Australian Government

National Health and Hospitals Reform Commission

A HEALTHIER FUTURE FOR ALL AUSTRALIANS

FINAL REPORT JUNE 2009

A Healthier Future For All Australians – Final Report of the National Health and Hospitals Reform Commission – June 2009

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Australian Government

National Health and Hospitals Reform Commission

30 June 2009

The Hon Nicola Roxon MP
Minister for Health and Ageing
Parliament House
CANBERRA ACT 2600

Dear Minister

It is my great pleasure to present the Final Report of the National Health and Hospitals Reform Commission.

A Healthier Future For All Australians: Final Report is the culmination of 16 months of discussion, debate, consultation, research and deliberation by a team dedicated to the cause of strengthening and improving our health system for this and future generations of Australians.

We acknowledge the many people who contributed to our work through consultations and submissions – including governments, health professionals and other experts, health and consumer interest groups, and members of the general community.

Our Final Report builds on the work of our two earlier reports – *Beyond the Blame Game* (April 2008) and *A Healthier Future For All Australians: Interim Report* (December 2008). With the needs and interests of the Australian people at the centre of our thinking, our reform agenda urges action to:

- Tackle the major access and equity issues that affect people now;
- Redesign our health system to meet emerging challenges; and
- Create an agile, responsive and self-improving health system for future generations.

We present more than 100 recommendations to transform the Australian health system. Some will have an immediate impact; others will take time to implement; and still others are for further development.

Health reform does not happen overnight. It takes time and patience, commitment and goodwill from all of us. But we also believe that there is a pressing need for action, and health reform must begin now.

My fellow Commissioners and I have been privileged to be part of this historic opportunity. We thank you for entrusting us with this important work.

We commend our report to you and the Government in the hope that our efforts will contribute to a sustainable, high quality, responsive health system for all Australians now and into the future.

Yours sincerely

Christine Bennett

Dr Christine Bennett
Chair
National Health and Hospitals Reform Commission

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Taking action

A Healthier Future For All Australians – the final report of the National Health and Hospitals Reform Commission – provides the governments of Australia with a practical national plan for health reform that will benefit Australians, not just now but well into the future.

The case for health reform is compelling.

The health of our people is critical to our national economy, our national security and, arguably, our national identity. Our own health and the health of our families are key determinants of our wellbeing. Health is one of the most important issues for the Australian people, and it is an issue upon which they rightly expect strong leadership from governments.

While the Australian health system has many strengths, it is **a system under growing pressure**, particularly as the health needs of our population change. We face significant challenges, including large increases in demand for and expenditure on health care, unacceptable inequities in health outcomes and access to services, growing concerns about safety and quality, workforce shortages, and inefficiency.

Further, we have a **fragmented health system** with a complex division of funding responsibilities and performance accountabilities between different levels of government. It is ill-equipped to respond to these challenges.

We believe we can do better, and now is the time to start.

This report identifies actions that can be taken by governments to reform the health system under **three reform goals**:

1. Tackling major access and equity issues that affect health outcomes for people now;
2. Redesigning our health system so that it is better positioned to respond to emerging challenges; and
3. Creating an agile and self-improving health system for long-term sustainability.

Tackling major access and equity issues

Equity, or 'fairness' to use everyday language, must be at the heart of the Australian health system. In our report we focus on **five priorities for improving access and equity**.

Improving health outcomes of Aboriginal and Torres Strait Islander people

Our first priority acknowledges the unacceptable health outcomes of Aboriginal and Torres Strait Islander people. To address this, we are recommending a radical change to how we take responsibility for improving the health of our first Australians. We want all the funding for Aboriginal and Torres Strait Islander people to be aggregated. We want a new **National Aboriginal and Torres Strait Islander Health Authority (NATSIHA)** to take this funding and actively purchase and commission the very best health services – services that are effective, high quality, culturally appropriate and meet the needs of Aboriginal and Torres Strait Islander people, their families and their communities.

Further, we want this Authority to demand and **hold all health services to account** for providing the right services for Aboriginal and Torres Strait Islander people. This also means that we need to **invest more** than we do now, so that the Authority can ensure that spending actually matches their greater health needs. This will be critical in helping 'close the gap' in health outcomes between Aboriginal and Torres Strait Islander people and other Australians.

