Discussion Paper on Development of the CHRONIC DISEASE PREVENTION AND SERVICE IMPROVEMENT FUND Fund Guidelines
PURPOSE OF THIS DISCUSSION PAPER
To provide information on the Chronic Disease Prevention and Service Improvement Fund (the Fund) and to seek stakeholder comments and input to contribute to the development of Fund Guidelines, with a particular focus on the suggested objectives, key principles and priority funding areas described below.

This is not a call for funding submissions – that will come later – at this stage we are simply seeking feedback on this discussion paper.

Information on how to provide comments is at Attachment A.

INTRODUCTION
The Fund was established from 1 July 2011 consolidating activities from a number of chronic disease prevention and service improvement programs (see Attachment B). This provides a large, flexible funding pool for prevention and service improvement activities aimed at addressing the rising burden of chronic disease.

The Fund is one of the eighteen (18) flexible Funds introduced by the Australian Government to reduce red tape, increase flexibility and more efficiently provide evidence based funding for the delivery of better health outcomes for the community. Information on the flexible Funds is available on the Department of Health and Ageing website, http://www.health.gov.au/internet/main/publishing.nsf/Content/budget2011-flexfunds.htm

The Fund will support initiatives that address current service gaps, increase efficiency, encourage innovation and improve quality of services, particularly in the community and primary care sectors. However, the funding is generally not intended to provide for health services directly to patients, their families or carers. For example, the funding cannot be used to cover the Medicare co-payment.

In addressing chronic disease:

✧ **Prevention** is action to reduce or eliminate the onset, causes, complications or recurrence of ill health or injury¹;

✧ **Service Improvement** aims to enhance the quality and availability of health and social services to address existing problems, or to find better ways of doing things².

The ultimate beneficiary of this Fund will be the community, through access to increased, improved and innovative services at various intervention points from prevention to end of life care.

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¹ Key indicators of progress for chronic disease and associated determinants, AIHW, June 2011, page 113
² Based on definition of service planning & improvement, National Patient Safety Agency, NHS, healthscinet.bham.ac.uk
The new funding arrangements will provide increased flexibility for the Government to respond to health and ageing priorities as they emerge. The consolidation of a range of smaller funding programs, each with their own prescriptive criteria and funding arrangements, into one large flexible fund with core eligibility criteria and streamlined program guidelines, is intended to remove artificial barriers and make it easier for organisations to identify appropriate funding sources and develop associated applications consistent with Government priorities.

Access to funding will be available through a number of avenues to encourage diverse projects and accommodate specific services that are consistent with the objectives of the Fund.

These funding processes may include:

- open grant rounds;
- targeted grant rounds;
- one-off or unsolicited grants;
- procurement;
- provision of support for arrangements in collaboration with states and territories (for example Australian Health Ministers' Advisory Council (AHMAC) or sub-committee activities);
- Direct engagement for continuation of specific/existing projects.

Open grant rounds are expected to be the main funding avenue for new activities, with applications to be assessed against selection criteria and prioritised against competing, eligible applications for funding.

Organisations wishing to apply for funding will need to demonstrate:

- Identified need
- Relevance to current government policies and priorities
- Value for money

Submissions will be sought for activities that comply with the objectives, key principles and priority funding areas outlined below.

The grant round for funding in 2012-13 is expected to be opened in November 2011.

**OBJECTIVE OF THE FUND**

The proposed objective of the Fund is to support targeted action related to chronic disease prevention and service improvement, particularly within the primary and community sectors to:

- Reduce the incidence of preventable mortality and morbidity;
- Maximise the wellbeing and quality of life of individuals affected by chronic disease;
- Reduce the pressure on the health and hospital system including aged care; and
- Support best practice in the prevention, detection, treatment and management of chronic disease.
The objective aligns with nationally agreed approaches such as the National Chronic Disease Strategy (AHMC, 2005), National Primary Health Care Strategy\(^3\), National Preventative Health Strategy\(^4\), National Palliative Care Strategy (AHMC 2010), National Eye Health Framework (AHMC 2005)\(^5\) and the Commonwealth health reform agenda that places a greater focus on prevention and early intervention.

Targeted action considered under the Fund may include continued support for existing activities that were consolidated into the Fund (see Attachment B) or support for other activities that are consistent with the objectives, key principles and priority funding areas for this Fund. This could include activities aimed at informing responses to emerging issues in chronic disease for example through targeted research.

