refaxed). Funding must also be prioritised for GPs providing care in the community and in hospitals.

RECOMMENDATIONS:

- Mandate that all public hospitals must develop a single point of contact to receive electronic referrals sent by general practitioners;
- Ensure that electronic referrals are able to be received directly from GP software;
- Discharge and outpatient communication from public hospitals to GPs to be measured (measure and report on the timeliness, quantity and quality of discharge planning and clinical handover to general practitioners under hospital accreditation standards);
- Mandate that rejection of a referral to a public hospital for clinical reasons must be undertaken by an identifiable senior medical practitioner, and communication to the referring general practitioner must include why the referral was rejected in all cases;
- Support GPs to provide care in the community (including via secondary referral to decrease unnecessary referral to hospital in the first instance and direct funding to GPs to support models diverting patients away from hospital);
- Employment contracts for GPs providing care in hospitals or outside of hospitals whilst a patient is 'admitted' in a hospital-in-the-home style program.

RURAL AND REGIONAL HEALTH

The provision of accessible and high-quality health care for people living in Victoria's rural and regional areas must be a high priority for the next Victorian Government. Key initiatives are required to address health workforce shortages in rural and remote regions, including allocation of funding to support teaching, training, and recruitment and retention of medical practitioners comprising general practitioners and non-general practitioner specialists in a sensible, planned service and training concept in a reduced numbers of healthcare networks. For many general practitioners and GP registrars working in rural and regional areas, access to education, research opportunities and support and mentorship from specialists is currently scarce. AMA Victoria advocates that local and referral hospitals should be appropriately resourced and tasked with supporting general practitioners in their regions to develop and maintain their clinical skills.

RECOMMENDATIONS:

- Within the newly established 'Division of General Practice' within the Department of Health, introduce a position for a specialist registered general practitioner with knowledge of rural health issues;
- Fund and develop strategies to assist general practitioners to provide care in their community and in small rural and regional hospitals – including training and skills maintenance, support for secondary referral to hospital specialists, and facilitating the development of referral pathways;
- Provide general practitioners working in rural hospitals with priority support from regional hospital hubs and streamlined pathways of care for emergency advice and patient transfer when indicated;
- Provide support to hospitals to upskill and maintain the clinical skills of general practitioners in maternity care (including intrapartum care), anaesthetic care, dealing with trauma, palliative care, minor surgical procedures and reproductive health (including insertion of long-acting reversible contraception, and medical termination of pregnancy);
- Fund transparent models of employment, conditions and standards for rural general practitioners providing clinical services at rural health services.

ONGOING FINANCIAL SUSTAINABILITY OF GENERAL PRACTICE

The significant financial pressures currently faced by general practice ought to be well known to government. In this context, AMA Victoria acknowledges recent revolutionary steps taken by the Victorian Government that resulted in direct state engagement and investment into general practice to address COVID-19 vaccination, including revolutionary direct Victorian funding of Victorian general practices.

However, there is more work to be undertaken to ensure sustained small business viability for general practice. A looming concern that we have previously brought to the attention of the current Victorian Government, and which requires the urgent attention of whomever next forms government, is payroll tax.

The potential imposition of unanticipated payroll tax is a further, and potential lethal, blow for medical practices, and particularly general practices. It has the potential to place general practitioner and other medical specialist practices in danger of being forced to close due to financial unviability.

AMA Victoria's concerns commenced following the Optical Superstore decision of the Court of Appeal in Victoria.

Standard procedure for many medical practices is to manage money by receiving payment on behalf of doctors and later distributing it to them. However, Optical Superstore, in relation to a similar business model, demanded that payroll tax be applied to money before it is distributed to individual optometrists, even though the money was only being held in trust on their behalf.

In our previous communications to the Victorian Government, we have noted that the standard business procedures caught by Optical Superstore are incredibly common in medical practices throughout Victoria, and are now essentially the standard for how medical care is supported outside hospitals. If this decision, is brought to bear on medical practices' business models, it will threaten the viability of many practices due to the increased tax burden it places on them.

Note that medical practitioners, like the rest of the population, are struggling with their own mental health and physical health concerns. Any additional burden of an unanticipated payroll tax liability that until now has not been levied upon those operating under the procedures caught by Optical Superstore is unfair and unreasonable in the circumstances. Imposing unplanned, unannounced payroll tax in this manner would necessitate some Victorian practices to abandon bulk billing and charge gap fees to Victorian patients to remain a sustainable and viable business. Additionally, some, practices may simply close altogether. Any adjustment will cause likely higher pressure on already distressed public hospital EDs.

AMA Victoria urges the next Victorian Government to openly declare that any retrospectivity being applied to payroll tax assessments on any medical practices relying on the reasoning in Optical Superstore in Victoria will be abandoned. We further call for a legislative exemption on medical practices from certain payroll tax obligations in the short to medium term. This would allow for medical practices to restructure their affairs and remain viable businesses able to treat Victorians into the future.

