Outcome 12

HEALTH WORKFORCE CAPACITY

Improved capacity, quality and mix of the health workforce to meet the requirements of health services, including through training, registration, accreditation and distribution strategies

Outcome Strategy

Successful reform of the health and hospital sector requires continued investment to expand the health workforce, as well as ensuring that health professionals receive the skills and training necessary to meet Australia's future health care needs.

Through the *National Health and Hospital Network*[1], the Australian Government has committed to significantly increase workforce supply in a number of key areas, including medical, nursing and allied health. This includes expanding training programs for general practitioners (GPs) and specialists, and supporting rural nurses and allied health professionals through locum[2] support. There is also significant investment in the aged care workforce.[3]

Outcome 12 complements these new reforms by continuing to work with states and territories through organisations including Health Workforce Australia (HWA)[4] and the Australian Health Practitioner Regulation Agency, to improve future workforce planning, deliver increases to the quality and diversity of clinical training, and address structural and financial barriers faced by individual health professionals in providing the highest quality care.

The Australian Government's workforce agenda also aims to deliver a responsive and efficient health system that makes best use of the skills and knowledge of all health workers. The Government seeks to optimise the skills of health professionals through a number of strategies, including providing nurse practitioners with access to the Medicare Benefits Schedule (MBS) and the Pharmaceutical Benefits Scheme (PBS).

Outcome 12 is the responsibility of the Health Workforce Division and the Primary and Ambulatory Care Division.

Programs Contributing to Outcome 12

Program 12.1: Rural workforce

Program 12.2: Workforce

[1] At the time of publication, Western Australia had not agreed to be a party to the reforms under the *National Health and Hospitals Network*. The Government is continuing to actively negotiate with Western Australia.

[2] Temporary substitute.

[3] For more information on this initiative, please refer to Outcome 4 in these Portfolio Budget Statements.

[4] For more information on the work of HWA, please refer to the HWA chapter in these Portfolio Budget Statements.

Outcome 12 Budgeted Expenses and Resources

Table 12.1 provides an overview of the total expenses for Outcome 12 by Program.

Table 12.1: Budgeted Expenses and Resources for Outcome 12

	2009-10 Estimated actual $'000	2010-11 Estimated expenses $'000
Program 12.1: Rural workforce		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	160,125	255,220
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	11,577	11,278
Revenues from other sources (s31)	201	210
Unfunded depreciation expense	-	290
Total for Program 12.1	**171,903**	**266,998**
Program 12.2: Workforce[1]		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	217,819	470,703
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	13,292	12,949
Revenues from other sources (s31)	230	241
Unfunded depreciation expense	-	333
Subtotal for Program 12.2	**231,341**	**484,226**
Outcome 12 totals by appropriation type		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	377,944	725,923
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	24,869	24,227
Revenues from other sources (s31)	431	451
Unfunded depreciation expense	-	623
Total expenses for Outcome 12	**403,244**	**751,224**

	2009-10	2010-11
Average staffing level (number)	179	168

[1] This Program includes National Partnerships paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National Partnerships are listed in this chapter under each Program. For budget estimates relating to the National Partnership component of the Program, please refer to Budget Paper 3 or Program 1.10 of the Treasury Portfolio Budget Statements.

Contributions to Outcome 12

Program 12.1: Rural workforce

Program Objective

The Australian Government, through this Program aims to:

- increase the number of health professionals working in regional, rural and remote Australia; and
- support rural teaching, training and infrastructure.

The Government will achieve this through the provision of continued support and encouragement for medical and health students considering careers in rural and remote areas. The delivery of this Program by the Department is complemented by the work undertaken by HWA. Recent investment in teaching and training infrastructure will come on line in 2011 and deliver increased training capacity for medical, nursing and allied health students. Future expansion of clinical training capacity will primarily be the responsibility of HWA. The Department will work closely with HWA to ensure capital investments deliver the expected expansion to capacity.

