



**AMA Victoria**

# **State Budget Submission 2016-17**



# State Budget Submission 2016-17

## Foreword

There have been many positive aspects of the Andrews Government's first term, with Jill Hennessy as Minister for Health. These include the public hospital bed audit, the release of outpatient waiting lists, public hospital expansion in growth and rural areas, a strong immunisation policy, and a commitment to ban smoking in outdoor dining areas.

Each year, AMA Victoria works closely with the Victorian Government to address a number of health issues, with the goal of advancing the health of Victorians. Our focus in past years has included elective surgery, public hospital beds, mental health, drug misuse and addiction, obesity, prisoners' health, and prevention. These matters (and many more) are still of great importance to the AMA; and we are hopeful that the Government closely examines our broad health system, and the health needs of Victorians.

For the 2016-17 state budget, AMA Victoria identifies six key areas for consideration by the Treasurer. It is our contention that these matters will significantly improve the Victorian health system and patient outcomes. Funding commitments in the 2016-17 budget should be directed towards:

- 1) **Public hospital capacity**
- 2) **Aged care**
- 3) **Health IT**
- 4) **Rural health**
- 5) **Public health and prevention**
- 6) **Medical training, hospital governance and culture.**

# Executive Summary

## Recommendations

1. Increase public hospital funding, directing resources to points of care, elective surgery and specialist outpatient services.
2. Develop a program that increases GPs' attendance at residential aged care facilities.
3. Increase funding for mobile X-ray services to attend residential aged care facilities.
4. Implement electronic secure messaging across Victoria's health IT infrastructure.
5. Fund public health initiatives in rural areas that will lower smoking and obesity rates, and increase physical exercise.
6. Support medical practitioners to relocate to rural/regional areas.
7. Fund and support regional hospitals to train junior doctors.
8. Increase public health information and campaigns aimed at reducing smoking and obesity rates, alcohol misuse, improving diet and increasing physical exercise.
9. Dedicate funds to broaden tobacco legislation and restrictions to include e-cigarettes.
10. Dedicate funds to introduce tobacco vendor licensing fees.
11. Provide more training positions for interns, residents and registrars. Ensure senior medical staff are appropriately resourced to dedicate time to train junior doctors.
12. Dedicate funds to amend the *Health Services Act 1988* (Vic) to require all hospitals to include a medical practitioner on their board.
13. Provide funding to train and educate the state's medical workforce on bullying, discrimination and harassment.

# Public hospital capacity



## Increased funding to address public hospital capacity

The state's public hospital system must be expanded to meet the growing demand for services.

With our ageing population and a high occurrence of patients with complex co-morbidities, hospital admittance will continue to grow. Public hospital capacity needs to become a priority – this includes increasing points of care (hospital beds, chairs, cots, trolleys).

As of 21 December 2015, there are 43,588 Victorians waiting for elective surgery; this is a 6.65% increase from December 2014.<sup>1</sup> Furthermore, the wait times for specialist outpatient appointments continues to increase.<sup>2</sup> Without significant and ongoing funding by the state, Victorians' access to necessary healthcare services will only worsen.

