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# Introductions

# Introductions

Images of:
Professor Anne Kelso AO, Chief Executive Officer, National Health and Medical Research Council
Dr Phillip Gould, First Assistant Secretary, Department of Health and Aged Care
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# Background and context

* Over **$1.5 billion** is provided each year for health and medical research grants through the MRFF and MREA.
* Intent is to improve cohesiveness of system and improve the effectiveness of the MRFF and MREA.
* We are seeking input from a broad range of stakeholders on how to do this.
* This is an important first step towards broader reforms to Australia’s health and medical research system.

# MREA and MRFF

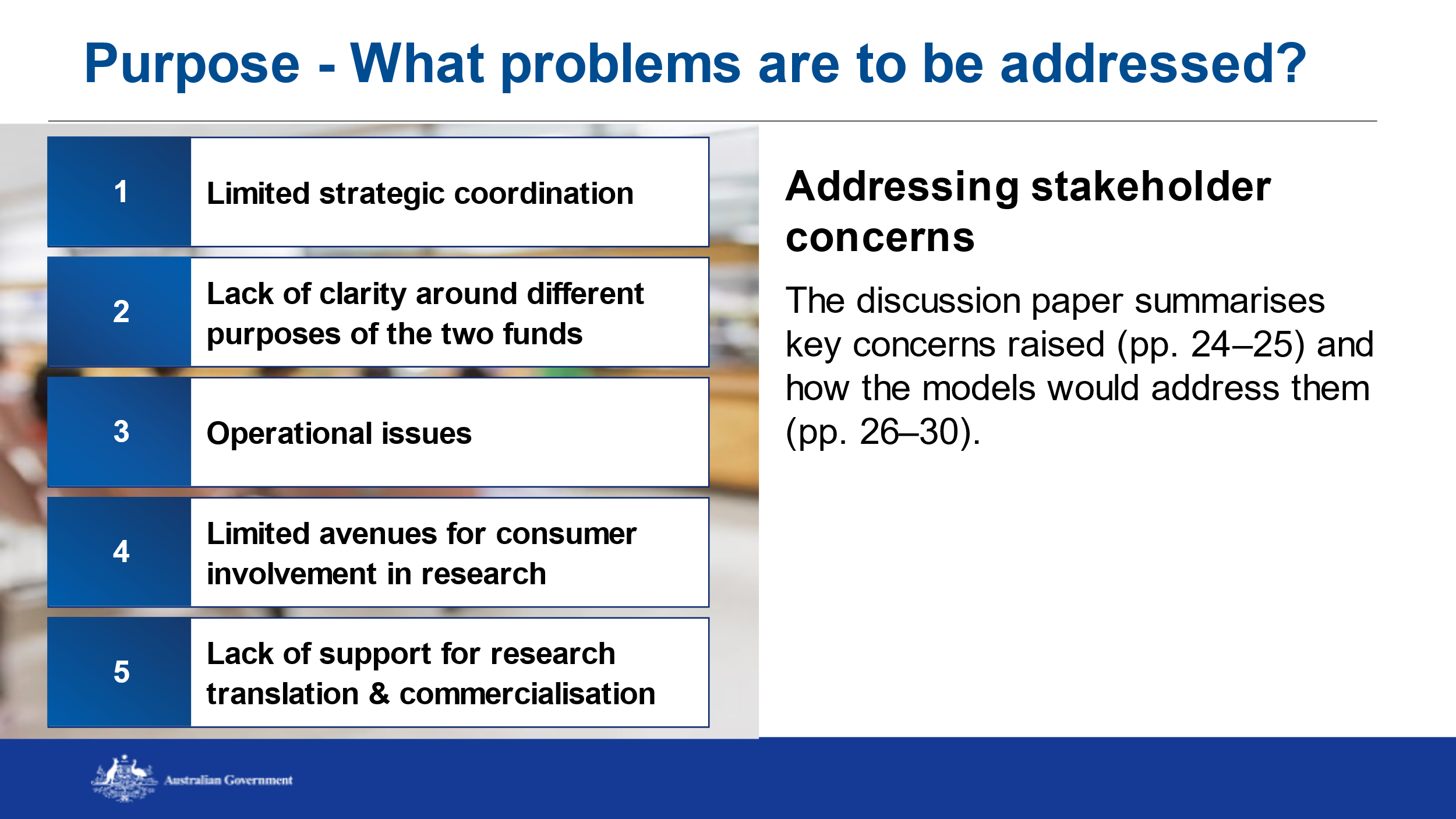
**Medical Research Endowment Account (MREA)**

* Special account that supports NHMRC grants (~$900 million p.a.)
* Supports investigator-initiated grants in all fields of health and medical research from discovery to clinical, public health and health services research
* Administered by NHMRC, an independent agency in the Health portfolio

