



HEALTH
MINISTERS

National Health Reform Agreement (NHRA)

Long-term Health Reforms

Roadmap



The National Health Reform Agreement Long Term Reforms Roadmap was endorsed by all Australian Health Ministers at the Health Ministers' Meeting on 17 September 2021.

The Strategy may be downloaded from Federal Financial Relations website or the Australian Department of Health website.

Inquiries about the content of the Strategy should be directed to LTR.Inbox@health.gov.au.

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National Health Reform Agreement (NHRA) – Long-term Health Reforms – Roadmap

The National Health Reform Agreement

The 2020–25 Addendum to National Health Reform Agreement (NHRA) aims to improve health outcomes for all Australians and ensure our health system is sustainable. Commonwealth, state and territory governments, as parties to the NHRA, are committed to a shared long-term vision for health reform. They will work together to achieve the agreed critical priorities of:

- improving efficiency and ensuring financial sustainability
- delivering safe, high-quality care in the right place at the right time
- prioritising prevention and helping people manage their health throughout their lifetime
- driving best practice and performance using data and research.

Purpose of the reform roadmap

This reform roadmap is attached to the *Addendum to the National Health Reform Agreement 2020-2025 (NHRA)*. Commonwealth, state and territory governments are committed to this reform roadmap and its implementation.

This roadmap provides a flexible approach to achieving the priorities outlined above. It allows programs to evolve and shift direction to incorporate learnings or changes in the health landscape. Implementation of the long-term reform activities set out here will take into account each jurisdiction's circumstances. States and territories will have the flexibility to identify priority reforms and determine the scope and timing of activities to best suit local needs and support local health system diversity, readiness and funder and provider capabilities.

Key areas of reform

The roadmap includes a vision statement, aim, case for change, links to other reforms, intended outcomes, key concepts and COVID related developments for each reform area. The roadmap identifies actions, deliverables and timeframes for these key areas of reform:

- nationally cohesive Health Technology Assessment
- paying for value and outcomes
- joint planning and funding at a local level
- empowering people through health literacy
- prevention and wellbeing
- enhanced health data
- interfaces between health, disability and aged care systems

COVID-19 impact

This program of reform has commenced at a time of unprecedented change due to the impacts of the COVID-19 pandemic. The response to COVID-19 included many novel approaches to providing health services and support and will inform the implementation of these reforms. The reforms will support the COVID-19 recovery by enabling flexible, innovative and data-informed approaches to delivering health care.

Governance

Health Ministers and Chief Executive Officers of Commonwealth, state and territory health departments are responsible for implementing these reforms. A governance diagram is at [Appendix A](#).

Key partners

Key partners in implementing these reforms will include, but not be limited to, Local Hospital Networks, Primary Health Networks, Aboriginal Community Controlled Health Organisations and national bodies such as the Independent Hospital Pricing Authority, the Administrator of the National Health Funding Pool, the Australian Institute of Health and Welfare, and the Australian Commission on Safety and Quality in Health Care. Other partners will be engaged in specific implementation activities.

To implement this program of reform, the Commonwealth and states will work in partnership with Aboriginal and Torres Strait Islander communities to co-design approaches tailored to their needs. This commitment recognises and will enable Aboriginal and Torres Strait Islander leadership, local decision-making processes, co-delivery of culturally safe and secure health services, and Aboriginal and Torres Strait Islander-led evaluation.

Interdependencies

The long-term reforms build on many initiatives aimed at improving patient outcomes and experiences within the health system. These include initiatives delivered by all jurisdictions at national, state, regional and local levels. This set of health reforms takes a system-wide approach and there are critical interdependencies between the streams of reform.

The *Enhanced health data* reform is an enabler for all the long-term system wide reforms and is the first priority. Access to joined-up data that provides an end-to-end view of patient pathways will enable policymakers and governments to develop a more accurate model of the health system, to inform system design, funding and improved patient access and experiences.

The Paying for value and outcomes and Joint planning and funding at a local level reforms are intrinsically linked and complementary. The first aims to deliver system-level payment reform and will create an enabling environment for trials of flexible models of care. The *Joint planning and funding* reform will strengthen governance, funding and accountability arrangements to support better collaboration at the local level. The *Enhanced health data* reform will develop supporting data collections, overarching governance arrangements and enhance linkage capabilities to support these reforms.

The Prevention and wellbeing and Empowering people through health literacy reforms will help reorient the health system around individuals and communities and reduce the prevalence of disease, supported by the structural reforms above.

The goal of the Nationally cohesive Health Technology Assessment (HTA) reform is to increase the consistency, timeliness, efficiency and value of HTA processes nationally. This will contribute to the Paying for value and outcomes reform.

The Interfaces between health, disability and aged care systems reform will develop performance interface indicators to monitor and report on new and existing interface issues and improve governance mechanisms to resolve issues. This reform is linked to the *Enhanced health data* reform given the need to link data across systems.

Review and evaluation

Evaluation and knowledge sharing are key commitments within each reform stream. A common evaluation framework will be developed to outline expectations and methods to review reform implementation. More specific evaluation questions or scope may be required for individual activities within each individual reform as needed.