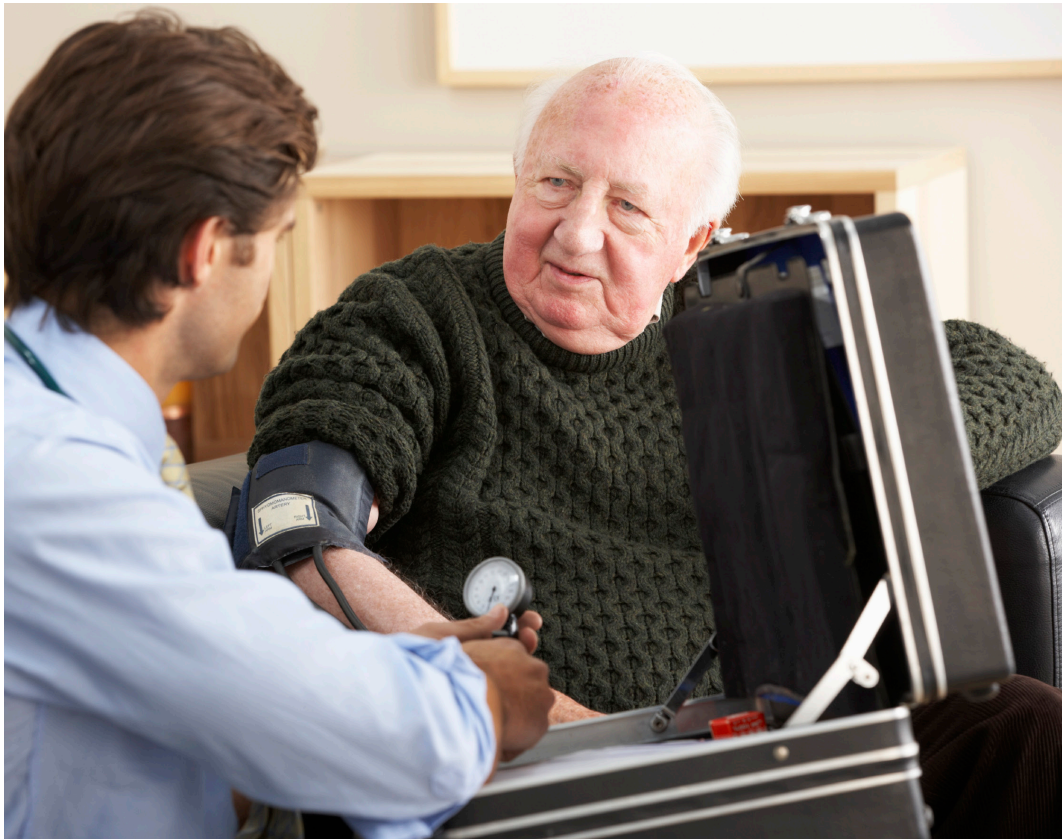
AMA Victoria recommends the Victorian Government significantly invests in public hospital capacity, directing resources to points of care, elective surgery and specialist outpatient services.

### Recommendations for Treasury

- Increase public hospital funding, directing resources to points of care, elective surgery and specialist outpatient services.



## Aged care



### Increased residential aged care facility visits by GPs

At present, there are a number of barriers which prevent GPs from visiting patients in aged care facilities. These barriers include appropriate remuneration, appropriate settings at the aged care facility (i.e. a private room / area for a GP to see patients), and effective coordination between the aged care facility and the visiting GP.

In 2013-14 there were approximately 49,000 residential aged care places in Victoria,<sup>3</sup> and each year a quarter of these residents enter hospital. It is estimated that approximately one third of these admissions could have been avoided if a GP was available at the aged care facility.<sup>4</sup> In Victoria, this represents more than 3,500 avoidable hospital admissions every year.

AMA Victoria recommends the development of a program that will encourage GPs to visit residential aged care facilities and reduce unnecessary hospital transfers and admissions.

## Mobile X-ray services to attend residential aged care facilities

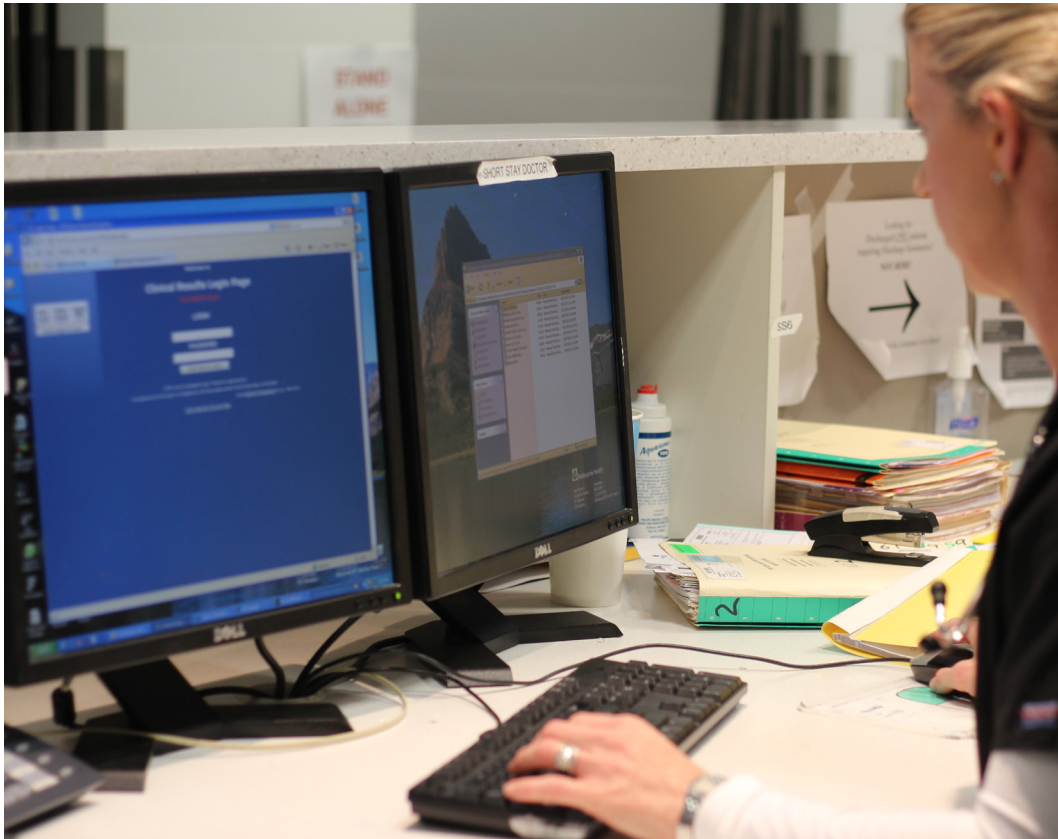
Mobile X-ray services address the needs of frail, elderly or dementia-specific aged care facility residents who would otherwise require transportation to hospital for X-ray (for example, following a fall).