**Medical Research Future Fund (MRFF)**

* $20 billion sovereign fund that supports MRFF grants ($650 million p.a.)
* Supports grants in priority areas of medical research and innovation determined by government on advice of AMRAB following public consultation
* Administered by Health and Medical Research Office (HMRO) in Department of Health and Aged Care

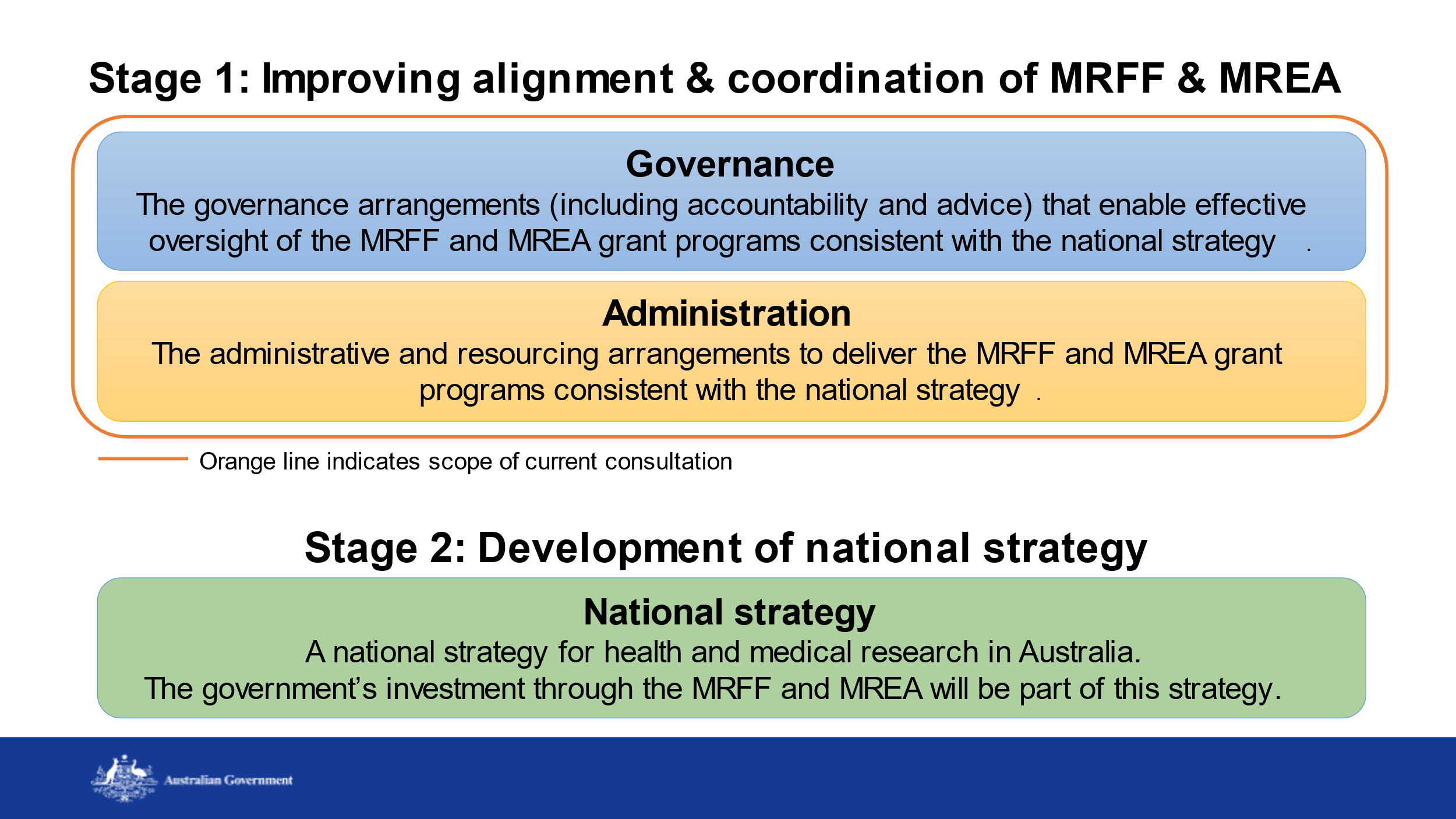
# Purpose – What problems are to be addressed?