Long term reforms

Reform stream	Nationally cohesive Health Technology Assessment
Vision	Improved health technology decision-making will deliver safe, effective, efficient care that is financially viable and improves population health.
Aim	Health technology assessment (HTA) is guided by a systematic, cohesive, efficient and responsive national framework for decision making across all levels of the health system.
Case for change	<p>The Commonwealth, states and territories acknowledge that, within the constraints of limited budgets, robust and transparent prioritisation of spending on health technologies is critical for coordinated, equitable and efficient service delivery.</p> <p>The current approach to HTA to inform policy investment and disinvestment decisions in Australia is fragmented. It does not support coordinated and timely responses to rapidly changing, emerging, and disruptive technologies, including high-cost and highly specialised therapies and services. Separate HTA processes exist across all levels of the health system, and across levels of government. This duplicates effort, creates inefficiencies and inconsistent advice, and delays access to innovative and emerging technologies. Current HTA processes often focus on new or emerging technologies before they are put into practice. Processes to compare benefits and cost-effectiveness with existing technologies, and processes for disinvesting in low value care, are under-developed.</p> <p>This reform will support ongoing policy and process development for HTA, implementation, monitoring and evaluation of new technologies, including a process for decisions about disinvesting where appropriate.</p>
Links to other reforms	Increased impact of HTA on funding (investment and disinvestment) and consideration of value in decision-making will contribute to the <i>Paying for value and outcomes</i> reform.
Intended outcomes	<p>During the term of this Addendum, all parties will strive to achieve:</p> <ul style="list-style-type: none"> • nationally consistent, appropriate and evidence-based investment and disinvestment decisions • improved patient access to cost effective health technologies • improved transparency and reduced duplication of effort between HTA bodies • coordinated and timely responses to rapidly changing technologies • effective sharing of information and recommendations between jurisdictions and the Commonwealth, including consistent outputs and standardised advice • improved stakeholder engagement, understanding and public trust in the HTA process
Key concepts	HTA is the systemic evaluation of the properties and effects of a health technology. HTA addresses direct and intended effects, as well as indirect and unintended consequences. It is used primarily to inform decision making. Health technologies include tests, devices, medicines, vaccines, procedures, programs and systems.
COVID-19 related developments	The COVID response resulted in expedited assessments and approvals. This reform will explore what changes to processes supported this and what lessons may be learned to inform nationally consistent HTA practice.

Key components						
National health reform agreement commitments	NHRA clause	Deliverable	Timeframes			
			21-22	22-23	23-24	24-25
Agree consistent process for assessing and funding highly specialised therapies under the NHRA	C.11, C.12, Apx. B	Endorsed process				
Establish process to facilitate a cohesive approach to HTA nationally	C.13.a	National Committee				
Develop a national HTA framework, including processes to inform implementation, investment and disinvestment opportunities at Commonwealth and state levels	C.13.b	National framework				
Establish an information sharing platform	C.13.c	Information sharing platform				
Produce public and stakeholder guidance	C.13.d	Guidance materials				
Identify HTA workforce requirements and develop workforce framework	C.13.e	Workforce action plan				
Identify and prioritise technologies that will benefit from national level HTA	C.13.a	Agreed priority list				

Nationally cohesive Health Technology Assessment – Outcomes Map

Rationale: Australia needs a strategic, systematic, cohesive, efficient and responsive national framework for health technology assessment (HTA). The current approach to HTA to inform investment and disinvestment decisions is fragmented. It does not support coordinated and timely responses to rapidly changing technologies. Separate processes exist across all levels of the health system. This duplicates effort, creates inefficiencies and inconsistent advice, and delays access to innovative and emerging technologies. All governments acknowledge that the Commonwealth and states must prioritise spending on health technologies within the constraints of limited budgets, and do so consistently, equitably and efficiently. Improved health technology decision-making will deliver safe, effective, efficient care that is financially viable and improves population health.

Inputs

- Prioritisation matrix, templates and other tools developed by Health Technology Reference Group (HTRG)
- State and Territory HTA expertise
- Commonwealth HTA bodies (OHTA, PBAC, MSAC, PLAC)
- Existing HTA IT infrastructure e.g. OHTA IT platform, TGA, PBS, MBS & HTRG webpages

Activities

- Develop a federated approach to HTA to inform implementation, investment and disinvestment opportunities
- Review existing cross-stakeholder HTA guidance and identify gaps
- Produce public and stakeholder guidance
- Review and support HTA workforce requirements including roles, capabilities, gaps and future needs

Outputs

- A National High Cost and Highly Specialised Services Committee
- NCHTA framework with a standard set of principles and processes used by all jurisdictions to assess technologies
- A single information sharing platform to manage HTA coordination, submissions, inform stakeholders of review progress and recommendations, and host guidance
- Suite of guidance for HTA stakeholders
- HTA workforce framework identifying future requirements and direction

Outcomes

- Improved transparency and reduced duplication between HTA bodies
- Coordinated and timely responses to rapidly changing technologies
- Effective sharing of information and recommendations between jurisdictions and the Commonwealth, including consistent outputs and standardised advice
- Improved stakeholder engagement, understanding and public trust in the HTA process.
- Nationally consistent, appropriate and evidence-based investment and disinvestment decisions
- Improved patient access to cost effective health technologies
- Care delivered is safe, effective, efficient, financially viable and improves population health
- Appropriately supported and resourced HTA workforce