Medical services in aged care facilities must be supported to ensure residents have the best care possible. Trials of mobile X-ray services have shown reductions in hospital ED attendances, and significantly benefits patients, hospitals and aged care facilities.<sup>5</sup> AMA Victoria recommends a new funding stream for mobile X-ray services to attend residential aged care facilities.

### Recommendations for Treasury

- Develop a program that increases GPs' attendance at residential aged care facilities.
- Increase funding for mobile X-ray services to attend residential aged care facilities.

# Health IT



## Electronic secure messaging across the public health system

Victoria's health IT infrastructure is archaic and does not meet the expectations of doctors or patients. Faxes and posted mail are still heavily relied upon by GPs, specialists, hospitals and aged care facilities.

Electronic secure messaging is a critical step to ensure the state's health services are well-connected and can deliver patient information in a timely and secure manner (for example, between hospitals, or between a hospital and a patient's GP).

When information flows properly between health settings, patient outcomes improve and important information is less likely to be missed or arrive too late, and this has the potential to reduce hospital readmission rates.<sup>6</sup>

AMA Victoria has repeatedly called for this infrastructure over the last five years.<sup>7</sup> We implore the Victorian Government to invest in the state's health IT infrastructure and implement electronic secure messaging: this will dramatically improve patient outcomes and safety, and the health system's efficiency.

### Recommendations for Treasury

- Implement electronic secure messaging across Victoria's health IT infrastructure.

# Rural health



## Public health measures in rural/regional areas

Health outcomes for rural Victorians are substantially worse than for those who live in metropolitan areas.<sup>8</sup>

The most recent National Health Performance Authority report on smoking rates found that the Grampians, which includes Ballarat and Horsham, has the highest smoking rate in Australia, with 28% of adults daily smokers – opposed to the state average of 16%.<sup>9</sup> Similarly, obesity rates in rural areas are far worse than metropolitan zones: the Loddon-Mallee-Murray region, which includes Bendigo, Echuca and Swan Hill, has the nation's highest obesity rate at 41%. In contrast, 16% of residents of Melbourne's inner eastern and inner north-western suburbs are obese.<sup>10</sup>

Given these glaring statistics, the Victorian Government must support rural/regional Victorians' involvement in healthy lifestyles – in particular, tobacco cessation, moderation of alcohol consumption, exercise and diet.

Greater Shepparton City Council's "Get Mooving" initiative is a good example of this. The Council was successful in securing a grant under the Federal Government's Healthy Communities Initiative to deliver a range of free and low cost community-based physical activities and healthy eating programs, as well as developing a range of policies that support healthy lifestyle behaviours.<sup>11</sup> AMA Victoria recommends the funding of similar public health and preventative programs throughout rural/regional Victoria.



## Access to health services in rural/regional areas

The health services in many rural/regional areas are often limited. While it cannot be expected for all of the state's hospitals to be able to undertake complex surgeries and treatments, services such as obstetrics, dialysis, chemotherapy, eye health and mental health services must be available in rural/regional areas. This requires significant investment from the Victorian Government. For areas where this is not possible, appropriate concessions must be made available to patients to assist with the high out-of-pocket ancillary health costs they experience in commuting (transport, accommodation etc.).