Poor nutrition – particularly low fruit and vegetable intake – is an important determinant of the health gap among Aboriginal and Torres Strait Islander people. But many are living in remote areas with limited access to affordable healthy foods. To help tackle this, we are recommending an integrated package to **improve nutrition in targeted remote Indigenous communities**.

We must also strengthen the vital role of Community Controlled Health Services, **train and recognise an Indigenous health workforce and a workforce for Indigenous health**, and up-skill our health workforce to provide culturally appropriate services.

Improved care for people with serious mental illness

Our second priority for improving access and equity is **better care for people with serious mental illness**. We set out ways to ensure there is a range of treatment and support services for people with a mental illness, connected across the spectrum of care. We recommend an expansion of sub-acute services in the community and propose that all acute mental health services have a 'rapid response outreach team', available 24 hours a day, which can provide intensive community treatment and support, as an alternative to hospital-based treatment.

Support for people living in remote and rural areas

The recommendations under our third priority are directed at addressing the problems for **people living in remote and rural areas** of having a universal health entitlement under Medicare, but not gaining universal access due to the limited availability of doctors in remote and rural communities.

We are proposing that under-served remote and rural communities be given 'top-up' funding to an **equivalent amount of funding** on a per capita basis as communities with better access to medical, pharmaceutical and other primary health care services. We are also supporting increased funding for patient travel and accommodation, strategies to improve health workforce supply, and clinical training opportunities in remote and rural areas.

Improved access to dental health care

Improving **access to dental health care** is our fourth key priority for improving access and equity. Nearly one third of all Australian adults avoid or delay visiting the dentist due to costs; there are more than 650,000 people on public dental waiting lists; and the dental health of our children is worsening.

To address these problems, we are recommending a new universal scheme for access to basic dental services – **'Denticare Australia'**. Under Denticare Australia, everyone would have the choice of getting basic dental services – prevention, restoration, and the provision of dentures – paid for by Denticare through either a private health insurance plan or through public dental services. We are also recommending **internships for graduating dentists and oral health professionals** to provide broader clinical experience and training, as well as to expand the public dental workforce.

To improve the **dental health of Australia's children** we are recommending the national expansion of preschool and school dental programs.

Timely access to quality care in public hospitals

Our fifth priority is to take action now to **improve timely access to quality care in public hospitals**, particularly care in emergency departments and access to planned surgical and medical care.

We recommend that **public hospitals with major emergency departments be funded to ensure beds are available** at all times for people needing to be admitted from the emergency department. For patients, this would mean quicker access to a hospital bed in an emergency and less crowded emergency departments with care being provided more quickly and safely.

Waiting times for planned surgical and medical care in public hospitals have increased over the last few years. The Commonwealth Government has committed $150 million annually up until 2010–2011 to reduce waiting lists. We propose extending this additional funding beyond 2010–2011. We are also recommending **extra funding** to address unmet need that will present once existing waiting lists are cleared.

National Access Targets

In addition to directly addressing these five priorities for improving equity and access, we believe it is vital that we continuously measure and report on whether people are accessing the health services they need in a timely manner. We are recommending **National Access Targets across the continuum of health services** – including primary health care services, mental health services, aged care assessment, public hospital outpatient services, radiotherapy, planned surgery and emergency departments. We want the targets to be developed through broad community consultation, incorporating clinical, managerial and financial perspectives.

Redesigning our health system to meet emerging challenges

Our second goal for reforming the health system aims at **fundamental redesign** that will allow us to better respond to emerging challenges. It is based on three design elements.

Embed prevention and early intervention

The first design element is to **embed prevention and early intervention** into every aspect of our health system and our lives.

Key to this is the establishment of an independent **National Health Promotion and Prevention Agency**. The Agency should have a broad role to drive a fundamental paradigm shift in how Australians, and our health system, think and act about health and keeping well, including through better education, evidence and research.

Our recommendations related to prevention and early intervention focus on children and young people. The evidence is overwhelming. If we act early, we can prevent or reduce the magnitude of many disabilities, developmental delays, behavioural problems and physical and mental health conditions.

Our recommendations for **a healthy start to life** involve ensuring that children and parents – and potential parents – get access to the right mix of universal and targeted services to keep healthy and to address individual health and social needs.

We also have a particular focus on encouraging **good mental health in young people**. Most new cases of what become chronic mental illnesses – including psychotic disorders such as schizophrenia – emerge in late adolescence and the early adult years. We are recommending the national implementation of youth-friendly, community-based services providing information and screening for mental disorders and sexual health, and specialist clinical services for prevention of, and intervention for, early psychosis.