Reform stream	Paying for value and outcomes
Vision	The health financing system is proactive, responsive, supportive of contemporary models of care, value-based and focused on individual and community needs. Future funding models will give providers the flexibility to provide care in the right place, at the right time, by the right workforce.
Aim	State, territory and Commonwealth funding will support value and reduce duplication and fragmentation of health services, which is caused in part by multiple funding sources and programs. Providers will be rewarded for coordinating and delivering care pathways that have the best outcomes for patients in the most efficient way. A stronger focus on preventive health, early intervention, and care that is integrated across a treatment journey will lead to improved quality of care and the health outcomes that matter most to patients.
Case for change	The Commonwealth, states and territories recognise current health funding models do not adequately support and incentivise improvements in clinical care to address current and future population health challenges. The system does not provide the necessary funding flexibility and governance arrangements to address these challenges – such as managing chronic disease and an ageing population – or the responsiveness to support changing models of care. Under this reform, trials of funding and payment reform options will test how innovative funding models can best support contemporary care that leads to better patient outcomes and support.
Links to other reforms	<p>To fully realise its benefits, this reform is critically interdependent with other long-term health reforms, in particular the <i>Joint planning and funding at a local level</i> reform.</p> <p>The <i>Enhanced health data</i> reform will develop supporting data collections and overarching governance arrangements, including a primary and community care national minimum data set and patient reported outcome and experience measures. This will leverage evidence from the Atlas of Healthcare Variation, the National Clinical Quality Registry and Virtual Registry Strategy 2020-2030 and state-based programs.</p> <p>This reform will build on earlier work by the Independent Hospital Pricing Authority (IHPA) on bundled payments for specific conditions and cohorts. It will consider trials currently underway which relate to integrated care in out-of-hospital settings, pooled Commonwealth and state/territory funds, and bundled payments across a pathway of care.</p>
Intended outcomes	<p>During the term of this Addendum, all parties will strive to achieve:</p> <ul style="list-style-type: none"> • core principles for consistent outcome-focused, value-based health care measures across the health system • increased flexibility in national funding arrangements which supports more effective and efficient resource allocation and focuses on the outcomes that matter to patients • increased number of trials of innovative, flexible funding models across Australia (at state and federal level) • robust evaluations of trials and systematic sharing of the evidence • increased number of successful contemporary care models scaled up, systematised and funded recurrently to ensure benefits are realised and ongoing • improved patient-reported health outcomes and care experiences, and health care provider experiences • a reduction in inefficient health care practices (e.g. avoidable hospitalisations) and improved sustainability of health care funding
Key concepts	<p>‘Value’ is achieving the health outcomes that matter most to patients, relative to the cost of delivering those outcomes. Value encompasses and integrates many goals already sought in the delivery of health care, such as health outcomes, quality, safety, patient-centred care, efficiency in terms of cost and eliminating low value practices, and clinical process improvements. Cost is considered in terms of the full cost incurred across the course of care for a patient’s condition.</p> <p>‘Outcomes’ are the results people care about most when seeking treatment, including functional improvement and the ability to live fulfilling and productive lives. This should cover all services or activities required to successfully meet a patient’s health care needs. The outcomes that matter to patients are broad, multi-faceted and cannot be measured by a single, all-encompassing clinical or personal indicator (e.g. self-assessed quality of life, trust, comfort). Comprehensive health outcome and cost data is required to support measurement, including Patient Reported Measures (PRMs).</p> <p>The ‘Quadruple Aim’ in health care has four goals: improved health outcomes, improved patient experiences, improved provider experiences, and improved effectiveness and efficiency.</p>

Reform stream	Paying for value and outcomes
COVID-19 related developments	<p>In response to the COVID-19 pandemic, many jurisdictions expanded their use of flexibly funded models of care, such as Hospital in the Home, and innovative models of care, such as virtual care and secondary triage for residential aged care facilities, which were supported by the expanded application of MBS telehealth items. This reform will also consider the potential benefits and risks of embedding such initiatives in standard care.</p> <p>The COVID-19 National Partnership Agreement is supporting a collaborative, cross-sectoral approach to implementing responses to COVID-19 within jurisdictions.</p>

Key components						
National health reform agreement commitments	NHRA clause	Deliverable	Timeframes			
			21-22	22-23	23-24	24-25
Identify and support removal of legislative, regulatory and technical barriers to implementing innovative funding and payment approaches	C.21.b	Action plan				
Develop a funding methodology that incorporates flexible funding options within the public hospital funding model that support innovative models of care	A.101.a	Endorsed methodology				
Develop a national health funding and payments framework	C.21.a	Framework				
Trial funding and payment reforms at a program level and progress system level changes	C.21.c	Bilateral and multilateral trials				
Implement a common approach to evaluation of trials and knowledge sharing to inform further decisions about scaling of trials and future reform directions.	C21.d	Evaluation reports				

Paying for value and outcomes – Outcomes Map

Rationale: Current funding models do not adequately support and incentivise improvements in clinical care to address current and future population health challenges. Reform will give service providers and health care organisations greater flexibility to address local population needs, allowing for a stronger focus on clinical outcomes, clinical best-practice and patient equity. State, territory and Commonwealth funding will support the sustainability of the entire health system by reducing duplication and fragmentation of health services, caused in part by multiple funding sources and programs. Trials of funding and payment reform options will test how innovative funding models can best support contemporary care and achieve better patient outcomes.

Inputs

- Stakeholder views
- Technical expertise
- Government staff and resources
- Management/ governance
- Australian Health Performance Framework (AHPF)
- Health Innovation Fund (HIF) Projects
- Appropriate data and performance measures, including from Enhanced Data and Transparency and Performance reforms (e.g. Patient Reported Measures)
- Existing coordinated care reforms
- IHPA advice and expertise
- Clinician and consumer views

Activities

- Develop a National Health Funding and Payments Framework
- Develop a flexible funding methodology within the public hospital funding model
- Identify and support removal of legislative, regulatory and technical barriers to implementing innovative funding and payment approaches
- Trial funding and payment reforms at a program and system level to deliver a financially sustainable future with a focus on outcomes
- Develop a common approach to evaluation of trials and knowledge sharing

Outputs

- Framework developed and agreed by all jurisdictions
- Flexible funding methodology developed within Activity Based Funding and broader health funding model
- Revised governance structures, legislation and regulations are in place to support innovative approaches
- Innovative funding and payment models developed
- Trials of increasing scope are implemented under bilateral agreements
- Methodology and common measures for evaluation of new models of care developed
- Communities of Practice established
- Improved evidence base available to inform future reforms