In addition to improving health infrastructure, the health workforce must also be encouraged to work and reside in rural areas. The employment opportunities in rural/regional areas need to be enticing in order to increase the number of doctors (and their partners / family) relocating to these areas. Established practices, patient lists and remuneration need to be considered.

To address the maldistribution of the medical workforce across the state, regional hospitals must be funded to train Junior Resident Medical Officers – specifically, PGY2+ residents and registrars.

### Recommendations for Treasury

- Fund public health initiatives in rural areas that will lower smoking and obesity rates, and increase physical exercise.
- Support medical practitioners to relocate to rural/regional areas.
- Fund and support regional hospitals to train junior doctors.

# Public health and prevention



AMA Victoria strongly supports the concept that “prevention is better than cure”. This applies to chronic non-communicable diseases, such as diabetes and heart disease, as well as to the prevention of infectious diseases, such as measles and whooping cough (pertussis). Preventative health measures significantly reduce patient morbidity and mortality,<sup>12</sup> and health system expenditure.<sup>13</sup> However, as the Business Council of Australia notes, “the balance of resources allocated to prevention... continues to be dwarfed by the resources allocated to curative care.”<sup>14</sup>

## Promotion of healthy lifestyles

Education is crucial to the prevention of poor health. The Victorian Government must support Victorians’ knowledge of and involvement in healthy lifestyles – in particular, tobacco cessation, moderation of alcohol consumption, exercise and diet. This includes public education and promotion, and appropriate services and resources.

## Restrictions on e-cigarettes

AMA Victoria recommends that the Victorian Government amend tobacco legislation and regulations to introduce restrictions on the purchase and use of e-cigarettes (to be in line with other tobacco products).

There is little evidence to suggest that e-cigarettes are effective smoking cessation devices. Both the NHMRC and the World Medical Association have warned against the use of e-cigarettes until sufficient evidence of safety and efficacy has been established.<sup>15,16</sup> With an overwhelming lack of evidence as to the safety and efficacy of these products, the state's tobacco laws should also be applied to e-cigarettes.

## Introduce licensing fees for tobacco vendors

AMA Victoria calls on the Victorian Government to introduce licensing fees for tobacco vendors, as recommended in the 2009 Preventative Health Strategy. Victoria and Queensland are currently the only states not to have a licensing system for tobacco sales. Any business in Victoria can currently sell tobacco products.

Introducing a tobacco licensing fee would discourage some vendors from selling tobacco and this in turn could reduce smoking rates due to potentially reduced availability. Importantly, knowing which areas have the highest number of tobacco vendors (determined by the licences) could also assist with targeted quit campaigns.

### Recommendations for Treasury

- Increase public health information and campaigns aimed at reducing smoking and obesity rates, alcohol misuse, improving diet and increasing physical exercise.
- Dedicate funds to broaden tobacco legislation and restrictions to include e-cigarettes.
- Dedicate funds to introduce tobacco vendor licensing fees.

# Medical training, hospital governance and culture



## Increase funding for medical training

It is paramount that the Victorian Government invests in junior doctors' ongoing medical training. The Victorian Government must ensure that the state's medical graduates can be placed in internship programs, and that there are appropriate training programs for residents and registrars. Currently we face the situation where skilled junior doctors are unable to find employment – this is a tragic waste of skills, and the community is unable to benefit.

As previously stated, to address the maldistribution of the medical workforce across the state, regional hospitals must be funded to train Junior Resident Medical Officers – specifically, PGY2+ residents and registrars. This would also include the development and funding of appropriate alternative training pathways, in consultation with relevant bodies.

In addition to delivering more training positions, both senior and junior medical staff need to be supported to undertake the necessary medical training and development. A specific funding stream is needed to ensure 30% of doctors' time should be dedicated to teaching, training, quality assurance and research. Ensuring 30% of clinical support time for all doctors, including Visiting Medical Officers and doctors in training, is critical to maintaining our highly skilled medical workforce. And to ensure that consultants remain in the public healthcare system to provide quality teaching and training to junior doctors.



## Improved hospital governance - doctors on hospital boards

AMA Victoria recommends that the Victorian Government amends the *Health Services Act 1988* (Vic) (s. 65T) to stipulate that hospital boards must include clinical representation, to be defined as a currently registered and practising medical practitioner.

A higher number of medical practitioners on hospital boards is associated with higher quality ratings and lower morbidity rates.<sup>17</sup>

In 2015, AMA Victoria found that 49 Victorian hospitals did not have a medical practitioner on their board. This lack of medical expertise in governance arrangements can pose a risk to the quality and efficiency of the hospital, and to patient outcomes.