Connect and integrate health and aged care services

The second element in redesigning the health system to meet emerging challenges is to **connect and integrate health and aged care services** for people over the course of their lives.

Currently our health system works reasonably well if people have acute or emergency problems that can be quickly resolved through one-off medical interventions. However, the needs of people living with chronic diseases, people with multiple complex health and social problems, and older, increasingly frail people are less well met.

We need to **redesign health services around people**, making sure that people can access the right care in the right setting.

To do this, we argue strongly that **strengthened primary health care services** in the community should be the 'first contact' for providing care for most health needs of Australian people. This builds upon the vital role of general practice. We want to create a platform for comprehensive care that brings together health promotion, early detection and intervention, and the management of people with acute and ongoing conditions. Our key recommendations to support this are:

- bringing together and **integrating multidisciplinary primary health care services**, with the Commonwealth Government having responsibility for the policy and government funding of primary health care services that are currently funded or managed by state, territory and local governments;
- improving access to a more comprehensive and multidisciplinary range of primary health care and specialist services in the community, through the establishment of **Comprehensive Primary Health Care Centres and Services**, which would be available for extended hours;
- encouraging better continuity and coordinated care for people with more complex health problems – including people with chronic diseases and disabilities, families with young children, and Aboriginal and Torres Strait Islander people – under voluntary enrolment with a **'health care home'** that can help coordinate, guide and navigate access to the right range of multidisciplinary health service providers;
- establishing **Primary Health Care Organisations** to support better service coordination and population health planning, by evolving from or replacing the current system of Divisions of General Practice; and
- promoting **better use of specialists in the community**, recognising the central role of specialists to the shared management of care for patients with complex and chronic health needs.

We also argue strongly for the need to create 'hospitals of the future' and to expand speciality services in the community as part of connecting and integrating health care.

Our recommendations around **reshaping hospitals** involve separating the provision of elective and emergency services in public hospitals to provide better access to, and efficient delivery of, planned surgery and procedures.

We also recommend a **review of public hospital outpatient services** to ensure that they are more closely designed around the needs of patients, including providing more of these services in community settings outside hospitals.

There is also an urgent need for **substantial investment in, and expansion of, sub-acute services** – the 'missing link' in care – including a major capital boost to build the facilities required.

Further, we need to build the capacity and competence of primary health care services to provide generalist **palliative care support** for their terminally ill patients, supported by additional investment in specialist palliative care services to allow better access to care for people at home.

Our recommendations on **aged care services** are an important part of connecting and integrating health and aged care services. They seek to balance three goals in repositioning our aged care services:

- ensuring greater choice and responsiveness for consumers;
- getting the most effective use of public monies while protecting those older people who are most in need; and
- creating an environment that fosters a robust and sustainable aged care sector.

'Next generation' of Medicare

The third design element in redesigning the health system to meet emerging challenges is concerned with the **'next generation' of Medicare**. There are four important points here.

First, the Commonwealth Government will be responsible for bringing together state-funded primary health care services and medical services under Medicare **to create a comprehensive primary health care platform**. This will include a focus on promoting good health, early intervention and better managing chronic disease.

Second, the Commonwealth Government will need to consider the **scope of services under the 'universal service entitlement'** in a 'next generation' Medicare. The broader range of services included could be funded through a range of different payment mechanisms involving, for example, a mix of salary, fee-for-service, grants, payments for performance and quality, and payments for episodes of care.

Third, we have recommended that the scope and structure of existing **safety net arrangements be reviewed**. There are currently multiple safety nets and a patchwork of government programs that partially meet the costs of some services. We need a simpler, more family-centred approach that improves the affordability of health care.

Fourth, we have recommended that in **reshaping the Medicare Benefits Schedule** (one core element of the 'next generation' of Medicare), the Commonwealth Government must first decide the scope of services to be included. A framework is then needed to define the competency and scope of practice within which health professionals can provide certain services. This reshaping should be driven by a robust evidence base, and also promote continuity and integration of care through collaborative team models of care.

Creating an agile and self-improving health system

In our third goal for reforming the health system we are calling for the **creation of an agile and self-improving health system** for long-term sustainability. Our recommendations are grouped under five levers of reform to support a system adaptive and responsive to changing needs.