Outcomes

Short-Term

- Agreed core principles for consistent outcome-focused, value-based health care measures across the health system
- Increased flexibility in national funding arrangements supports more effective and efficient resource allocation and focuses on the outcomes that matter to patients
- Increased number of trials of innovative, flexible funding models across Australia (at both state and federal level)
- Increased number of successful contemporary care models scaled up, systematised and funded recurrently to ensure benefits are realised and ongoing
- Robust evaluations of trials and systematic sharing of the evidence
- Reduction in inefficient health care practices (eg avoidable hospitalisations) and improved sustainability of health care funding

Long-Term

- Improved provider experience – clinicians are empowered to deliver coordinated care to achieve the best outcomes for patients
- Improved use of health funding across the system and greater efficiency and sustainability of allocations
- Improved integration of care across the entire patient journey, including prevention and early intervention stages
- Increase in patients reporting positive health care experiences
- Improved effectiveness, efficiency, quality and safety of healthcare delivers improved outcomes for people

Reform stream	Joint planning and funding at the local level
Vision	Better-integrated, patient-centred care will improve people's experiences and health outcomes and support equitable access to care. Integrated planning and funding of health services at a local level will support providers to plan, resource, work together, and coordinate care for patients across their treatment journey.
Aim	Local planning and service commissioning is driven by collaboration, integration and better investment decisions across care settings based on population and patient needs, with clear and shared accountability for outcomes and quality. Innovative governance models will increase flexibility and support providers to deliver value-based care according to the Quadruple Aim in health care - improved health outcomes, improved patient experience, improved provider experience, and improved effectiveness and efficiency.
Case for change	The current health system in Australia is fragmented, making it difficult for people to get well-coordinated care and leading to poorer health outcomes. The system is not well-placed to meet the needs of people with chronic or complex health and social care needs, and older, frailer people who often use a wide range of health services. Poor coordination between providers can cause confusion and duplication and make services hard to navigate.
	Despite best efforts, providers often work in isolation rather than together. Investment decisions are far removed from service delivery and there is potential for blame and cost shifting between service providers, commissioners, health sectors and levels of government. The Commonwealth, states and territories recognise there is a need for greater collaboration across care settings, support for clinicians to adopt new practices, and a joint commitment across all agencies and governments to ensure better planning and co-ordination of health services at the local level. This reform complements the <i>Paying for value and outcomes</i> reform, which supports more flexible funding arrangements.
Links to other reforms	This reform is critically interdependent with other long-term health reforms, particularly the <i>Paying for value and outcomes</i> reform, which will deliver system-level payment reforms to create a supportive environment to trial effective commissioning arrangements.
	The <i>Enhanced health data</i> reform will develop new and improved data sets (including primary and community health) and enhance linkage capabilities to support integration and local commissioning. This reform offers a mechanism to address the findings in the Productivity Commission's report on Innovations in Care for Chronic Health Conditions (2021), and the recommendations and outcomes of the Royal Commission into Aged Care Quality and Safety (2021) and the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (2023). It will leverage COVID-19 responses, existing jurisdiction initiatives and align with Commonwealth reforms to primary care.
Intended outcomes	During the term of this Addendum, all parties will strive to achieve: <ul style="list-style-type: none"> • national principles for local level commissioning to support an increase in effective collaboration between primary, community and acute health care organisations • increased number of sustainable joint planning and funding initiatives to deliver improved experiences for patients and better health outcomes at the local level • increase in patients reporting positive health care experiences, using appropriate care settings and accessing integrated care pathways • increase in provider satisfaction and engagement, and increased participation in training to improve commissioning capability • trials that demonstrate reduction in service duplication and improved efficiency
Key concepts	'Joint planning' involves various organisations collaborating to assess needs, for geographic regions and for specific populations, make decisions on what health services and health literacy and prevention measures are provided, and share accountability for outcomes.
	'Joint funding' involves using existing and new funding to support integrated care pathways, including pooled models where various funding sources may be combined. 'Commissioning' is a continual cycle to develop and implement services based on needs assessment, planning, co-design, funding, monitoring and evaluation.
COVID-19 related developments	This reform may build on relevant COVID developments including the Aboriginal and Torres Strait Islander Advisory Group on COVID-19, co-chaired by NACCHO and Commonwealth Health with all states involved, and local level PHN activities (e.g. emergency responses in Victoria and NSW).

Key components						
National health reform agreement commitments	NHRA clause	Deliverable	Timeframes			
			21-22	22-23	23-24	24-25
Identify and support reform of barriers to joint governance, needs assessment, service integration, evaluation and funding, at a national, state and territory level	C28.b	Action plan				
Agree national principles for commissioning at the local level	C28.a	National principles				
Trial, evaluate, refine and scale up joint planning and funding arrangements	C28.c	Bilateral and multilateral trials				
Address workforce matters, including capability gaps for health services commissioning	C28.d	Action plan				
Explore innovative workforce models and potential new roles for care coordination	C28.d	Defined models and roles				
Develop outcome measures, reporting and accountability arrangements shared between local organisations	C28.e	New measures				

Joint planning and funding at the local level – Outcomes Map

Rationale: The current health system is fragmented and is not well-placed to meet the needs of people with chronic or complex health and social care needs, and older people who often use a wide range of health services. Poor coordination between providers can cause confusion and duplication. Reform will drive collaboration, integration, better planning and investment decisions across care settings, with clear accountability for outcomes and quality. It will address service gaps and introduce innovative governance models to increase flexibility and incentivise providers to deliver value-based care. This aligns with the Quadruple Aim in health care – improved patient experience, improved provider experience, improved health outcomes and sustainable cost.