**KEY PRINCIPLES**
The following overarching principles will be adopted to guide the Fund in achieving its objectives:

- Adopt a population health approach and aim to reduce the level of risk for chronic disease and to reduce health inequalities
- Prioritise chronic disease prevention and health promotion.
- Enhance community capacity
- Promote person centred care and optimise self-management
- Support cost effective and evidence-based care
- Enhance the safety and quality of health care
- Facilitate co-ordinated and integrated multidisciplinary care across services, settings and sectors
- Support significant and sustainable change
- Monitor and evaluate progress

**PRIORITY AREAS FOR FUNDING**
The following areas have been identified as priority areas to achieve the Fund’s objectives and translate its key principles into practice:

a) Prevention across the continuum  
b) Early detection and appropriate treatment  
c) Integration and continuity of prevention and care  
d) Self management

Support for activities that address these priority areas will be considered for funding under the Fund. Examples of such activities are outlined below. They are provided as a guide only and should not be considered as exhaustive.

a) Prevention across the continuum

While chronic diseases are among the most common and costly of all health problems, they are also among the most preventable\(^6\). Prevention across the continuum enables a holistic

\(^3\) Building a 21\(^{st}\) Century Primary Health Care System, DoHA, 2010.  
\(^4\) *Australia: the healthiest country by 2020*  
\(^5\) National Framework for Action to Promote Eye Health and Prevent Avoidable Blindness and Vision Loss  
approach towards prevention, with intervention at multiple points. These intervention levels can be broadly grouped into three categories:

- primary prevention - to prevent movement of the ‘well’ to the ‘at risk’ population
- secondary prevention - to prevent progression from ‘at risk’ to ‘established’ disease state
- tertiary prevention – to prevent and/or delay progression to complications from the disease

Activities that address this priority area may include (but are not limited to) health promotion and risk reduction, improving health literacy, raising community awareness and capacity (including the development and implementation of guidelines for consumers/professionals), strengthening community action, monitoring and surveillance of risks, rehabilitation and patient support.

b) Early detection and appropriate treatment

Chronic diseases are not always detected early. For example, there are many cases of diabetes that have not been diagnosed, with evidence suggesting that there is one undiagnosed case for every one diagnosed case. Early detection of chronic disease, with appropriate treatment (the right approach, in the most suitable setting in a timely manner), has the potential to deliver better outcomes for patients and savings to the health system.

Activities that address this priority area may include (but are not limited to) interventions to raise awareness of risk factors and follow up (not relating to MBS items), health promotion, patient support (including the development and implementation of guidelines for consumers/professionals), support for increased uptake of screening services particularly in hard to reach and under-screened population groups, support for end-of-life care, improving the knowledge base, building evidence, facilitating best practice, improving the safety and quality of care.

c) Integration and continuity of prevention and care

Integration and continuity of prevention and care are essential to ensure that people receive all the services they need in a timely manner, maximising their health outcomes and enhancing their ‘patient journey’.

Activities that address this priority area may include (but are not limited to) delivering collaborative and multidisciplinary models of care, capacity building and infrastructure support to enhance integration, strengthening community action, improving the knowledge base, building evidence, facilitating best practice, and improving the safety and quality of care.

d) Self management

Self-management is defined as involving the person with the chronic disease engaging in activities that protect and promote health, monitoring and managing symptoms and signs of illness, managing the impacts of illness on functioning, emotions and interpersonal

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7 Chronic disease and associated risk factors in Australia 2006, AIHW, page 31
9 National Chronic Disease Strategy, AHMC 2005, Page 37
relationships and adhering to treatment regimens\textsuperscript{10}. This priority area recognises the importance of a person centred approach in addressing the prevention, early detection and treatment of chronic disease.

Activities that support this priority area may include (but are not limited to) development of consumer education tools and resources, improving health literacy, professional training to promote self management, promotion of patient involved multidisciplinary care models, and support for patients and carers.

**CHRONIC DISEASE PREVENTION AND SERVICE IMPROVEMENT FUND - LIMITATIONS**

The Fund is not intended to provide for health services directly to patients, their families or carers although some action research funding may be available to trial innovative approaches to treatment and care delivery. The Fund is also not intended to support an organisation’s administrative funding base. It may also give less priority to strategies and activities that are more relevant to other flexible funds (for example the Aboriginal and Torres Strait Islander Chronic Disease Fund) or that are addressed in other ways by the Commonwealth, for example through research activities funded by the National Health and Medical Research Council (NHMRC), investment in national partnerships or broader health reforms from other sources of funding.