Strengthened consumer engagement and voice

The first lever is **strengthened consumer engagement and voice**. Consumer engagement is encouraged by:

- **building health literacy** – for example, by including health literacy as a core element of the National Curriculum for schools;
- **fostering community participation** – for example, through citizen juries on issues such as the allocation of scarce resources among competing priorities; and
- **empowering consumers** to make fully informed decisions, for example, on choice of aged care services.

Modern, learning and supported workforce

The second lever is a **modern, learning and supported workforce**. Here we recommend:

- **fostering clinical leadership and governance**, including through the establishment of 'clinical senates' at national, regional and local levels to contribute to clinical service planning;
- developing a new **framework for the education and training of our health professionals** which moves towards a flexible, multi-disciplinary approach, and incorporates an agreed competency-based framework as part of a broad teaching and learning curriculum for all health professionals;
- a **dedicated funding stream for clinical placements** for undergraduate and postgraduate students, providing for clinical training supervision and infrastructure to be available across all health settings – public and private – including hospitals, primary health care and other community settings; and
- the establishment of a **National Clinical Education and Training Agency** which would advise on the education and training requirements; purchase clinical education placements; promote innovation; foster local implementation models; and report regularly on the appropriateness of professional accreditation standards.

Smart use of data, information and communication

Our third lever to support an agile, self improving system is the **smart use of data, information and communication**.

We are recommending a **transforming e-health agenda** to drive improved quality, safety and efficiency of health care.

The introduction of **a person-controlled electronic health record for each Australian** is one of the most important systemic opportunities to improve the quality and safety of health care, reduce waste and inefficiency, and improve continuity and health outcomes for patients. Giving people better access to their own health information through a person-controlled electronic health record is also essential to promoting consumer participation, and supporting self-management and informed decision-making. We want the Commonwealth Government to legislate to ensure the privacy and security of a person's electronic health data.

Making the patient the locus around which health information flows is critical and will require a major investment in the broader e-health environment. Electronic health information and health care advice will increasingly be delivered over the internet. **Broadband and telecommunication networks** must be available for all Australians if we are to fulfil the real promise of e-health.

We are also recommending that **clinicians and health care providers are supported to 'get out of paper'** and adopt electronic information storage, exchange and decision support software. The Commonwealth Government must set open technical standards which can be met by the vendor industry while ensuring the confidentiality and security of patient information. Most importantly, we urge governments to expedite agreement on a strengthened national leadership structure for implementing a **National Action Plan on E-health**, with defined actions to be achieved by specified dates.

Access to good information is also vital to measuring and monitoring the health of our population. We are recommending the development of **Healthy Australia Goals 2020** – the first in a rolling series of ten-year goals. We want all Australians to participate in setting these goals and working towards improvements in health outcomes at local, regional and national levels.

We are also keen to promote a culture of continuous improvement through **health performance reporting**. Our recommendations include:

- systems to provide comparative clinical performance data back to health services and hospitals, clinical units and clinicians;

- publicly available information on health services to assist consumers in making informed choices;
- the Australian Commission on Safety and Quality in Health Care to analyse, report and advocate on safety and quality across all health settings; and
- regular reporting on our progress as a nation in tackling health inequity.

Well-designed funding and strategic purchasing

The next lever for reform is well-designed **funding and strategic purchasing** models, particularly to better respond to people's care needs over time.

Encouraging collaborative, multidisciplinary teams and supporting voluntary enrolment will require the **use of blended funding** models. We are recommending that in the future primary health care would receive funding that comprises ongoing fee-for-service payments, grant payments to support multidisciplinary clinical services and care coordination, outcomes payments to reward good performance, and episodic or bundled payments.

The development of **episodic payments** will not happen overnight, nor would they be applicable to all patients. But the use of episodic payments would create greater freedom for primary health care services to take a long-term, whole person and population health perspective that moves away from funding on the basis of single consultations or visits – an approach that can better meet the needs of people with chronic and complex conditions.

To improve the efficiency of both public and private hospitals we are recommending introducing the use of **efficient 'activity-based funding' for hospitals** using casemix classifications. Activity-based funding refers to making payments on the basis of 'outputs' delivered by health service providers, such as a hospital admission, an emergency department visit or an outpatient consultation. Activity-based funding explicitly links funding to the actual services provided. It allows funders to compare the costs across different health service providers (such as hospitals) in providing the same health service (such as a hip operation).