Inputs

- Stakeholder views
- Technical expertise
- Government staff and resources
- Management/ governance
- Australian Health Performance Framework (AHPF)
- Health Innovation Fund (HIF) Projects
- Resources for enabling activities, including workforce capability and digital health infrastructure requirements
- Baseline data on workforce, patients, population and service utilisation
- Information and communications technology
- Existing coordinated care reforms

Activities

- Develop nationally agreed principles for local-level commissioning
- Identify and support removal of barriers to joint governance, needs assessment, service integration, evaluation and funding, at a national, state and territory level
- Trial, evaluate, refine and scale up joint planning and funding arrangements
- Address workforce matters, including capability gaps for effective health services commissioning, and explore innovative workforce models and new roles to support better care coordination
- Monitor and evaluate joint planning and funding arrangements, including shared outcome measures, to determine effectiveness

Outputs

- National Principles for local level commissioning developed and agreed
- Mechanisms in place to facilitate local collaborative planning and investment decision-making, including shared reporting and accountability arrangements
- Trials of joint planning and funding models, including for specific population groups, are undertaken and evaluated
- Innovative workforce models and new roles to support better care coordination are explored
- Models are evaluated in line with minimum agreed criteria and learning is shared widely
- Workforce uses guidelines and participates in training about collaborative commissioning

Outcomes

- | | | | | | |
|------------|--|---|---|---|---|
| Short-Term | Increased effective collaboration between primary, community and acute health care organisations | Increased number of enduring joint planning and funding initiatives to define and agree on local outcomes in alignment with the Quadruple aim | Increase in patients reporting positive health care experiences, using appropriate care settings and accessing integrated care pathways | Increased provider satisfaction and engagement, and increased participation in training to improve commissioning capability | Trials demonstrate reduction in service duplication, improved efficiency |
| Long-Term | Local health organisations collaborate when planning health services and making investment decisions | Patients have equitable access to high quality integrated, person and community centred health services | Health outcomes improve for targeted populations | Clinician experience of the health care system improves | Sustainable system funding – Funding supports health system to be efficient and effective |

Reform stream	Empowering people through health literacy
Vision	Australians will be empowered to manage their own health, avoid illness, make informed health choices, engage effectively with health services, and achieve better health outcomes.
Aim	Service providers and policy makers will better support people's health literacy needs, including through strategic leadership for the health sector. The whole health system will be more responsive to individuals' health literacy needs, delivering person-centred health information, support and services to all Australians.
Case for change	The Commonwealth, states and territories recognise all Australians have a right to safe, high quality care. This is enhanced when people are informed about services, treatment options and costs in a clear and open way and are active participants in decisions and choices about their care. Health literacy is crucial to effective self-care. People with poor health literacy are less able to understand the consequences of poor health, take action to prevent or manage disease, navigate the health system or participate in their own health care decision-making. Poor health literacy can lead to higher rates of overweight and obesity, chronic conditions, hospitalisation, emergency care and adverse outcomes and disproportionately affects people from disadvantaged backgrounds.
Links to other reforms	<p>The <i>Enhanced health data</i> reform will develop quality information for consumers on health system performance, including the development and implementation of Patient Reported Measures.</p> <p>This reform will support Closing the Gap in disadvantage for Aboriginal and Torres Strait Islander people, and other vulnerable groups.</p> <p>Work to align government-funded information resources and digital platforms will align with My Health Record and Healthdirect initiatives.</p>
Intended outcomes	<p>During the term of this Addendum, all parties will strive to:</p> <ul style="list-style-type: none"> • embed health literacy standards and requirements into health care training and qualifications • increase innovation and cooperation on health literacy initiatives between governments, the health workforce, researchers, and the community • ensure people can easily access reliable, user-friendly, culturally and linguistically appropriate information and support • support patients and families to partner with their health care teams to make joint decisions about care options • promote the use of Patient Reported Measures to understand what patients value and improve patient experiences and outcomes
Key concepts	The <i>Empowering people through health literacy</i> reform is focused on creating a health system that promotes health literacy, including cultural change at the organisational and individual levels. It will take a universal approach to promoting health literacy responsiveness by recognising everyone benefits from clear, understandable, motivational (including non-stigmatising) and actionable information and that health workers are not expected to identify who has low levels of health literacy.
COVID-19 related developments	Relevant COVID developments include improved communications campaigns and the increased profile of government information resources and advice services, particularly in quality language materials and accessible formats.

Key components							
National health reform agreement commitments	NHRA clause	Deliverable	Timeframes				
			21-22	22-23	23-24	24-25	
Better align government-funded information resources and digital platforms, ensuring they are culturally and linguistically appropriate, accessible, credible and evidence-based	C.33	Reviewed health digital platforms and information resources					
Systematically measure patient reported health outcomes and care experiences	C.32	Patient reported measures framework (linked to <i>Enhanced health data</i>)					
Build workforce capability to meet health literacy needs	C.32	Workforce engagement strategy					
Make information on the performance of the health system and services more accessible	C.33	Accessible performance data					
Share evidence of the effectiveness of health literacy initiatives across governments, the health workforce, researchers and the community	C.34	Information sharing strategies and mechanisms utilised/developed					

Empowering people through health literacy – Outcomes Map

Rationale: People with poor health literacy are less able to prevent or manage disease, navigate the health system or participate in their own health care decision-making. People who are health literate are better equipped and empowered to manage their own health, engage effectively with health services, and achieve better health outcomes. Creating systems and organisations that are responsive to health literacy needs will support people to be active participants in their own health care. The health system will be more responsive to every individual's health literacy needs and deliver person-centred health information, support and services.

