

Introduction

As introduction and background we begin our report with an outline of why the National Health and Hospitals Reform Commission (the Commission) was established, and how we have approached our work. We touch on the highlights of our first report, *Beyond the Blame Game* (April 2008), and in particular recount our design and governance principles, revised following feedback from the community. We also outline the purpose and scope of this report, and provide a guide to the reader about how this report is structured. Finally, we note the next steps toward providing our final report in June 2009.

The National Health and Hospitals Reform Commission

In a Joint Statement issued on 25 February 2008, the Prime Minister and the Health Minister announced the establishment of the National Health and Hospitals Reform Commission to develop a long-term health reform plan for a modern Australia. The Commission's Terms of Reference are at **Appendix A**.

The ten-member Commission (**Appendix B**) was tasked to deliver better health outcomes for the community and provide sustainable improvements in the performance of the health system. The Joint Statement explained that:

The National Health and Hospitals Reform Commission will provide a blueprint for tackling future challenges in the Australian health system including: the rapidly increasing burden of chronic disease; the ageing of the population; rising health costs; and inefficiencies exacerbated by cost shifting and the blame game.

The Commission will focus on health financing, maximising a productive relationship between public and private sectors, and improving rural health.

From the outset, we recognised the importance of drawing on the ideas, experiences and views of the Australian community and the health industry to inform our work.

The impressive response to our call for submissions provided a rich array of perspectives and opinions, ideas and suggestions. More than 530 submissions were received from organisations and individuals outlining their views on health reform. A list of these submissions is at **Appendix C**. We acknowledge with great appreciation the interest and goodwill we have received from so many, whether sharing their personal or professional experiences or observations, from across Australia and indeed from around the world.

An invaluable step in connecting with the views of the community and health sector was our 'national listening tour'. We visited every capital city and five regional locations to conduct forums with members of the community, frontline health workers, government agencies, industry groups and opinion leaders. A list of community engagement forums is at **Appendix D**. Reports of these forums can be viewed on the NHHRC website at www.nhhrc.org.au

The Commission also conducted workshops, special interest meetings and face-to-face meetings, and attended invited presentations with over a hundred organisations, associations and interest groups.

We commissioned a range of expert discussion papers in key areas such as primary health care, prevention, governance, the mix of public-private financing and service provision, oral health and health expenditure projections. These discussion papers are listed at **Appendix E** and can be viewed on the NHHRC website at www.nhhrc.org.au

We also researched and analysed international literature and met with leading health experts in Australia and from around the world.

In an environment of considerable health reform activity, we have been mindful of the work of other groups including the Australian Commission for Safety and Quality in Health Care, the Closing the Gap Steering Committee for Indigenous Health Equality, the National Health Workforce Taskforce, the National Preventative Health Taskforce, the National Primary Health Care Strategy External Reference Group, the Review of Maternity Services being undertaken by the Commonwealth Chief Nurse and Midwifery Officer, and the review of rural health programs by the Office of Rural Health in the Commonwealth Department of Health and Ageing. Given our brief, we have focused on the long term and big picture reform agenda for the health system as a whole, while working collaboratively with these groups.

We commend the recent discussion document of the National Preventative Health Taskforce, *Australia: the Healthiest Country by 2020* (September 2008), which our report reinforces and complements with suggested governance and financing propositions. Similarly, we note and support the discussion paper from the Australian Government, *Toward a National Primary Health Care Strategy* (October 2008). We acknowledge with appreciation the support of the Australian Commission on Safety and Quality in Health Care, particularly their assistance with information and discussion which stimulated our thinking on the critical role of the safety and quality agenda in health and health reform.

The Commission has also noted the recent health policy announcements and recommendations of the Council of Australian Governments (COAG), the Australian Health Ministers' Conference (AHMC), the Garling Report (NSW), and other forums. The November 2008 COAG decisions came late in our deliberations and so we have not incorporated these in this Interim Report.