Knowledge-led continuous improvement, innovation and research

Our fifth lever for reform is **knowledge-led continuous improvement, innovation and research**. We believe that our future health system should be driven by a strong focus on continuous learning and the implementation of evidence-based improvements to the delivery and organisation of health services. Our reforms seek to embed continuous improvement, innovation and research through **actions targeted at both the national level and at the local level of individual health services**, including by:

- making the Australian Commission on Safety and Quality in Health Care a permanent national organisation;
- strengthening the role of the National Institute of Clinical Studies in disseminating evolving evidence on how to deliver safe and high quality health care;
- investing in health services, public health, health policy and health system research, including ongoing evaluation of health reforms;
- funding clinical education and training through dedicated 'activity-based' payments; and
- establishing clinical research fellowships across hospitals, aged care and primary health care settings so that research is valued and enabled as a normal part of providing health services.

Reforming governance

To ensure Australia's health system is sustainable, safe, fair and agile enough to respond to people's changing health needs and a changing world, we need to make significant changes to the way it is governed. We make two main recommendations on reforming the governance of our health system.

Healthy Australia Accord

The first recommendation calls on First Ministers to agree to a new **Healthy Australia Accord** that clearly articulates the agreed and complementary roles and responsibilities of all governments in improving health services and outcomes for all Australians. The Accord retains a governance model of shared responsibility for health care between the Commonwealth and state governments, but with significantly re-aligned roles and responsibilities.

The new arrangements provide for:

- shifting Australia's health system towards **'one health system'**, particularly by defining a range of functions to be led and governed at the national level to ensure a consistent approach to major governance issues, such as workforce planning and education, and e-health;
- realigning the roles and responsibilities of the Commonwealth and state governments, with the **Commonwealth having full policy and government funding responsibility** for primary health care, basic dental care and aged care, as well as responsibility for purchasing health services for Aboriginal and Torres Strait Islander people; and
- **changing the funding arrangements for public hospitals and health care services**, with the Commonwealth Government paying the state governments activity-based benefits for public hospital care and other public health care services, thereby sharing the financial risk associated with growth in demand and providing strong incentives for efficient care. (The assumption of greater funding responsibility by the Commonwealth Government would be met through commensurate reductions in Commonwealth grants or other funding to state governments.)

Under the new funding arrangements, the Commonwealth Government would pay:

- 100 per cent of the efficient cost of public hospital outpatient services with an agreed, capped activity-based budget; and
- 40 per cent of the efficient cost of every public patient admission to a hospital, sub-acute or mental health care facility and every attendance at a public hospital emergency department.

As the Commonwealth Government builds capacity and experience in purchasing these public hospital and public health care services, this approach provides **the opportunity for its share to be incrementally increased over time to 100 per cent of the efficient cost for these services**. In combination with the recommended full funding responsibility by the Commonwealth Government for primary health care and aged care, these changes would mean the Commonwealth Government would have close to total responsibility for government funding of all public health care services across the care continuum – both inside and outside hospitals. This would give the Commonwealth Government a comprehensive understanding of health care delivery across all services and a powerful incentive – as well as the capacity – to reshape funding and influence service delivery so that the balance of care for patients was effective and efficient.

'Medicare Select'

While we agree that there will be significant benefits of transparency, accountability and efficiency under the Healthy Australia Accord – and its implementation should commence now – we also believe there is a real need to further improve the responsiveness and efficiency of the health system and its capacity for innovation. We agree that greater consumer choice and provider competition and better use of public and private health resources have the potential to achieve this through the development of **a uniquely Australian governance model for health care that builds on and expands Medicare**. The new model we are proposing is based on the establishment of 'health and hospital plans'. We have given this new governance model the working title 'Medicare Select'.

In brief, under **'Medicare Select'**, the Commonwealth Government would be the sole government funder of health services. All Australians would automatically belong to a government operated **health and hospital plan**, which could be a national plan or a plan operated by a state government. People could readily select to move to another health and hospital plan, which could be another government

operated plan, or a plan operated by a not-for-profit or private enterprise. Similar to Medicare now, health and hospital plans would cover a mandatory set of health services made explicit in a **universal service obligation**, which would include hospital and medical care and pharmaceuticals.