RECOMMENDATIONS:

- **Abandon retrospectively applied payroll tax assessments on medical practices relying on the reasoning in Optical Superstore.**
- **Exempt, for a period of four years, Victorian medical practices from payroll tax obligations relying on the reasoning in Optical Superstore.**

3 Mental Health

In 2021, AMA Victoria welcomed the Final Report of the Royal Commission into Victoria's Mental Health System. and congratulated the current Victorian Government for its pledge to fully implement all 65 of the Report's recommendations. We noted that the Royal Commission did not go into detail regarding how the recommendations were to be implemented. We contemporaneously stated that, ultimately, the required transformation of our state's mental health system depends upon successful implementation of its recommendations, and that medical expertise is absolutely essential for any successful implementation.

In 2022, whilst still acknowledging the State Government's dedication to transformative mental health reform in Victoria, we now have profoundly serious reservations about the trajectory being undertaken. It is our objective to ensure that the promise from the Royal Commission is realised, and that yet another opportunity for generational reform is not squandered.

RE-ASSERTING THE IMPORTANCE OF THE MEDICAL MODEL IN MENTAL HEALTH REFORM

For AMA Victoria, the marginalisation of the medical model in mental health reform, and of the views of frontline experienced mental health clinicians, is profoundly problematic.

AMA Victoria is extremely concerned that, to date, the involvement of medical specialists, particularly psychiatrists, in the mental health reform process has been suboptimal, most recently as manifested in the lack of meaningful consultation into the development of the Mental Health and Wellbeing Act.

It is risky to sideline the perspective of medical professionals in the development of policy and important aspects of the reform process (for example, on the future of restrictive interventions such as seclusion and restraint). Frequently, engagement with the medical profession occurs well after the primary principles have already been determined. Such principles have tended to focus on issues such as power imbalances and human rights which are important, but cannot be considered alone. There needs to be a balance achieved between a patient's rights, their health and the need to keep a patient and their carers physically safe. The narrow and limited communications that have taken place so far have not given appropriate weight to the genuine realities of caring for people who have very real and severe psychiatric illness.

RECOMMENDATIONS:

- Invest in meaningful, early consultation with the medical profession in developing a co-designed policy to reform Victoria's mental health system;
- Establish and appropriately staff and fund a medical clinician executive unit within the Victorian Department of Health to co-design reforms.

RE-ORIENTING FUNDING PRIORITIES

While AMA Victoria appreciates that significant funding has been allocated by the current State Government towards mental health, to meaningfully transform mental health care in Victoria, substantially more funding must be prioritised by the next State Government for acute care for urgent, complex and high risk mental health cases so that treatment and support is available for those most in need in a nearby facility.

AMA Victoria notes and supports the $1.6 billion investment in capital infrastructure to provide 82 new forensic care beds at the Thomas Embling Centre, and 120 beds in the North West of Melbourne and in Geelong, in addition to augmented inpatient facilities at Western and Frankston hospitals. There is, however, still a great need for enhanced inpatient beds in other parts of Melbourne and the rest of Victoria.

Even after all the beds recommended by the Royal Commission have been 'added to the system', Victoria will still have substantially fewer beds per head of population than the current OECD average.

AMA Victoria considers there is a clear need to substantially increase the number of acute general mental health beds in Victoria, including beds related to eating disorders (an issue that has consistently been brought to our attention by members).

Furthermore, there was a lamentable lack of focus on the role of primary care related to mental health in the Royal Commission's Final Report. AMA Victoria advocates that primary care systems should be strengthened to address multiple health priorities more broadly, as physical, social, economic, and mental health conditions are often inexorably linked.

A key strategy for improving access to quality health care while keeping costs down is to prevent mental health crises in the first instance, which often result in expensive emergency care, delayed appropriate admission, and consequent impact on staff morale. This is best achieved by targeted funding that supports general practice to meet the early mental health needs of patients, by investing in the ability of patients to access timely and appropriate care by psychiatrists and other specialist services, and by ensuring the state health system is integrated and easily navigated by patients, carers, and health professionals.

To support patients to receive timely and high-quality health care, AMA Victoria also urges that the public psychiatry inpatient and outpatient sector be substantially better resourced to provide at least an equivalent care opportunity to that currently provided in the private system. This is because the unique assessment and complex treatment required by some patients can only be provided by the public system.

RECOMMENDATIONS:

- Substantially increase the psychiatric bed capacity in public hospitals (or within their networks) beyond the Royal Commission's recommendations;
- Invest in ongoing specialist support for general practitioners to treat and manage patients with mental illness early in the illness trajectory, with a recognition of the longer-term nature of many mental illnesses;
- Provide adequate resourcing for community care services to address the 'missing middle' through investment in state-wide psychiatric outpatient clinics;
- Invest in specialised mental health areas that have never been adequately resourced: EDs and crisis presentations; dual diagnosis services; dual disability services, and psychotherapy training for psychiatric registrars and general medical practitioners;
- Appropriate and adequate resourcing of an array of related health services- including effective funding of drug and alcohol services, housing for persons with a mental illness, and forensic services.

References

1 12 Public hospitals – Report on Government Services Productivity Commission (pc.gov.au)

2 Emergency Department – Northern Health

3 For more: 10 Minimum Standards for Communication between Health Services and General Practitioners and Other Treating Doctors | Australian Medical Association (ama.com.au).

4 For more: Delivering Better Care for Patients: The AMA 10-Year Framework for Primary Care Reform | Australian Medical Association

5 Commissioner of State Revenue v The Optical Superstore Pty Ltd [2019] VSCA 197 (12 September 2019) | austlii.edu.au.