



Special Commission of Inquiry into Healthcare Funding

ISSUES PAPER 1/2024

THE HEALTH WORKFORCE

A. Introduction

By Letters Patent issued on 23 August 2023, the Governor of New South Wales appointed Richard Beasley SC to conduct a Special Commission of Inquiry into the funding of health services provided in NSW and related matters (**the Inquiry**).

A copy of the Terms of Reference (**TOR**), as amended on 21 February 2024, are attached to this Issues Paper (**see Annexure A**).

B. Public Hearings – Issues relating to the Health Workforce (TORs F and G)

The Inquiry will hold public hearings concerning issues related to the health workforce (and in particular those issues identified in TORs F and G) across two hearing blocks.

The first hearing block will be held between **22 July and 9 August 2024** and will focus on the identification of:

- the current state and composition of the health workforce in New South Wales - in particular, medical staff, nurses, midwives, and allied health professionals (**Health Workforce**);
- the current approaches to the training, recruitment and engagement of the Health Workforce within the public health system in New South Wales; and
- current and future issues and challenges relating to the training, recruitment, engagement and retention of a sustainable Health Workforce to meet the current and future health needs of the population in New South Wales.

A more detailed summary of the issues that the Inquiry intends to examine in those hearings is set out below.

The second stage of those hearings, which the Inquiry intends to hold during **October 2024**, will focus on the identification and consideration of potential responses and solutions to the circumstances, issues, and challenges identified during the first stage of the hearings. The Inquiry will release a further discussion paper in advance of those hearings.

Issues to be explored during the hearings to be held between 22 July and 9 August 2024

The following issues have been identified for exploration during the hearings between 22 July and 9 August 2024. This list is not exhaustive and may be the subject to refinement as the work of the Inquiry continues:

Issues
The current state of the health workforce in New South Wales
1. The current number and distribution of the Health Workforce within NSW Health (however it may be engaged) including as between: <ul style="list-style-type: none">a) different NSW Health Local Health Districts and Specialty Networks; andb) different specialties/areas of practice and disciplines.
2. The identification of any shortages in the Health Workforce within NSW Health, and the reasons for them (including whether there is a wider shortage within a particular speciality/area of practice/discipline), including: <ul style="list-style-type: none">a) as between different NSW Health Local Health Districts; andb) as between different specialties/areas of practice and disciplines.
3. The capacity and capability of the current Health Workforce within NSW Health to: <ul style="list-style-type: none">a) meet the current healthcare needs of the population of New South Wales;b) meet future healthcare needs of the population of New South Wales; andc) deliver efficient, equitable, and effective health services to the population of New South Wales.
The training of the Health Workforce in New South Wales
4. The role, responsibilities, and contributions made by: <ul style="list-style-type: none">a) specialist medical training colleges (Colleges);b) universities;c) the Health Education and Training Institute (HETI);

Issues
<p>d) other training institutions or providers; and</p> <p>e) other NSW Health agencies,</p> <p>in training the Health Workforce within the public health system in New South Wales.</p>
<p>5. The relationship between the universities, Colleges, and other training institutions or providers on the one hand and the Ministry of Health, Local Health Districts, and Specialty Networks on the other hand, and the extent to which that relationship is conducive to ensuring that the number of training positions available (including the location at which training may be undertaken) supports the needs of the public health system in New South Wales.</p>
<p>6. The nature and adequacy of any planning (whether by NSW Health agencies or otherwise) in relation to the number and distribution of specialist medical training positions, doctors in training, and specialists able to supervise doctors in training, required to meet the needs of the public health system within New South Wales, including the extent to which any such planning considers population needs.</p>
<p>7. The processes and circumstances in which a NSW Health facility:</p> <p>a) may be accredited to provide specialist training by a College;</p> <p>b) may have any such accreditation withdrawn, including the impact of such withdrawal on those doctors in training at that facility.</p>
<p>8. The current number and distribution of clinical placements for medical, nursing, midwifery, and allied health students within NSW Health (including between different Local Health Districts and NSW Health facilities within those districts).</p>
<p>9. The current number, distribution and adequacy of specialist medical training positions, doctors undertaking specialist training, and specialists able to supervise doctors undertaking specialist training, including:</p> <p>a) as between Local Health Districts, and NSW Health facilities within those districts; and</p> <p>b) as between different specialties.</p>

