### Consultation: Improving alignment and coordination between the Medical Research Future Fund & Medical Research Endowment Account

Webinar: Improving consumer involvement in health and medical research 6 July 2023



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### Format

- Background and context
- Purpose
- Potential models
- What we have heard so far
- Next steps
- Questions

### **Questions?**



Please submit your questions via Slido.

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### Introductions



**Dr Elizabeth Deveny** Chief Executive Officer Consumers Health Forum of Australia



**Dr Anthony Brown** Executive Director, Health Consumers NSW



Dr Shyamsundar Muthuramalingam Consumer & Community Engagement Practitioner



### Introductions



**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



**Dr Masha Somi** Chief Executive Officer, Health and Medical Research Office, Department of Health and Aged Care



## **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?**

| 1 | 1 | Limited strategic coordination                               |
|---|---|--|
| 1 | 2 | Lack of clarity around different purposes of the two funds   |
|   | 3 | Operational issues   |
|   | 4 | Limited avenues for consumer involvement in research         |
|   | 5 | Lack of support for research translation & commercialisation |

## Addressing stakeholder concerns

The discussion paper summarises key concerns raised (pp. 24–25) and how the models would address them (pp. 26–30).



## 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 wellunderstood 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





### Stage 1: Improving alignment & coordination of MRFF & MREA

#### Governance

The governance arrangements (including accountability and advice) that enable effective oversight of the MRFF and MREA grant programs consistent with the national strategy.

#### **Administration**

The administrative and resourcing arrangements to deliver the MRFF and MREA grant programs consistent with the national strategy .

Orange line indicates scope of current consultation

### Stage 2: Development of national strategy

#### **National strategy**

A national strategy for health and medical research in Australia. The government's investment through the MRFF and MREA will be part of this strategy.



### **Potential models**

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

- <u>Model 1</u>: Better alignment through coordination
- <u>Model 2</u>: Management of both funds by NHMRC
- <u>Model 3</u>: 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?



- 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



'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



'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



*'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



'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



'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: <u>HMRconsultations@health.gov.au</u>



### 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



Dr Shyamsundar Muthuramalingam Consumer & Community Engagement Practitioner



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**Dr Anthony Brown** Executive Director, Health Consumers NSW



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# Thank you for attending