Major Activities

Increase the supply of health professionals in regional, rural and remote Australia

The Australian Government will improve health workforce supply through the 2009-10 $134.4 million Rural Health Workforce Strategy.[5] In 2010-11, the Government, through this strategy, will refocus a number of existing programs, such as the Rural Retention program and the Registrars Rural Incentive Payment Scheme, and introduce a range of new incentives. The strategy comprises financial and non-financial incentives to encourage doctors to move to, and remain in, a regional, rural or remote location.

Incentives for general practitioners and registrars

From 1 July 2010, the Australian Government will introduce the General Practice Rural Incentives program. This program aims to recognise and retain long-serving doctors in rural and remote communities, and promote careers in rural medicine. The program provides a consistent set of retention incentives for GPs and registrars working or training in rural and remote locations. In 2010-11, the Department will provide retention payments to an additional 2,400 eligible doctors and general practice registrars in 500 communities.

In 2010-11, the Department will assess GP eligibility based on the new Australian Standard Geographical Classification – Remoteness Areas classification system. GP retention incentives will be weighted so that payments are higher for those who work for longer periods of time in the most remote areas. Rural and remote communities will benefit from the retention of GPs and registrars through improved access to primary health care.
In 2010-11, the Department will continue to work with Medicare Australia to make relocation and retention payments to eligible doctors.

[5]Accessible at: www.health.gov.au/internet/otd/Publishing.nsf/Content/program-RuralHealthWorkforceStrategy-lp

The National Rural Locum program will encompass a number of initiatives aimed to better target workforce incentives to communities in greatest need. The Specialist Obstetricians Locum Scheme, the General Practitioner Anaesthetists Locum Scheme and the newly implemented Rural GP Locum program, have been developed to ensure that rural doctors obtain adequate time for leave arrangements and professional development. The GP workforce will be supported through these mechanisms aimed at improving locum services in regional, rural and remote locations.

In 2010-11, the Department will consolidate and expand the National Rural Locum program and the newly implemented Rural Locum Education Assistance program, which encourages urban GPs to expand their skills base, while benefiting the rural GP workforce through the availability of additional locum services.

As part of the *National Health and Hospitals Network*, the Australian Government will also implement an allied health workforce locum scheme from 2010-11. The scheme will provide around 100 allied health locum placements each year from 2010-11 in rural locations. The initiative will contribute to service delivery in rural areas and facilitate recruitment and retention of allied health professionals by removing some of the barriers to undertaking or remaining in rural based practice. It will enable allied health workers in rural areas each year to take leave for professional reasons without adversely affecting service delivery capacity and enable interested allied health professionals to experience rural based practice and remain in the workforce.

The Government will also provide an additional 100 clinical placement scholarships each year to enable allied health students experience rural based practice and contribute to improving workforce capacity in these areas.

The Government continues to invest in a range of workforce training and distribution initiatives to increase the health workforce in rural and remote areas of Australia. These initiatives include the Medical Rural Bonded Scholarship Scheme and the Bonded Medical Places program.

In 2010-11, the Department will continue to introduce scaling incentives to the existing HECS Reimbursement Scheme to encourage participants to train or work in rural or remote locations. Under the scaling initiative, eligible medical practitioners will receive fast-tracked reimbursement, with the most remote locations receiving the greatest benefit. The Department will also work with Medicare Australia to develop an IT platform to support the implementation of scaling.

Rural teaching and training

In 2010-11, the Australian Government will continue to invest in the proven network of rural health education initiatives through the consolidated Rural Health Multidisciplinary Training program. This program supports a rural training network of 17 Rural Clinical Schools and 11 University Departments of Rural Health, as well as six dental schools participating in the Dental Training Expanding Rural Placements initiative. It also supports the John Flynn Placement initiative, which is in the second academic year of its expansion from 600 ongoing places for medical students in 2008 to 1,200 places in 2012.

This training network provides rural training opportunities to health and medical students, and aims to reduce professional isolation for health professionals working in rural and remote areas.

The Rural Education Infrastructure Development Pool, established under the Rural Health Multidisciplinary Training program, will support new capital works projects for the provision of training. The pool has flexibility to provide funding for high priority capital works that boost multidisciplinary training and enhance rural education experiences.