Without medical representation on hospital boards, non-clinical board members are unable to fully understand and interpret clinical data, safety information, risk management and other issues that hospital boards are informed about and required to make decisions on. Rural/regional hospitals may need assistance in finding medical board members who do not have a conflict of interest (i.e. employees). It is important to note that the Victorian health service whose major clinical governance issues were exposed in 2015 did not have a medical representative on its board.

## Resources to overcome bullying, discrimination and harassment in the medical workplace

AMA Victoria seeks assistance from the Victorian Government to address bullying, discrimination and harassment within the state's medical workforce.

Throughout 2015, AMA Victoria worked hard to address this issue, culminating in the AMA Summit in November, which was supported by Health Minister Jill Hennessy. We will soon have a strategy that identifies key areas for change, and we seek the Government's assistance in implementing system-wide change.

We intend to develop and deliver training to all doctors on bullying, harassment and discrimination. This will improve the culture of the medical profession, and lead to improved patient care<sup>18</sup> and employee wellbeing.<sup>19</sup>

AMA Victoria is committed to implementing cultural change within our profession. We seek funding to deliver this training. We are confident that this will enable the change that is needed throughout the state's medical workforce.

### Recommendations for Treasury

- Provide more training positions for interns, residents and registrars. Ensure senior medical staff are appropriately resourced to dedicate time to train junior doctors.
- Dedicate funds to allow for an amendment to the *Health Services Act 1988* (Vic) to require all hospitals to include a medical practitioner on their board.
- Provide funding to train and educate the state's medical workforce on bullying, discrimination and harassment.



Advancing the medical profession  
Advancing the health of Victorians

#### AMA VICTORIA

AMA House  
293 Royal Parade  
Parkville, Victoria 3052  
PO Box 21, Parkville 3052

Telephone: 03 9280 8722  
Facsimile: 03 9280 8786  
Website: [amavic.com.au](http://amavic.com.au)  
Email: [reception@amavic.com.au](mailto:reception@amavic.com.au)

1. Victorian Health Services Performance, Statewide - Number of elective surgery patients on the waiting list - Quarterly Data, December 2015.
2. Victorian Health Services Performance, Specialist Clinics Activity and Wait Time Report, December quarter 2015-16.
3. LASA, Victorian Aged Care Data Summary, 2014.
4. DOHA, Living longer, living Better - Better Healthcare Connections, April 2012.
5. Montalto, M., Shay, S., & Le, A. (2015). The evaluation of a Mobile Xray Service for elderly residents of Residential Aged Care Facilities. *Australian Health Review*.
6. Banger, A., & Graber, M. L. (2015). Recent Evidence that Health IT Improves Patient Safety.
7. Refer to AMA Victoria's budget submissions 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16 for more information on secure messaging.
8. State Government of Victoria, Health 2040 Discussion Paper, September 2015.
9. National Health Performance Authority, Tobacco smoking rates across Australia, 2011-12, October 2013.
10. National Health Performance Authority, Overweight and obesity rates across Australia, 2011-12, October 2013.
11. Refer to "Get Moving Greater Shepparton".
12. Jim Gillespie, "Securing Australia's future: health care", *The Conversation*, 16 December 2013.
13. Australian Bureau of Statistics, Australian Health Survey: Nutrition First Results - Food and Nutrients, 2011-12, cat. no. 4364.0.55.007, 2014.
14. Business Council of Australia, Using Microeconomic Reform to Deliver Patient-Centred Health Care, February 2011.
15. Orellana-Barrios, M. A., Payne, D., Mulkey, Z., & Nugent, K. (2015). Electronic Cigarettes - A Narrative Review for Clinicians. *The American Journal of Medicine*, July; 128 (7): 674-81.
16. World Medical Association, Statement on Electronic Cigarettes and Other Electronic Nicotine Delivery Systems, October 2012.
17. Veronesi, G., Kirkpatrick, I., & Vallasca, F. (2013). Clinicians on the board: what difference does it make?. *Social Science & Medicine*, January 77, 147-155.
18. Schwartz, R. W., & Tumbler, T. F. (2002). The power of servant leadership to transform health care organizations for the 21st-century economy. *Archives of Surgery*, December 137(12), 1419-1427.
19. Hutchinson, M., Vickers, M., Jackson, D., & Wilkes, L. (2006). Workplace bullying in nursing: towards a more critical organisational perspective. *Nursing Inquiry*, 13(2), 118-126.