# Purpose – what is the goal of reform?

A health and medical research funding system that:

* regards all Australians as stakeholders
* values and seeks advice from stakeholders
* provides certainty for stakeholders, with well-understood frameworks, streamlined administration and coordinated grant opportunities
* harnesses foundational capability, knowledge and innovation generated by investigator-led research
* values priority-driven research to strengthen Australia’s health and economic sustainability



# Potential models

Three potential models for the governance and administration of the MRFF and MREA are presented for discussion:

* Model 1: Better alignment through coordination
* Model 2: Management of both funds by NHMRC
* Model 3: Merging of the two funds with new governance arrangements

# Model 1 – Better alignment through coordination

The MRFF and MREA continue to be separately managed, with a new coordination mechanism established to ensure collaboration and alignment between the funds:

* Promotes greater collaboration between HMRO CEO and NHMRC CEO, and between AMRAB and NHMRC Council
* Retains current governance and administrative arrangements (including consumer representation on advisory and grant assessment committees)
* Low implementation complexity

# Model 2 – Management of both funds by NHMRC

NHMRC leads and manages the MRFF and MREA, which continue as separate funding streams with distinct focuses:

* AMRAB ceases operations and NHMRC develops new investment plans for both funds
* New or revised advisory structures are implemented to support NHMRC Council and the NHMRC CEO – this would consider how to involve consumers
* Medium implementation complexity

# Model 3 – Merging of the two funds with new governance arrangements

Funds are merged and disbursed as a single grant program managed by NHMRC:

* New governance arrangements to support a single Commonwealth funding source for health and medical research – this would consider how to involve consumers
* Single cohesive investment strategy
* High implementation complexity

# Consultation questions

1. What benefits should be achieved through improving the alignment and coordination of the MRFF and MREA?
2. Which feature/s of the models will deliver these benefits?
3. Which aspects of the current arrangements could be changed to deliver the most appropriate and effective change, and why?
4. Which feature/s of the models will help deliver this change?

# What we have heard so far

* Diverse (and passionate) views from a broad range of research stakeholders
* Researchers (universities, MRIs), health providers and services,  
  businesses, consumers, priority populations - First Nations, rural/ regional/ remote, rare diseases
* Value of having both investigator-led and priority-driven approaches are well recognised
* Reform should promote and build on what works well in both funds
* End users of research (esp consumers) want to be involved and have an active role

# What we have heard so far

*‘Seamless but not homogenous’*

* Coordination and administrative issues could be addressed without any reform – Health and NHMRC could consider doing that work now
* This is opportunity to simplify, reduce waste, harmonise policies, reduce researcher burn-out
* Focus should be on making the most out of the investment (ie health outcomes and care), not making things ‘the same

# What we have heard so far

*‘Merged, not absorbed’*

* The two funds provide different opportunities for research – it is important that their unique elements and contributions are maintained
* Don’t lose what we have learnt through MRFF – commercialisation; priority populations focus; commissioning approach
* Don’t lose investigator-initiated research for discovery, innovation, translation and impact
* The voices of consumers are embedded in current governance arrangements – let’s build on what is working well

# What we have heard so far

*‘Consider a staged model’*

* Consider transitional or incremental reform, to keep the sector (consumers, industry, researchers) with us, ‘gateway’ changes, and avoid accidentally losing benefits
* Any reform will require significant change and therefore change management; Models 2 and 3 will require changes in NHMRC

*‘Consider other models’*

* In the UK, the two funds focus on different parts of the research pipeline

# What we have heard so far

*‘There is a place for us’*

* NHMRC has built research capacity and capability, and supported Australia to be a global leader in research
* Consumers esp priority populations (First Nations, rural/ regional/ remote, and rare disease) value the MRFF’s focus on unmet needs
* MRFF’s additional focus on impact and diverse research teams is bringing new researchers into the system

# What we have heard so far

*‘Attracted to a national strategy’*

* It’s hard to separate governance/administration from strategy
* Need to think of the pipeline as a whole (including workforce) and how the Australian Govt can work together and with other funders
* End users (esp consumers) want a strategy focused on their needs

# Next steps

* Written submissions due via the **Consultation Hub** by 11:59pm on Friday 14 July 2023
* Following consultation period, a summary report will be publicly available
* Contact: [HMRconsultations@health.gov.au](mailto:HMRconsultation@health.gov.au)

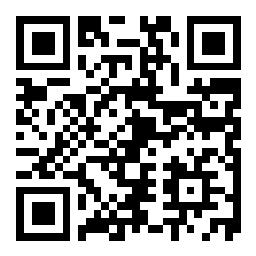
# Discussion

* How can MRFF and MREA governance structures enable consumer involvement in research governance?
* What elements of governance are working well for consumers and should be preserved?
* What could be improved?
* Are there administrative changes that could be made to enable more effective consumer involvement in research governance?

# Speaker

# Image of Dr Shyamsundar Muthuramalingam, Consumer & Community Engagement Practitioner Speaker

# Image of Dr Anthony Brown, Executive Director, Health Consumers NSW



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**Questions?**

**Thank you for attending**