**OVERVIEW OF CHRONIC DISEASE IN AUSTRALIA**

| Chronic diseases are illnesses that are prolonged in duration, do not often resolve spontaneously, and are rarely cured completely. Chronic diseases are complex and varied in terms of their nature, how they are caused and the extent of their impact on the community. While some chronic diseases make large contributions to premature death, others contribute more to disability. Some may last indefinitely, whereas others may resolve over time. Yet many of these diseases are preventable through the modification of risk factors that contribute to their development\textsuperscript{11}. |

Like most other countries, the incidence of chronic disease in Australia is increasing and so is the demand for services and the cost of providing chronic care.

Evidence shows that:

- There is a high prevalence of chronic diseases such as cancer, diabetes, asthma, arthritis and circulatory conditions among Australians
- Chronic diseases are the leading causes of death and disability in Australia
- Chronic diseases are major contributors to the health and mortality gap between Aboriginal and Torres Strait Islander people and other Australians
- Chronic diseases are associated with high use of health care services and the rise in prevalence has contributed to major funding pressures in health care
- Chronic diseases are associated with a large number of potentially preventable hospitalisations

\textsuperscript{10} Teaching Residents Chronic Disease Management Using the Flinders Model, Regan-Smith et al, Journal of Cancer Education 2006, volume 21, No.2.

Chronic diseases are the leading causes of disease burden in the general Australian population. Expenditure on chronic diseases like diabetes, respiratory conditions and cardiovascular disease is expected to increase significantly over the next two decades.

Many chronic diseases are amenable to preventive measures, including changes in lifestyle behaviours, better medical treatments and early detection. At the same time, patients with chronic illness require continuing care, often increasing stepwise with the addition of increasing social care over years, and involving multiple health services from primary care to hospital and back.

Australia’s population is ageing with the proportion of Australians aged 65 years and over projected to increase from 13% in 2007 to up to 25% in 2056. Ageing is a key risk factor for chronic disease, and the ageing of Australia’s population is playing a major role in the increasing prevalence of these chronic conditions. The Intergenerational Report 2010 recommends that our health system must adapt to the needs of an ageing and growing population, and increasing demand for new medicines and high quality services, whilst ensuring that health spending remains sustainable. This means funding cost-effective improvements to health care while adjusting spending to obtain better value for money where necessary.

NATIONAL APPROACHES TO ADDRESS THE BURDEN OF CHRONIC DISEASE

In taking up the challenge of chronic disease, the Government is implementing a multi-strategy approach that crosses the boundaries of our health system, underpinned by major health system reform.

Under the health portfolio broadly, policy responses include initiatives aiming to support individuals to optimise their health and wellbeing across the lifespan. Additionally, a wide range of established national programs and initiatives provide assistance in the area of chronic disease. This includes programs to increase access to care and medicines, initiatives to promote best-practice care, risk factor prevention and management, population based screening programs and research programs.

The Australian Government is investing more than $7 billion over the period 2010-2014 on national health reform and an additional $16.4 billion for hospital growth funding until 2019-20. This reform responds to a number of identified pressures on the health and aged care system, in particular, the '2010 Intergenerational Report' indicated that health care costs are likely to rise significantly, that our ageing population will increase demand within our health services and health workforce, and that Australians are also experiencing more chronic and preventable conditions.

There are eight identified reform streams- Hospitals, General Practice and Primary Care, Aged Care, Mental Health, National Standards and Performance, Workforce, Prevention and eHealth. The Commonwealth is collaboratively embarking with our colleagues in the state and territory governments to reform the provision of health services to the Australian people.

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12 Key indicators of progress for chronic disease and associated determinants: data report. AIHW, June 2011
13 The search for better financing of health care, including that for people with chronic illness, Yen, Wells et al, MJA, Volume 186 Number 9, May 2007.
The most recent example of this is the new National Health Reform Agreement. In combination, these reforms will improve timely access for people to high quality care in and out of hospital.

The Government is now introducing a new, flexible way to fund many of the nation’s health priorities, better reflecting the more responsive, connected health system it is creating as part of its reform agenda. The Chronic Disease Prevention and Service Improvement Fund is one of the eighteen flexible funds established to improve administrative arrangements, to provide greater policy flexibility over time and ultimately to provide health benefits to the Australian population.
How to provide input or comment

You are invited to provide written comment on the discussion paper, particularly on suggested objectives, key principles and priority funding areas. Comments can be made via the web-form on this page or emailed to the Department of Health and Ageing (DoHA) at ChronicDPSI.Fund@health.gov.au by cob 30 September 2011.