Inputs

- Infrastructure (including existing websites)
- Australian Health Performance Framework (AHPF)
- My Health Record infrastructure
- ACSQHC work on health literacy, standards and performance measures
- OECD Patient Reported Indicators Survey (PaRIS)
- Agency for Healthcare Research and Quality: Ten Attributes of Health Literate Health Care Organisations

Activities

- Provide strategic leadership for the sector to raise awareness of health literacy needs
- Build workforce capability to meet health literacy needs
- Better align government-funded information resources and digital platforms, ensuring they are culturally appropriate, accessible and evidence-based
- Make information on the performance of the health system and services more accessible
- Systematically measure patient reported health outcomes and care experiences
- Share evidence of the effectiveness of health literacy initiatives across governments, the health workforce, researchers and the community

Outputs

- Partnerships established with training providers to enhance education and training programs
- Government-funded resources are aligned and publicly promoted as sources of high quality, appropriate and credible information
- Indicators and measures of system and service performance are developed and clearly communicated
- Data collections include a nationally consistent approach to Patient Reported Measures (PRMs)
- Mechanisms to share evidence established

Outcomes

Short-Term

- Health literacy initiatives are nationally cohesive and include national standards for health literate organisations
- Health literacy is embedded in health workforce training and in health service design, policies and practices
- People can easily access reliable, user-friendly and culturally appropriate information and support
- Patients and families partner with their health care teams to make joint decisions about care options
- Nationally consistent approach to using PRMs informs service design and delivery
- Increased innovation and cooperation between researchers, health providers and people

Long-Term

- The health system is responsive to and works in partnership with consumers to deliver person-centred care
- Improved patient experience and outcomes, including increased uptake of health promoting behaviours, particularly among population groups at high risk of ill health
- Empowered people are informed and active participants in their own health care

Reform stream	Prevention and wellbeing
Vision	<p>Australians will live healthier lives. This reform will promote and maintain good physical and mental health and wellbeing and reduce the proportion of people living with preventable chronic conditions and delay the onset of these conditions. It will address the underlying drivers of preventable ill health – including social, economic and environmental factors – and will focus on those with greatest need. This reform will make our health system more equitable and more sustainable.</p>
Aim	<p>Primary prevention investment will be increased and invested in scalable, high-value, evidence-based innovations so Australia's health system can promote good health and wellbeing and better address preventable chronic disease.</p>
Case for change	<p>Australia is a world leader in many areas of prevention, such as reducing levels of smoking, but despite ongoing action in other areas like tackling obesity, rates of chronic disease have not reduced.</p> <p>Almost 40 per cent of the total burden of disease could be prevented by reducing exposure to the top five risk factors – tobacco use, overweight and obesity, dietary risks, high blood pressure and high blood sugar. And approximately 40 per cent of preventable hospitalisations are due to chronic disease, placing a significant burden on the health system.</p> <p>Funding for preventive health is low and varies across jurisdictions, with public health in Australia accounting for just 1.5 per cent of total health expenditure. There are ongoing difficulties in measuring impacts, outcomes, and returns on investment for preventive health activities. There are limited mechanisms to generate investment or support cross sector collaboration.</p> <p>The Commonwealth, states and territories recognise that effective prevention requires cross-portfolio action and engagement to complement existing activities. Through the NHRA, all governments have committed to increase investment in primary prevention over time in evidence-based initiatives.</p>
Links to other reforms	<p>This reform will build on the National Strategic Framework on Chronic Conditions, as well as the full range of evidence-based primary prevention activities undertaken nationally and within jurisdictions. It will support the implementation of existing commitments in development – such as the National Obesity Strategy, the National Preventive Health Strategy and the National Mental Health and Suicide Prevention Agreement.</p>
Intended outcomes	<p>During the term of this Addendum, all parties will strive to achieve:</p> <ul style="list-style-type: none"> • a shared approach to the prevention of chronic conditions, their risk factors, and their underlying drivers • removal of barriers and disincentives for prevention activities across the healthcare system to promote a better balance between prevention and treatment within the health system • increased investment (by all sources) in prevention activities, and a sustainable national prevention funding mechanism with appropriate incentives • a strengthened evidence base for primary prevention initiatives, including improved collection, linkage, analysis, access, use of prevention related data and evaluation of initiatives
Key concepts	<p>The Commonwealth, states and territories will work together to explore innovative ways to finance evidence-based primary prevention activities, including through cross sector and non-government sources. This reform will lay the foundations for increased, sustained investment in preventing disease and promoting wellbeing, including addressing the wider determinants of health.</p> <p>Cohort-specific and risk-based approaches to planning and prioritisation will be explored.</p> <p>A national prevention and monitoring performance framework will include outcomes measures and indicators to show progress. It will develop targets and outcomes specifically relating to the health and wellbeing of Aboriginal and Torres Strait Islander populations. It will also develop a consistent way to measure the cost-effectiveness of prevention investment.</p>
COVID-19 related developments	<p>Key risk factors for illness and fatalities from COVID-19 included obesity and chronic disease, highlighting the risk to our population and the urgent need for action on non-communicable disease.</p> <p>The COVID-19 response included a number of preventive approaches, including: pro-active outreach programs to support people at high risk for COVID-19, including people with disabilities; mental health and wellbeing support programs; increased support for infectious disease emergency response research; and increased telephone and online access to support and</p>

Reform stream	Prevention and wellbeing
	information. This reform will explore the potential benefits and risks of embedding initiatives such as these in ongoing programs.