Health and hospital plans would receive funds from the Commonwealth Government on a risk-adjusted basis for each person. Through contracting arrangements with public and private providers, plans would purchase services to meet the full health care needs of their members. This would entail a **strategic approach to innovative purchasing**, focusing on people's health needs over time, and across service settings, rather than on the purchase of individual elements of the service.

While agreeing that 'Medicare Select' offers a number of potential advantages, we recognise that there are many technical and policy challenges in developing and implementing such an approach, and a number of design choices about how health and hospital plans might work that we have not been able to fully address. We therefore recommend that, over the next two years, the Commonwealth Government commits to **exploring the design, benefits, risks, and feasibility around the potential implementation of 'Medicare Select'**.

Implementing and funding reform

Roadmap for reform

To give impetus to action, we have included a **roadmap for reform** in our report, identifying who should be responsible for reforms, which reforms require changes to government responsibilities and/or federal funding arrangements, and where legislative change may be required.

The **first step to give effect to a national health system** should be for the Council of Australian Governments (COAG) to agree in 2009 to develop the new Healthy Australia Accord. The aim should be to **agree the Healthy Australia Accord in 2010**. To accelerate the pace of reform, one option would be for the Accord to be a high level agreement, supported by more detailed individual agreements on specific reform elements. This would allow early action on some reforms while others are still being developed.

Financial implications

We have also included a summary of the **financial implications** of our reform plan. As an indicative estimate, the full year annual recurrent costs of implementing our reforms to Australia's health system are between $2.8 billion and $5.7 billion. In addition, an investment in capital over five years of between $4.3 billion and $7.3 billion would be required to transform the system's infrastructure to enable our reforms. We note that changes to the actual level of expenditure in any one year will depend on the pace of the implementation of the reforms. If phased in over several years, as we anticipate, the impact on expenditure in any one year could be quite modest.

These estimates include indicative costs for improved public dental care, but not for the 'Denticare Australia' scheme. We consider the 'Denticare Australia' scheme separately. Once fully implemented, 'Denticare Australia' would transfer to the Commonwealth Government responsibility for funding of $3.6 billion per year, which is currently spent privately through private health insurance or directly by consumers. We have suggested this could be offset by an increase in the Medicare levy of about 0.75 per cent of taxable income.

The estimates of recurrent and capital costs focus just on the costs of implementing the reforms. They do not take full account of the impact on health expenditure of the improvements in performance and efficiency that will be achieved in the medium to longer term through better provision of more appropriate health services as a result of the reforms.

To do this, we commissioned the Australian Institute of Health and Welfare (AIHW) to estimate the impacts of our key recommended reforms on health expenditure over the medium to long term. Overall, the AIHW's analysis indicates that the net effect of our reforms would be to reduce the burden of disease and deliver a better mix of more accessible and effective services at a lower cost and higher productivity, resulting in **lower projected costs overall in the medium to longer term**.

According to the AIHW, compared with current projections of health and residential aged care expenditure, our key reforms will save $4 billion a year by 2032-33. Projected health and residential aged care expenditure as a proportion of GDP will grow to 12.2 per cent of GDP in 2032-33, which is less than the current projection of 12.4 per cent. In other words, **investing in these reforms now will deliver greater value for the community in the future**.

Some may query the wisdom of undertaking significant reform of health care, and incurring increased expenditure, at a time when Australia's economy and government outlays are under pressure from a global financial downturn.

But a healthy population and an efficient and effective health care system are essential to maximising the wellbeing of our nation, and the productivity of our economy and workforce. Our recommendations for reform are aimed at achieving an improved distribution of resources to provide more efficient and effective health care over the next five to ten years. Improving the performance of a sector that represents a tenth of our economy – and which is expected to grow to become an eighth of our economy in the next twenty years – is essential to proper economic management.

Furthermore, we believe that there would also be a cost in not pursuing our recommendations – a cost in terms of the forgone improvements in health status and in equity of health outcomes, and of a less efficient, less responsive health care system that is also less well prepared for the challenges of the future.

Embracing reform

This final report of the National Health and Hospitals Reform Commission is the culmination of 16 months of discussion, debate, consultation, research and deliberation. From our experience we are certain that there is a genuine desire for reform of Australia's health system. Our existence as a Commission, and the endorsement of our terms of reference by all governments, demonstrates governments' acceptance that improvements to Australia's health system are needed. Moreover, based on our consultations both in meetings and through the submissions we have received, we know the community, health professionals and health services are also ready to embrace reform.

