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Rural and remote Australians seek action on health

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Australia as a nation faces the ‘perfect storm’ in its healthcare system, with increasing demand, inadequate infrastructure, a rapidly ageing workforce and escalating costs. Nowhere is the opportunity greater to learn how to tackle these challenges than in rural and remote Australia. Rural and remote health, where the need is greatest, is where we can learn how to make the most difference and have the largest impact on people’s lives and on the improvement of national health averages. Rural people are capable, resilient, and adaptable - they know best how to do more with less, and consistently demonstrate a high level of co-operation and partnership.

Many rural regions are rapidly-growing – the engines of the boom in mineral exports and the location of a high proportion of health activity. Rural and regional Australia is central to Australia’s economic success and deserves to be front-and- centre in health service considerations.

With the gaze of the public now on regional communities, let’s invest in the health of rural and remote people - the country’s most experienced innovators - and learn how to tackle the threats to our health system. Let’s reduce the metropolitan-rural life expectancy gap, improve rural health outcomes and meet the service gaps and severe shortage of health professionals - not only because it’s the right thing to do for rural people but also because it’s the best way to learn how to make the most effective investment in health and wellbeing for the whole nation.

This is a major opportunity for the incoming Federal Government.

Action

The incoming Government’s response to this opportunity for rural health should be led at Prime Ministerial level.

An Office for Rural and Remote Australia should be established in the Prime Minister’s Department. Through this Office the Prime Minister would be responsible for an integrated program for improving the sustainability and wellbeing of rural and remote communities.

Rural impact assessments led by the Office for Rural and Remote Australia would ensure that policy changes on all relevant fronts (housing, transport, population, taxation, climate change) would comprehend their impact on rural and remote communities. Policies and

programs would be reviewed for unintended rural consequences and re-designed in such a way as to support improved health and wellbeing in rural areas.

In the life of the incoming government, this action plan would consist of seven initiatives:

1. nation-building investments in **broadband** to ensure that all people, wherever they live, have access to the same high level of broadband as others in the nation, available to them at the same price and delivered by whatever means is most effective for each particular area;
2. a commitment to proceed with **health reform**; and, specifically: to commit to the Commonwealth's new policy and funding responsibility for primary care, aged care and integrated care in smaller communities (such as multipurpose services); to proceed with the establishment of Medicare Locals and Local Hospital Networks, emphasising communities of interest and patient flows, including those across state and regional borders;
3. the delivery of **health infrastructure** to rural and remote areas on the basis of the relative needs of each community for such infrastructure, with the additional investment tied to whichever of the health facilities in each locality is best placed to enhance local service delivery as a result;
4. commitment to deliver to hospitals and other acute healthcare entities in rural and remote areas a measurable and fair **share of the extra money to be spent on hospitals** (beds, emergency departments, elective surgery, subacute care, mental health etc) but directing equivalent resources to services that are 'better than hospital beds' wherever necessary;
5. an integrated package of measures to **rebuild and redistribute a health workforce** to rural, regional and remote areas, including:
 - a. delivery of the campaign promises from both major parties regarding practice nurses, nurse practitioners and dental scholarships - through new flexible funding packages and the activity of Health Workforce Australia and Rural Health Workforce Australia;
 - b. a specific focus on the oral health service workforce, with the establishment of a foundation (training) year for new dental graduates; HECS reimbursement for rural service by dentists and oral therapists and hygienists; and a new Commonwealth Dental Health Program; and
 - c. key Medicare items to improve access to health care in rural and remote communities, such as MBS items for funding telehealth consultations targeted to support key rural and remote incentives, such as those for nurse practitioners in towns where there is no doctor;
6. augmenting or **amending the ASGC – RA system** for classifying rurality to better acknowledge major regional centres and reduce the anomalies of the current system, thus giving it broader community and professional acceptance as the basis for program eligibility and funding; and
7. support from the Prime Minister and the Department of PM&C for the updated **national rural and remote health plan** currently being developed through AHMAC, which will integrate the various parts of this seven-part action plan and deliver measurable and quantifiable targets for rural and remote Australian set in the National Healthcare Agreement.

Each of these seven initiatives is spelled out in further detail below.

1. Building the nation through sustainable communities

The fundamental issue for rural people is the sustainability of their communities, jobs and businesses. Currently some regions are growing so fast that infrastructure and quality of life are affected, while others are experiencing a gradual loss of businesses, asset values and life quality.

The Alliance believes there is a wide range of policy instruments that can be used for regional development, including remote zone tax allowances, rurally-weighted infrastructure investments, public transport and new industries related to the mitigation of climate change.

However it believes that for the term of the incoming government there should be one priority where nation building and sustainable communities are concerned: **broadband**.

Investments in broadband should ensure that all people, wherever they live, have access to the same high level of broadband as others in the nation, available to them at the same price and delivered by whatever means is most effective for each particular area. Fast and affordable broadband will be expected and required by future generations of citizens - including health professionals considering moving to rural and remote areas - as an important natural right. Broadband will form one of the bases of improved delivery in the health, education, justice, local government and recreational sectors.

In particular, fast, effective and affordable broadband will optimise the benefits to patients, clinicians and researchers of e-health. Medicare must include MBS items to support this new way of delivering health care including through telemedicine where patients and their primary care professionals consult with specialists in another location.