Key components						
National health reform agreement commitments	NHRA clause	Deliverable	Timeframes			
			21-22	22-23	23-24	24-25
Review health system barriers to prevention	C.40.e	Action plan				
Agree a national monitoring and reporting framework, including outcomes and progress measures to inform priorities for prevention investment	C.40.a	Framework				
Develop innovative fit-for-purpose financing mechanisms for scaling primary prevention initiatives	C.40.c C.40.b	Bilateral trials				
Explore evidence-based regulatory prevention measures	C.40.d	Recommendations				

Prevention and wellbeing – Outcomes Map

Rationale: Australia is a world leader in many areas of prevention but, despite ongoing action, rates of chronic disease have not reduced. Effective prevention requires cross-portfolio action and engagement to complement existing activities. Reform will explore innovative ways of financing primary prevention activities. Governments will consider sustainable, innovative mechanisms for financing preventive health activities, including the adoption of cohort-specific and risk-based approaches to planning and prioritisation.

Inputs

- National Strategic Framework for Chronic Conditions and other key policies relevant to primary prevention
- AIHW's health expenditure data
- National Preventive Health Strategy
- National Obesity Strategy
- National Tobacco Strategy
- Existing initiatives and investments at a national and jurisdictional level
- Head of Treasury's report on health financing
- Australian Social Impact Investing Taskforce final report

Activities

- Develop a national prevention monitoring and reporting framework, with a focus on shared priorities
- Increase investment in primary prevention over time
- Develop innovative, fit-for-purpose financing mechanisms for scaling primary prevention initiatives
- Explore evidence-based regulatory prevention measures
- Review and address health system barriers to prevention

Outputs

- Data is consistent nationally
- Return on investment for primary prevention is measured
- Shared priorities are identified
- Current prevention investment are analysed
- Prevention investment is accurately measured
- Long-term target for national prevention investment is agreed
- Prevention investment is sustained and increased over the long term
- Innovative investment mechanisms for primary prevention are identified
- Investment by non-government and private sectors increases
- A review of literature and evidence, including local and international experience
- Analysis of current barriers to prevention

Outcomes

- Australia has a national agenda to address preventable chronic disease and associated risk factors
- There is an increased focus on outcomes and accountability for prevention efforts
- Investment in prevention is increasing, including investment from non-government sources
- The evidence base is strengthened for prevention measures delivered at a whole of population scale, including regulatory prevention measures
- There are increased incentives and reduced disincentives for primary prevention within the health care system
- The underlying drivers of chronic ill health – including social, economic and environmental determinants – are being addressed
- The proportion of Australians living with preventable chronic conditions or associated risk factors is reduced
- Australians with chronic conditions, or associated risk factors, develop them later in life
- Priority populations, including Aboriginal and Torres Strait Islander people, have reduced risk of developing chronic conditions
- The sustainability of the health system is improving

Reform stream	Enhanced health data
Vision	Integrated data supports better decisions which improve health outcomes and save lives. Governments, clinicians, consumers and researchers will be able to access and link richer sources of information to help deliver better care which is more targeted, person-centred and value-based.
Aim	This reform aims to ensure the data generated by Australia's health system drives better health outcomes and delivers effective, safe and efficient health care for all Australians.
Case for change	<p>Australia's data resources represent substantial investments, but there are technical and other barriers which limit realisation of the full benefits of this resource.</p> <p>The Commonwealth, states and territories recognise that integrating data across patient journeys by using various health data sets will support better planning and decision-making by governments, health services, clinicians, consumers, researchers and communities. Data linked at the person-level helps policymakers and program designers provide more consumer-focused care to drive system improvements and break down siloes. Robust health data is also essential to understanding the wider determinants of health and wellbeing.</p>
Links to other reforms	<p>The <i>Enhanced health data</i> reform is key to fully realise other long-term health reforms, including <i>Paying for value and outcomes</i>, <i>Joint planning and funding at a local level</i>, <i>Interfaces between health, disability and aged care systems</i>, and support trials of innovative models of care under the Addendum Schedule A.</p> <p>Initiatives developed under this reform will be mindful of the need for better data to accurately measure outcomes for Aboriginal and Torres Strait Islander peoples and progress toward Closing the Gap.</p>
Intended outcomes	<p>During the term of this Addendum, all parties will strive to:</p> <ul style="list-style-type: none"> • establish a national standard and risk-based approach to govern the creation, access and sharing of data across all Australian governments • remove legislative and regulatory barriers to health data linkage, access and use, while maintaining appropriate privacy standards • increase access to regularly updated linked data, including multilateral linked data, across health care settings and patient journeys • increase use of best practice health data and analytics, including linked data and patient reported measures, to better understand health service use and inform planning and service delivery • increase health workforce capability to use health data and analytics effectively • ensure appropriate data is captured and used meaningfully to support other NHRA reform activities
Key concepts	The Parties are committed to achieving comprehensive health data access, usage and sharing, while at the same time maintaining data security and preserving individuals' privacy.
COVID-19 related developments	This reform may be able to leverage COVID-19 responses to support rapid data collection for up-to-date monitoring and response, including the Australian Data and Digital Council (ADDC) Data Sharing to Support COVID-19 Recovery, the Critical Health Resource Information System (CHRIS), and changes to legislation during the pandemic to allow data sharing between agencies.