Our first report – Beyond the Blame Game (April 2008)

Our first report, *Beyond the Blame Game* (April 2008), provided early advice to inform the negotiations of the Australian Health Care Agreements of likely reform directions and to provide relevant performance indicators and benchmarks reflecting our long-term view of the health system.

Beyond the Blame Game is available on the NHHRC website at www.nhhrc.org.au

In preparing that report, we took the approach that the next generation of Australian Health Care Agreements should go beyond hospitals and that accountability should be clear and two-way. We noted that all governments had acknowledged that there must be greater accountability in health service delivery.

A set of design and governance principles was developed by the Commission to underpin the health system of the future. We released them for comment and feedback, and the final principles have been revised to reflect the feedback and good ideas we received and are presented in **Appendix F**.

The purpose and scope of this report

This Interim Report continues our reform journey. It contains our thinking on the challenges facing the health system now and in the future, highlights strengths we can build on and indicative directions for long-term reform following extensive consultation and discussion.

One of the biggest challenges in our work has been to take a truly long-term view and not to get consumed by issues and solutions that are only about the here and now. It is easy to see a problem and tailor a single solution to fix it – a point solution – rather than thinking about how patterns of problems could be resolved by system solutions, which is our task.

This report examines ways to create a healthier future for all Australians through four themes:

- **Taking responsibility:** individual and collective action to build good health and wellbeing – by people, families, communities, health professionals, employers and governments (Chapter 1).
- **Connecting care:** comprehensive care for people over their lifetime (Chapters 2 to 7).
- **Facing inequities:** recognise and tackle the causes and impacts of health inequities (Chapters 8 to 11).
- **Driving quality performance:** better use of people, resources, and evolving knowledge (Chapters 12 to 15).

While the themes provide an organising framework for clustering and presenting our health care reforms, the themes also apply across the various chapters.

Chapter 1 examines strategies to build healthier communities and healthier people. It is a call to action for all of us – people, families, communities, health professionals, employers and governments – individually and collectively to take responsibility for our health, the health of our children, and the health of Australia.

In Chapters 2 to 7, we focus on people getting the right care, in the right place, at the right time – over time. We emphasise strengthening primary health care as the foundation of the health system, providing continuity and coordination of care for people with chronic and complex conditions; the value of investing in a healthy start to life; strategies to improve timely access and safe care in hospitals; completing the care continuum by filling the ‘missing link’ of sub-acute services; creating greater choice for older people; and respecting the rights and choices of people at the end of life.

Chapters 8 to 11 highlight the urgent need to face up to and tackle inequities in health status, health outcomes and access to health services for many groups in our community. Specifically, we discuss strategies to tackle inequities affecting Aboriginal and Torres Strait Islander peoples, rural and remote communities, people with mental health conditions, and people with poor access to dental services.

Finally, Chapters 12 to 15 consider issues related to governance, funding, the health workforce, quality and research. Our reform directions aim to improve leadership, drive productivity and efficiency, deliver better outcomes, engage and support our people working in health, and foster an environment of continuous learning to harness innovation now and into the future.

The next steps

This is an Interim Report and remains a work in progress. We recognise that we are further advanced in some areas of focus than others. Our work in the key areas of e-health and workforce, for example, will be further developed in our final report. We are also yet to fully explore the opportunities and challenges that new technologies may present, and their influence on health care and our world in the future. In some instances, we have presented options and our work to date will benefit from further discussion.

Importantly, as the preferred governance option relating to Commonwealth and state responsibilities is open for discussion, we have not identified in many instances the governance entity responsible for action. Further, since we have not finalised our reforms, the financial implications have not been assessed. These tasks will be completed as part of the formulation of a road map for change in the lead up to finishing our final report.

One of the key purposes of this Interim Report is to provide an opportunity for the Commission to canvass some important options and ideas to stimulate discussion and gauge support and views from the community and health sector as we finalise our deliberations.

We encourage feedback through talkhealth@nhrc.org.au. Importantly, we seek early responses as we will be moving to complete and finalise our reform agenda and commence the work of implementation planning and developing a road map for change for our final report, which is due at the end of June 2009.