Program 12.1 is linked as follows:

- Medicare Australia (Department of Human Services) to administer the General Practices Incentives Program, HECS Reimbursement Scheme, National Rural Locum program, Specialist Obstetricians Locum Scheme and incentives for GPs and registrars, under its Delivery of Medical Benefits and Services (Program 1.1).

Program 12.1: Expenses

Table 12.2: Program expenses

	2009-10 Estimated actual	2010-11 Budget	2011-12 Forward year 1	2012-13 Forward year 2	2013-14 Forward year 3
	$'000	$'000	$'000	$'000	$'000
Annual administered expenses					
Ordinary annual services	160,125	255,220	270,131	289,190	296,537
Program support	11,778	11,778	9,420	9,275	9,372
Total Program expenses	**171,903**	**266,998**	**279,551**	**298,465**	**305,909**

Program 12.1: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

Table 12.3: Qualitative Deliverables for Program 12.1

Qualitative Deliverables	2010-11 Reference Point or Target
Produce relevant and timely evidence-based policy research	Relevant evidence-based policy research produced in a timely manner
Stakeholders participate in program development through a range of avenues	Stakeholders participated in program development through avenues, such as regular consultative committees, conferences, stakeholder engagement forums, surveys, submissions on departmental discussion papers and meetings

Table 12.4: Quantitative Deliverables for Program 12.1

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
Increase the supply of health professionals in regional, rural and remote Australia					
Number of new doctors participating in the General Practice Rural Incentives program[6]	N/A	2,200	300	300	300
Number of new registrars participating in the General Practice Rural Incentives program from 1 July 2010[6]	N/A	250	150	150	150
Number of Allied Health Locum Placements	N/A	100	100	100	100
Rural teaching and training					
Number of rural placements by university departments of rural health[7]	3,300	3,300	3,300	3,300	3,300

[6] Program will be implemented from 1 July 2010.

[7] The average placement time is four weeks.

Program 12.1: Key Performance Indicators

The following 'Key Performance Indicators' measure the impact of the Program.

Table 12.5: Quantitative Key Performance Indicators for Program 12.1

Quantitative Indicators	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Increase the supply of health professionals in regional, rural and remote Australia					
Number of GP obstetrician and specialist obstetrician locum placements filled[8]	115	135	100	100	100
Number of doctors relocating to rural or remote locations	N/A	70	70	70	70
Number of Registrars remaining in rural and remote locations[9]	N/A	100	100	100	100
Number of days per year locum relief is provided to rural obstetricians[10]	799	799	799	799	799
Number of days per year locum relief is provided to rural specialist obstetricians, GP obstetricians and GP anaesthetists[10]	1,025	1,125	1,125	1,125	1,125
Number of participants on the HECS Reimbursement Scheme	472	496	520	546	574
Number of nurse locums under the Nursing Rural Locum Scheme	N/A	750	750	750	750

[8] Targets for 2009-10 and 2010-11 increased due to contract negotiations with the Royal Australian and New Zealand College of Obstetricians and Gynaecologists.

[9] By transitioning to the GP component under the General Practice Rural Incentives program.

[10] Figures include multi-site placements.

Quantitative Indicators	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Rural teaching and training					
Percentage of medical students participating in the Rural Clinical Schools program	≥25%	≥25%	≥25%	≥25%	≥25%
Number of GPs supported to maintain procedural skills under the Rural Procedural Grants program	1,695	1,780	1,869	1,952	2,049

Program 12.2: Workforce

Program Objective

Improving access to doctors and medical professionals is one of the key goals of the Government's *National Health and Hospitals Network*. The Australian Government, through this Program, aims to:

- build the medical workforce, through medical education and training;
- invest in incentives to support rural health practitioners (including locum to support to enable health practitioners to keep their skills up to date);
- build the nursing workforce supply;
- improve the education and training opportunities for Aboriginal Health Workers; and
- enhance and increase capacity of services in the newly recognised medical specialties of Sport and Exercise Medicine; Addiction Medicine; and Sexual Health Medicine by providing access to specialist items in the Medicare Benefits Schedule.