Key components						
National health reform agreement commitments	NHRA clause	Deliverable	Timeframes			
			21-22	22-23	23-24	24-25
Review data linkage and privacy legislation and regulations across Australia	C.46.f	Report				
Share information about current data systems, processes and guidelines to help inform solutions for data sharing	C.47.a					
Pilot projects for local implementation and feedback to all participants	C.47.b					
Scale up a national approach to data governance arrangements, structures and processes	C.46.a	Approach document and implementation plan	Dependent on C.46.f			
Develop a risk-based framework and standards for collection, sharing, and security of data	C.46.d	Framework and standards				
Establish Commonwealth-state patient-level primary and community health care datasets	C.46.b	Datasets				
Develop and implement a consistent approach to the collection and use of Patient Reported Measures	C.46.e	Approach document and implementation plan				
Develop a health data workforce capability framework to define roles and standards, and identify necessary skills and capabilities	C.46.c	Framework and implementation plan				

Enhanced health data – Outcomes Map

Rationale: This reform supports Australia's governments in their commitment to realise the value of public health data through greater data sharing and information access to transform healthcare, drive efficiency and safety, create productivity gains and allow better decision making. It will ensure that relevant, robust and timely data is available to the appropriate people, to support shared patient-clinician decision-making, improved service delivery, evidence-informed policy development, research and analytics, and system planning. Maintaining data security and preserving individuals' privacy will be central to the reforms.

Inputs

- Existing governance committee structures, data sharing legislation, accredited integrating authority arrangements, and bilateral data sharing agreements
- Existing data analytics hosting environments, enduring cross-jurisdictional linked datasets, and enduring cross-domain linked datasets
- Existing sharing of public hospital data, MBS and PBS data, and other national minimum datasets
- My Health Record
- Existing collaborative analytics projects and analytics training opportunities

Activities

- Share information about current data systems, processes and guidelines
- Pilot projects for local implementation and feedback to all participants
- Review relevant legislation and regulations across Australia
- Scale up a consistent national approach to data governance arrangements, structures and processes
- Develop a risk-based framework and standards for collection, sharing and security of data
- Establish Commonwealth-state patient-level primary and community health care datasets
- Develop and implement a consistent approach to the collection and use of Patient Reported Measures
- Develop a health data workforce capability framework

Outputs

- Information is shared to help inform solutions for data collection, sharing, governance and use
- Recommendations on ways to support better data linkage, access, use and ensure appropriate protections for patient privacy
- A framework for developing and sharing data between all Australian governments
- A Commonwealth-state, risk-based framework to support information security
- A framework to build health data workforce capability to undertake high quality analytics
- A Commonwealth-state patient-level primary care National Minimum Data Set and a community care National Minimum Data Set
- A framework for collection of PRMs to build national level evidence

Outcomes

- | | | | | |
|-------------------|---|---|---|--|
| Short-Term | Legislative and regulatory barriers to health data linkage, access and use are removed, while maintaining appropriate privacy standards | A national standard and risk-based approach governs the creation, access and sharing of data across all Australian governments | Commonwealth-State minimum data sets for primary care and community health are established and maintained | Appropriate data is captured and used meaningfully to support other NHRA reform activities |
| | Long-Term | Access to regularly updated linked data, including multilateral linked data, across health care settings and patient journeys increases | Use of best practice health data and analytics, including linked data and patient reported measures, to better understand health service use and inform health care planning and service delivery increases | Health workforce capability to use health data and analytics effectively increases |

Reform stream	Interfaces between health, disability and aged care systems
Vision	Better coordination between the health, primary care, aged care and disability systems will ensure people can access the services they need, when they need them and improve care outcomes for people.
Aim	People's experiences of transferring and navigating between health and social service systems will be timely, well-coordinated and streamlined, particularly for people with complex and chronic conditions and disabilities.
Case for change	The care needs of many Australians are becoming increasingly complex. Many people access multiple services across the health, primary care, disability and aged care systems. The Commonwealth, states and territories recognise they have a shared responsibility to better coordinate their services, particularly for people with chronic conditions and disability.
Links to other reforms	This reform supports the success of other NHRA long-term reforms, aligning with and expanding data projects underway by jurisdictions and the Commonwealth.
Intended Outcomes	<p>During the term of this Addendum, all parties will strive to:</p> <ul style="list-style-type: none"> • resolve interface issues quickly, consistently and sustainably • identify and address service gaps within agreed timeframes • ensure better coordination between the health, primary care, disability and aged care systems with improved consumer access and care outcomes • provide better access to the clinical and social care older people and people with disability need from the appropriate system at the appropriate time • make it easier for consumers, carers and their families to navigate the health, primary care, aged care and disability support systems to receive optimal care and support • reduce avoidable hospital presentations, time spent in hospital and discharge delays
Key concepts	The parties are committed to reducing barriers, inefficiencies and issues that impact patients who use both health and social service systems. The parties will address legislative, funding and policy issues that impede interface performance.
COVID-19 related developments	This reform will build on COVID developments, including: National Disability Insurance Agency/state data sharing Memorandums of Understanding; continuing telehealth services; in-reach support services, accessible communications and improved engagement and collaboration with disability and aged care sectors.

Key components						
National health reform agreement commitments	NHRA clause	Deliverable	Timeframes			
			21-22	22-23	23-24	24-25
Establish health, primary care, aged care and disability interface performance indicators and associated data collection and reporting	F.12	New indicators and data collection				
Monitor and analyse interface performance and effectiveness of system and interface improvement strategies	F.13.e	Framework and regular reporting				
Monitor, report on and address services gaps and the effect of policy or service changes across systems	F.13.a-d	Regular reporting Action plan				
Clarify joint governance arrangements for monitoring and resolving issues between health, aged care and disability systems	F.14	Paper				
Explore the impact of housing security, provision and assistance on people's health outcomes	F.15	Report				
Work towards consistent application/interpretation of data across systems to assist understanding of linkages between data sets, establish sharing practices, explore viability of disability identifier in health data	F.16.c	Framework and regular reporting				
Improve data sharing for serious incident/missed care across systems to provide early warning flags for all regulators	F.16.d	Framework and regular reporting				
Work towards sustainability and improved coordination of health, primary health, aged care and disability services particularly in regional, rural and remote communities	F.16.e	Regular reporting				

Appendix A – Governance