Issues
<p>10. The causes of any inadequacies or deficiencies in the availability of specialist medical training positions, doctors undertaking specialist training, and specialists able to supervise doctors undertaking specialist training, including:</p> <ul style="list-style-type: none">a) as between different Local Health Districts, and NSW Health facilities within those districts; andb) as between different specialties.
<p>11. The opportunities for education and training to available doctors, nurses/midwives and allied health professionals:</p> <ul style="list-style-type: none">a) generally; andb) in rural, regional and remote locations, including whether those opportunities support the attraction and retention of health professionals in those locations.
Recruitment and retention of the Health Workforce in New South Wales
<p>12. The methods by which NSW Health engages the Health Workforce (whether as employees, Visiting Medical Officers, or temporary staff etc), including the procedures and protocols adopted by NSW Health in the recruitment process.</p>
<p>13. The limitations or advantages of the methods by which NSW Health engages its Health Workforce (whether as employees, Visiting Medical Officers, or as temporary staff etc).</p>
<p>14. The nature and adequacy of current policies (including any guidelines or procedures), mechanisms or incentives utilised within NSW Health for attracting:</p> <ul style="list-style-type: none">a) specialist doctors;b) doctors undertaking specialist training;c) nurses/midwives (including those in training); andd) allied health professionals (including those in training), <p>to work in NSW Health facilities in rural, remote and regional locations.</p>

Issues
15. Recruitment and vacancy rates amongst the Health Workforce within NSW Health, including the identification of any key challenges for NSW Health in filling vacant positions.
16. Attrition rates of members of the Health Workforce leaving the NSW Health. ,
17. The identification of any key challenges for NSW Health in retaining staff, including an identification of any themes or trends in the reasons why NSW Health employees elect to leave their employment.
18. The identification of any significant non-financial factors affecting recruitment and retention of the health workforce by NSW Health, including (but not limited to): a) accreditation and registration requirements; b) the availability and cost of accommodation; c) the availability of childcare and primary and secondary education; and d) workplace culture, and any differences in those factors as between various locations in New South Wales.
19. The nature and adequacy of current NSW Health approaches and policies (including any relevant guidelines or procedures) for recruiting and training internationally trained doctors (including internationally trained specialists), nurses/midwives and allied health professionals.
20. The manner in which NSW Health identifies and considers the views and satisfaction of its Health Workforce, and the current state of the relationship between NSW Health and its Health Workforce.
21. The methods by which NSW Health consults with its Health Workforce, whether by formal processes such as Medical Staff Councils or by informal processes, and their effectiveness.
22. The process and procedures that exist for the Health Workforce (however retained) to lodge complaints and disputes with NSW Health, and their effectiveness.

Issues
Industrial Awards
23. An identification of the industrial awards applicable to the Health Workforce employed by NSW Health.
24. An identification of other employment conditions applicable to the NSW Health workforce, including the use of “non-standard arrangements” (i.e. arrangements that do not conform to the applicable award).
25. The suitability of the current industrial awards and other employment conditions to enable NSW Health to recruit and retain a sustainable Health Workforce and address the needs of contemporary healthcare practice.
Visiting Medical Officers
26. The extent to which NSW Health engages Visiting Medical Officers (VMOs) within NSW Health.
27. The terms on which VMOs are engaged.
28. Whether the terms on which VMOs are engaged enable NSW Health to recruit and retain a sustainable Health Workforce.
The use of locums, agency staff and other temporary staff arrangements
29. The extent to which NSW Health engages locums, agency staff, and other temporary staff arrangements, including as between: a) different NSW Health Local Health Districts; and b) different specialties/areas of practice.
30. The circumstances that have resulted in an increased utilisation by NSW Health of locums, agency staff, and other temporary staff arrangements.

Issues
31. The terms on which NSW Health engages locums, agency staff, and other temporary staff, including the manner in which NSW Health utilises private locum and other staffing agencies.
32. The benefits of engaging locums and other temporary staff within NSW Health.
33. The limitations and challenges posed by the engagement of locums, agency or other temporary staff within NSW Health, including (but not limited) to: a) cost; b) the impact on retention and recruitment of the Health Workforce within NSW Health, including permanent staff.
34. Whether the extent to which NSW Health utilises locums, agency staff and other temporary staff supports the development of a sustainable Health Workforce, both now and into the future.

Next steps

The Inquiry will be in contact with a range of stakeholders and interested parties for the purposes of identifying potential witnesses who may be able to give relevant evidence in relation to one or more of the issues above. However, the Inquiry also invites any person, organisation or body who believes that they may be able to provide relevant evidence in relation to the issues set out above to contact the Inquiry directly at contact.hfi@specialcommission.nsw.gov.au

20 June 2024

Annexure A

Condensed Terms of Reference

This version of the Inquiry's terms of reference includes the key parts of the Letters Patent dated 23 August 2023, which were then altered and varied by Letters Patent dated 21 February 2024.