Major Activities

Build the medical workforce – medical education and training

Complementing activities in Outcome 5 to expand GP training, the Australian Government will continue to implement and expand the existing consolidated Specialist Training program to 900 placements per annum from 2014 and deliver 680 more specialist doctors in the next decade. The Specialist Training program supports training outside traditional public teaching hospitals. The Department will expand the program in 2010-11, with priority given to specialties with identified workforce and training place shortages, such as general surgery, pathology, radiology, obstetrics, gynecology and dermatology.
The Australian Government will provide clinical supervision and infrastructure support for private sector training providers.

The program will deliver high quality, appropriate training opportunities for trainee specialists, supplementing the available specialist workforce in outer metropolitan, regional, rural and remote locations, and assisting in increasing the capacity of the health sector to train more specialists.

Support the rural health professional workforce – recruitment and retention of health professionals

The Australian Government aims to increase access to health services by supporting the recruitment of appropriately skilled overseas-trained doctors to work in outer metropolitan, regional, rural and remote locations.

Through the Scaling of Rural Workforce program, the Australian Government aims to encourage overseas and Australian-trained medical practitioners to choose to live and work in regional, rural or remote locations. This program will provide medical practitioners with the opportunity to reduce their 'return of service obligation', which restricts the location in which they can practise for a specified period of time. In return, the Department will provide medical practitioners with incentives, rewarding those in the most rural and remote locations.

In 2010-11, the Department will continue to encourage more doctors, through incentives, to practise and provide services in very remote communities. These incentives will increase the availability of doctors and health services in very remote areas. From 1 July 2010, Australian and overseas-trained doctors, who are subject to restricted practise, will have the opportunity to reduce their obligation if they choose to work in a regional, rural or remote location.

Build the nursing workforce supply

The Australian Government will continue to implement the Nurse Practitioner program. From 1 November 2010, eligible nurse practitioners will be able to provide services that attract an MBS rebate to private patients, and prescribe medicines subsidised under the PBS.[11] The program will help improve access to services in non-acute settings, particularly primary care services in rural and remote areas and aged care facilities. For information on other nursing measures, including education and training incentives and nursing scholarships, please refer to Program 4.2.

In 2010-11, the Government will support the recruitment and retention of nurses through the Rural Locum Scheme for Nurses. The scheme will support rural nurses to access continuing professional development opportunities by providing locum support. To help support these initiatives and other aged care workforce initiatives, funding for the Bringing Nurses Back Program has been redirected in the Budget to support other measures to build the nursing and aged care workforce supply. The Department will ensure that eligible nurses who are enrolled in the program on 11 May 2010 will continue to receive incentive payments, however, no new applications will be accepted beyond 11 May 2010.

Support Aboriginal Health Workers

Under the Council of Australian Governments' (COAG) Indigenous Chronic Disease National Partnership Agreement, Aboriginal and Torres Strait Islander outreach workers in Aboriginal community controlled medical services and Divisions of General Practice will receive orientation and have access to accredited training. This orientation and training will enable new outreach workers, in conjunction with qualified health professionals, to improve access to health services in Indigenous communities. Funding will also be provided for GP registrar training posts, professional development and clinical placement scholarships, and

[11] For further discussion on the Nurse Practitioner Measure, please refer to Outcome 2 in these Portfolio Budget Statements.

clinical placements for nurses working in Aboriginal and Torres Strait Islander health services. This will contribute to improving the overall capacity of health services and improve health outcomes for Aboriginal and Torres Strait Islander peoples.

Under the COAG Improving the Eye and Ear Health Services for Indigenous Australians for Better Education and Employment Outcomes, ear and hearing training will be provided to health professionals, particularly nurses and Aboriginal and Torres Strait Islander health workers in Aboriginal community controlled health services.

Provide access to Medicare Benefits Schedule specialist items for newly recognised medical specialties

The Australian Government aims to enhance and increase the capacity of services in the medical fields of Sport and Exercise Medicine, Addiction Medicine and Sexual Health Medicine, by providing access to specialist items in the MBS. This activity will also provide authority for these specialties to request magnetic resonance imaging and have greater access to pathology tests.