2. Health reform and the Commonwealth's new responsibility for primary care and aged care

Australia has much to gain through improvements in the fundamental structure and funding of its health system and better targeting of health care expenditure to the communities with the highest health needs. This should include targeting of prevention strategies to communities with the highest health risks – which in many cases are those in rural, regional and remote areas.

Very significant amounts of expertise and energy have been invested already in the current round of health reform and the incoming government should commit to proceeding with it. Specifically, the new government should commit to moving to the situation in which the Commonwealth has policy and funding responsibility for primary care, aged care and integrated care (such as multipurpose services) in smaller communities.

The incoming government should proceed with the establishment of Medicare Locals and Local Hospital Networks, emphasising communities of interest and patient flows, including those across state borders. They should be established on a scale to encourage and permit a real sense of local ownership and control of the new entities and their decisions. There would be local flexibility for both hospital networks and primary care systems, with effective community participation and very close collaboration or merger of the two entities in more remote areas. The new entities would play a leading role in work to improve the health of Aboriginal and Torres Strait Islander peoples.

3. Flexible additions to health infrastructure, delivered on the basis of need

There are already a number of programs providing health-related infrastructure to which both the major parties made commitments in the election campaign and two additional funds for selected general practices. Such programs will not pass a rural impact assessment with their emphasis on enhancing general practices only, and because they distribute new resources through a competitive grant-based system rather than on the basis of local need. These programs need to be redesigned to build health care capacity in the towns that do not have a general practice or where health service management and delivery needs development.

Additional investment in health infrastructure should be delivered to whichever health facility in each locality is best placed to enhance local service delivery as a result.

4. A fair share of the extra hospital resources

The incoming government should commit to delivering a measurable and fair share of the extra money to be spent on hospitals (beds, emergency departments, elective surgery, subacute care, mental health etc) to hospitals and other acute healthcare entities *in rural and remote areas*. In some cases additional beds will not be as useful as the equivalent level of resources directed to services that are ‘better than hospital beds’. This will require investments in acute care to be flexible, and to include resources for local palliative care, maternity care, rehabilitation and mental health services.

The Commonwealth should require the states and territories to stop cutbacks in existing beds, unless there is prior replacement with comparable community-based service and the capacity to deliver these services in the particular community.

The public should be able to observe hospitals’ performance and progress against targets, and the States should be required to develop hospital service access standards within local hospital regions.

5. Workforce development and distribution

Medicare funding for health services for people who live in rural and remote Australia falls short by close to \$1 billion when compared with the Medicare spend on other Australians – contributing to higher health risks, poorer health outcomes and ultimately significant inequity in our health system. Effective Medicare investment in rural health relies on having health professionals who are eligible to claim for Medicare available locally. This is simply not the case in many areas and no single approach is effective in attracting and retaining doctors, nurses, allied health professionals, dentists, pharmacists, optometrists and others.

The incoming government should commit urgently to an integrated package of measures to rebuild and redistribute a health workforce to rural, regional and remote areas, including:

- a. delivery of election campaign promises regarding practice nurses, nurse practitioners and dental scholarships - through new flexible funding packages and the activity of Health Workforce Australia;
- b. a specific focus on the oral health service workforce, with the establishment of a training foundation year for new dental graduates; HECS reimbursement for

rural service by dentists and oral therapists and hygienists; and a new Commonwealth Dental Health Program;

- c. new Medicare items to improve access to health care in rural and remote communities such as for telehealth consultations to support key incentives for building the workforce in rural and remote Australia, like the proposal relating to nurse practitioners in towns where there is no doctor.

The proposed approaches to increasing after-hours and emergency care and to engage more practice nurses must be tailored in rural areas to provide for increased capacity in underserved areas and to enhance the viability of the health practitioner's business - as well as good patient health outcomes.

A specific part of this package of measures would relate to the oral health service workforce. Oral health in rural Australia is especially poorly served, with serious shortages of dentists and other oral health professionals. Improving timely access to dental services should begin with people on health care and low income health cards. Specific measures to improve oral health services would include phasing in a dental residency (Foundation) year over 5-10 years as policy infrastructure and professional mentoring and support is developed. Incentives such as scholarships for rural students and HECS debt reductions for rural practice should be introduced and scaled for remoteness.

A new Commonwealth Dental Health Program should be introduced with resources for it initially coming from a pared-down Chronic Disease Dental Program.

6. Augmenting the classification system for rurality

A number of programs for distributing payments and incentives in the health sector are currently based on the Australian Standard Geographic Classification (Remoteness Areas) (ASGC-RA) system. This new system is unpopular and is widely believed to have a greater number of anomalies than the RRMA system it replaced.

Action to augment or amend the ASGC-RA system to better recognise the distribution of large regional centres will meet with widespread approval and provide greater fairness. Such action could involve simply adding a variable for community size.

7. A new national rural and remote health plan

Work is already in train at Commonwealth, state and territory levels on a new national rural and remote health plan to take the place of Healthy Horizons. Such a plan will provide all jurisdictions with an agreed vision for rural and remote health and strategies for improving outcomes. It is imperative that such a plan sets measurable targets against which progress can be publicly measured. A National Rural and Remote Health Plan should inform and inspire health consumers, professional organisations, researchers, media and the general public. It must inform them of the contribution that rural and remote Australia is making towards improving the effectiveness of the overall health system and helping to meet national health targets.