Full copies of the Letters Patent are available on the Inquiry's website (healthcarefunding.specialcommission.nsw.gov.au) and should prevail over this summary if there is any inconsistency.

The Inquiry is to inquire into and report on:

- A. The funding models used to provide health services in NSW and whether they most effectively support the safe delivery of high quality, timely, equitable and accessible patient-centred care and health services to the people of NSW, now and into the future.
- B. The existing governance and accountability structure of NSW Health, including whether:
 - i. it provides the best balance between central oversight and locally devolved decision making (including the current operating model of Local Health Districts);
 - ii. local communities are appropriately engaged in health service development and delivery;
 - iii. the governance structures best support efficient implementation of state-wide reform programs;
 - iv. privatisation and outsourcing has adversely impacted on the delivery of health services and health outcomes to the people of NSW or otherwise;
 - v. governance structures support a sustainable workforce and delivery of high quality, timely, equitable and accessible patient-centred care to improve the health of the NSW population;
- C. Whether the funding models for health services or the way NSW Health funds health services delivered in public hospitals and community settings;
 - i. incentivises the delivery of health services that provide the overall best health outcomes for the people of NSW;
 - ii. provides the best value for the costs incurred in providing such health services;
 - iii. best supports (and does not obstruct) access to preventive and community health initiatives that provide the best overall health outcomes;
 - iv. maintains a financially sustainable healthcare system;
- D. Whether the strategies of NSW Health that are in place or in the process of implementation best manage escalating costs, the limitation of wastage, minimise overservicing and appropriately identify gaps and improvements in financial accountability and efficiency;

- E. Whether the current procurement strategies and processes of NSW Health are appropriate and enhance support for operational decision making, service planning and delivery of quality and timely health care, including consideration of supply chain disruptions;
- F. The current capacity and capability of the NSW Health workforce to meet the current needs of patients and staff, and its sustainability to meet future demands and deliver efficient, equitable and effective health services, including inquiry into:
 - i. the existing skills and distribution of health workers in NSW, including whether there are shortages of workers and particular skill sets in any locations;
 - ii. the financial and non-financial factors impacting on the retention and attraction of staff;
 - iii. existing employment standards;
 - iv. the role and scope of workforce accreditation and registration;
 - v. the use of locums, Visiting Medical Officers, agency staff and other temporary staff arrangements;
 - vi. the relationship between NSW Health agencies and medical practitioners;
 - vii. whether there are opportunities for an expanded (or working to full) scope of practice for the health workforce including paramedics, pharmacists, community and allied health workers, nurses and midwives;
 - viii. the role of multi-disciplinary community health services in meeting current and future demand and reducing pressure on the hospital system;
 - ix. opportunities and quality of care outcomes in maintaining direct employment arrangements with health workers;
- G. Current education and training programs for specialist clinicians and their sustainability to meet future needs, including:
 - i. placements;
 - ii. the way training is offered and overseen (including for internationally trained specialists);
 - iii. how colleges support and respond to escalating community demand for services;
 - iv. the engagement between medical colleges and local health districts and speciality health networks;
 - v. how barriers to workforce expansion can be addressed to increase the supply, accessibility and affordability of specialist clinical services in healthcare workers in NSW;
- H. New models of care and technical and clinical innovations to improve health outcomes for the people of NSW, including but not limited to technical and clinical innovation, changes to scope of practice, workforce innovation, and funding innovation; and

- I. Any other matter reasonably incidental to a matter referred to in paragraphs A to H, or which the Commissioner believes is reasonably relevant to the inquiry.

AND FURTHER, *[the Inquiry is to]* make recommendations to address the issues raised including in relation to National structures or settings, including the National public hospital funding model and/or National Health Reform Agreement and the impact of aged and disability care in NSW public hospitals, where such recommendations would support or enhance any changes recommended by the Special Commission.

...The Special Commission may be assisted by one or more experts on matters that *[the Commissioner]* considers require expert opinion.

.... in conducting the inquiry:

- J. *[it is]* To have regard to existing reviews, reports and recommendations in relation to the national public hospital funding model and other national settings insofar as they impact on the delivery of high quality, timely, equitable and sustainable public hospital and community health services in NSW, in particular co-payments, oversight of compliance and influence of private capital on the health services market; and
- K. *[it is]* not required to inquire, or to continue to inquire, into a particular matter to the extent that you are satisfied that the matter has been or will be sufficiently and appropriately dealt with by another review, inquiry or investigation.

AND pursuant to section 21 of the *Special Commissions of Inquiry Act 1983* (NSW) it is hereby declared that sections 22, 23 and 24 shall apply to and in respect of the Special Commission...

[The Inquiry is to report no later than 26 March 2025]