Please provide your comments in the template provided at the end of this document (Attachment A1).

Confidentiality of submissions

Submissions will be made available on the departmental website. If you wish your submission (or part of it) to be treated as confidential, please advise us. Note that general disclaimers in covering emails will not be interpreted as specific requests for submissions to be treated confidentially. The Department will, however, use its best endeavors to ensure that any information identified as sensitive is treated in confidence.

Address for submissions

Electronic submissions should be emailed to: ChronicDPSI.Fund@health.gov.au. If you would also like to send a hard copy of your submission, please forward it to:

Assistant Secretary
Chronic Disease Branch
Population Health Division
MDP 702, GPO Box 9848
CANBERRA ACT 2601

Questions relating to submissions

Any questions relating to submissions should be directed to the following email address: ChronicDPSI.Fund@health.gov.au
**CHRONIC DISEASE PREVENTION AND SERVICE IMPROVEMENT FUND**

Comments on the Discussion Paper

1. **Stakeholder details**

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<tr>
<th>Name of Organisation</th>
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<td>Postal Address</td>
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<td>Contact details: phone, fax and e-mail</td>
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<td>Key Contact person and contact details</td>
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2. **Comments**

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<tr>
<th>Subject</th>
<th>Your comments (including alternative suggestions and justification)</th>
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<tbody>
<tr>
<td>a) Suggested objectives of the Fund</td>
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<td>b) Suggested Key principles</td>
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<td>c) Suggested priority Funding areas</td>
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<td>(including your comments about priorities that can be considered in future funding rounds)</td>
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<td>d) General comments on the discussion paper</td>
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<td>for example any perceived omissions or anomalies and suggested alternative approaches</td>
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<td>e) Other relevant information (for example any economic or research based evidence supporting the key points discussed in the paper or in your comments)</td>
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The following programs were implemented over time to address specific and diverse needs in the community. These programs have now been fully or partly consolidated into the Fund.

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<thead>
<tr>
<th>Relevant Program/activity</th>
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<tr>
<td>1  Community awareness and infrastructure - Lifescripts Initiative</td>
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<td>2  Quality Assurance for the Aboriginal and Torres Strait Islander Medical Services (QAAMS) Pathology Program</td>
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<td>3  National Public Health Chronic Disease Early Detection:</td>
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<td>• National Cervical Screening Program</td>
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<td>• Mammographic Screening Program</td>
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<td>• BreastScreen Australia and National Cervical Screening Program data monitoring reports – AIHW</td>
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<td>4  National Public Health - Public Health:</td>
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<td>• Healthy Weight Guidelines</td>
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<td>• Clinical Practice Guidelines for the management of overweight/obese Australians</td>
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<td>• Australian Dietary Guidelines</td>
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<td>• Family planning</td>
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<td>• Jean Hailes Foundation</td>
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<td>• White Ribbon Alliance - Maternal Mortality</td>
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<td>• BreastScreen Australia</td>
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<td>• Public Health Education Program (PHERP)</td>
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<td>• Food and Health Dialogue</td>
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<td>5  Get Up and Grow: Healthy Eating and Physical Activity Guidelines for Early Childhood</td>
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<td>6  National Eye Health Initiative</td>
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<td>7  National Health and Hospitals Network - Coordinated Care of Patients with Diabetes Pilot</td>
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<td>8  Australian Primary Care Collaboratives Program - Fairer Medicare Improved Information and Patient Management</td>
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<td>9  Australian Primary Care Collaboratives Program - Prevention Collaboratives</td>
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<td>10 National Integrated Diabetes Program - Support for General Practice to improve detection and management</td>
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<td>11 Asthma Management Program</td>
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<td>12 Better Arthritis and Osteoporosis Care Initiative</td>
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<td>13 Prostate Cancer Research Centres</td>
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<td>14 National Palliative Care Program - Palliative Care in the Community</td>
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<td>15 National Palliative Care Program - Palliative Care National</td>
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<td>16 National Palliative Care Program - Strengthening Palliative Care Services</td>
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<tr>
<td>17 Priority Health and Medical Research - funding for nationally significant health and medical research related projects</td>
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