We urge governments to continue consultation and engagement with the community, health professionals and health services. The success of the reform agenda will depend upon it. Change is more readily achieved, and with best results, when it is informed and owned by all of us.

The next page provides an overview 'map' of our national plan for health reform. It links the recommended actions to our reform goals, and ultimately to our vision for a sustainable, high quality, responsive health system for all Australians, now and into the future.

A Healthier Future For All Australians

VISION

A sustainable, high quality, responsive health system for all Australians, now and into the future

REFORM GOALS

- Tackle the major access and equity issues that affect people now
- Redesign our health system to meet emerging challenges
- Create an agile and self-improving health system for future generations

BLUEPRINT FOR REFORM

THEMES

Taking responsibility

Individual and collective action to build good health and wellbeing – by people, families, communities, health professionals, employers, health funders and governments

Connecting care

Comprehensive care for people over their lifetime

Facing inequities

Recognise and tackle the causes and impacts of health inequities

Driving quality performance

Leadership and systems to achieve best use of people, resources, and evolving knowledge

TRANSFORMATIVE ACTIONS

Healthy Australia 2020 Goals

National Health Promotion and Prevention Agency – education, evidence and research to make prevention a high priority

Greater personal responsibility supported to make healthy choices and decisions easier

Health literacy – in National Curriculum for all schools; accessible high quality health information throughout life

Person-controlled electronic health record

Recognition and support for carers

Better information about creating healthy local communities – 'wellness footprints'

Health promotion and wellness programs through the workplace and health insurers

National action on broader determinants of health

Strengthen and integrate primary health care:

- Commonwealth responsible for all public funding and policy for primary health care
- Comprehensive Primary Health Care Centres and Services
- Voluntary enrolment for young families, Aboriginal and Torres Strait Islander people and complex and chronic patients with a primary health care service as their 'health care home'
- Create regional Primary Health Care Organisations by transforming Divisions of General Practice

Invest in a healthy start to life from before conception through the early years – universal and targeted services

Reshape hospital roles for emergency and planned care and fund accordingly; strengthen outpatient and ambulatory specialist services in community settings

Complete the 'missing link' of sub-acute services and facilities

Expand choices for care and accommodation in aged care

Improved palliative care and advanced care planning

National Access Targets across all public health and hospital services

System connections – e-health and communications

Make real the universal entitlement to health services with targeting on the basis of health need

National Aboriginal and Torres Strait Islander Health Authority – expert commissioning, purchasing and brokering of services to achieve better health outcomes

Aboriginal and Torres Strait Islander health initiatives – focus on healthy start – nutrition; strengthen community controlled organisations; develop Aboriginal health workers and workforce

'Denticare Australia' – restorative and preventive oral health care for all Australians; dental residency; oral health promotion and school dental services

Remote and rural health – equitable and flexible funding; innovative workforce models and enhanced support for rural practitioners; telehealth; patient travel support ; research, training and infrastructure

Mental health – early intervention for young people; rapid response teams; sub-acute care; linked health and social services

National reporting on progress in tackling health inequities

'Healthy Australia Accord' – creating 'a national health system' by transformed government responsibilities

Explore a more responsive and sustainable system for the future – 'Medicare Select' – through greater consumer choice, competition and innovation

Activity-based efficient funding with payments for performance and quality and reshape the MBS

Transformation capital investment to support reforms

Better workforce planning, training and use of capabilities – National Clinical Education and Training Agency; training activity funding and infrastructure

Embed focus on safety and quality – Permanent national body to promote, monitor, and report on quality and safety; and local systems of clinical governance

Smart use of data, information and communication – by consumers, clinicians, health services, health funders and researchers; supported by e-health

Public reporting on National Access Targets; quality and outcomes; efficiency and performance; 2020 goals

Build and support research, sharing knowledge and innovation capability at all levels

PRINCIPLES

People and family centred • Equity • Shared responsibility • Promoting wellness and strengthening prevention • Comprehensiveness • Value for money
Providing for future generations • Recognise broader social and environmental influences shape our health • Taking the long term view • Quality and safety
Transparency and accountability • Public voice and community engagement • A respectful, ethical system • Responsible spending
A culture of reflective improvement and innovation

BLUEPRINT FOR REFORM