These fields of medicine were recognised as medical specialties by the Minister for Health and Ageing in 2009, on the advice of the Australian Medical Council. Recognising these medical specialities for Medicare purposes identifies each as a distinct area of practice, all of which have public health benefits. The MBS provides a subsidy to patients for medical services, rather than being a mechanism for workforce incentives. Adopting the MBS changes will provide the same Medicare rebates as apply to patients of other equivalent medical specialties. However, broadening the access to other medical specialisations will mean patients using services specific to sport and exercise, addiction and sexual health medicines have equitable rebates.

Program 12.2 is linked as follows:

- This program includes National Partnerships payments for:
  - *Northern Territory medical school - funding contribution;*
  - *Supporting nurses to return to the workforce – incentive payments;* and
  - *Supporting nurses to return to the workforce - training payments.*

  These Partnerships payments are paid to state and territory governments by The Treasury as part of the Federal Financial Relations (FFR) Framework. For budget estimates relating to the National Partnership component of the program, please refer to Budget Paper 3 or Program 1.10 of the Treasury Portfolio Budget Statements.
- Medicare Australia (Department of Human Services) to administer the Nurse Practitioner program, Scaling of Rural Workforce programs and Recruitment and retention of overseas and Australian-trained doctors, under its Delivery of Medical Benefits and Services (Program 1.1).

Program 12.2: Expenses

Table 12.6: Program expenses

	2009-10 Estimated actual $'000	2010-11 Budget $'000	2011-12 Forward year 1 $'000	2012-13 Forward year 2 $'000	2013-14 Forward year 3 $'000
Annual administered expenses					
Ordinary annual services	217,819	470,703	536,606	517,875	495,892
Program support	13,522	13,523	10,816	10,649	10,761
Total Program expenses	**231,341**	**484,226**	**547,422**	**528,524**	**506,653**

Program 12.2: Deliverables

The Department will produce the following 'Deliverables' to achieve the Program Objective.

Table 12.7: Qualitative Deliverables for Program 12.2

Qualitative Deliverables	2010-11 Reference Point or Target
Produce relevant and timely evidence-based policy research	Relevant evidence-based policy research produced in a timely manner
Stakeholders participate in program development through a range of avenues	Stakeholders participated in program development through avenues such as regular consultative committees, conferences, stakeholder engagement forums, surveys, submissions on departmental discussion papers and meetings

Table 12.8: Quantitative Deliverables for Program 12.2[12]

Quantitative Deliverables	2009-10 Revised Budget	2010-11 Budget	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Percentage of variance between actual and budgeted expenses	≤0.5%	≤0.5%	≤0.5%	≤0.5%	≤0.5%
Recruit and retain overseas and Australian-trained doctors					
Number of overseas trained doctors to reduce 'return of service' obligations through the Scaling of Rural Workforce programs incentive	6,143	6,450	6,772	7,110	7,465
Support Aboriginal Health Workers					
Percentage of Aboriginal and Torres Strait Islander outreach workers who have commenced orientation or training programs[13]	90%	90%	90%	90%	90%

[12] The 2009-10 Deliverable 'Number of nurses accepted under the Bringing Nurses Back program' has been removed, as resources have been directed into other programs to build the nursing and aged care workforce supply.

[13] Who are working in an Aboriginal Medical Service or a Division of General Practice.

Program 12.2: Key Performance Indicators

The following 'Key Performance Indicators' measure the impact of the Program.

Table 12.09: Quantitative Key Performance Indicators for Program 12.2

Quantitative Indicators	2009-10 Revised Budget	2010-11 Budget Target	2011-12 Forward Year 1	2012-13 Forward Year 2	2013-14 Forward Year 3
Recruit and retain overseas and Australian-trained doctors					
Increased number of suitably qualified overseas-trained doctors[14]	100	104	108	114	119

[14] Working in outer metropolitan, rural and remote districts of workforce shortage. Targets and Key Performance Indicators may be revised following negotiation with Rural Health Workforce Australia of a new funding agreement from 1 July 2010.