Special Commission of Inquiry into Healthcare Funding

Statement of Dr Jean-Frédéric Levesque

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1. My name is Jean-Frédéric Levesque. I am the Deputy Secretary for Clinical Innovation and Research at New South Wales (**NSW**) Health and the Chief Executive of the NSW Agency for Clinical Innovation (**ACI**).

2. This is a supplementary statement to my previous statement dated 30 January 2024. This statement accurately sets out the evidence that I would be prepared, if necessary, to give to the Special Commission of Inquiry into Healthcare Funding as a witness. The statement is true to the best of my knowledge and belief.

3. This statement is provided in response to a letter of 24 May 2024 issued to the Crown Solicitor's Office and, in conjunction with my statement dated 30 January 2024 (**First Statement**), addresses the topics set out in that letter relevant to my role.

4. Further to my First Statement, I note:

    a. NSW Health and Medical Research Strategic Plan, 2012 - at paragraph 13, I stated that work is currently underway to develop a new strategic plan (**the New Strategy**) for Research and Innovation in NSW Health. The New Strategy is due to be finalised later this year, following extensive consultation with the broader health system, key stakeholders across industry, the university sector, consumers and key opinion leaders and experts.

    b. Internal consultancy function established in September 2023 – the model focusses on evidence reviews, evaluations, economic analysis and gathering experiential evidence. The selection of these services was based on reviewing the need of the

system and matching it with in house capabilities. Early evaluation of the model has demonstrated savings to NSW Health and high levels of quality. Two examples of work underway include:

i. Conducting an evidence check of digital mental health interventions for young people.

ii. Designing and delivering the interim evaluation of the NSW Cardiovascular Research Capacity Program.

c. NSW Health Artificial Intelligence Taskforce (**Taskforce**) – the Terms of Reference are now endorsed and a copy is at **Exhibit A**. The Taskforce is comprised of senior leaders and subject matter experts from across the system to inform and guide the use of Artificial Intelligence in the public health system. The Taskforce is building on the work of the NSW Department of Customer Service, translating the whole of government approach into the healthcare context, as well as aligning with the work of the Australian Government.

5. I also expand on engagement of the Clinical Innovation and Research Division (**CIR Division**) with other entities as set out in paragraph 40 of my First Statement as follows.

6. **Ministry of Health** (**MOH**) - as one of seven Divisions within MOH, the CIR Division works collaboratively with the six other MOH Divisions as system managers, in supporting the Secretary, Minister for Health and Regional Health, and Minister for Medical Research in performing their executive and statutory functions.

7. The strategic direction for this collaboration is established through peak governance structures, including the MOH Executive and Health System Strategy Group.

8. The CIR Division provides trusted advice on key programs and policy areas through utilising clinical engagement structures and expertise, and delivers statewide programs and policy review in collaboration with other MOH Divisions.

9. The CIR Division's leadership role of health and innovation precincts is an example of engagement with and across MOH Divisions. In 2023, leadership of this portfolio transferred from Health Infrastructure NSW to the CIR Division, noting the central coordination role the CIR Division has in setting strategic priorities and driving programs

in research and innovation. The CIR Division, through the Office for Health and Medical Research (**OHMR**), liaises closely with the Health System Strategy and Patient Experience Division on matters concerning capital planning and policy; with the Financial Services and Asset Management Division on the management of assets, resources, and funding; as well as Local Health Districts (**LHDs**) who are responsible for operationalising precincts locally.

10. The **Clinical Excellence Commission** (**CEC**) - the CIR Division engages with the CEC to support responses to safety and quality matters, and through partnering on clinical guidance that requires the expertise of specialist safety and quality input. This includes regular mobilising of clinicians through ACI networks to support CEC safety initiatives, with clinical audits being one example.

11. The **Cancer Institute NSW** (**CINSW**) - engagement includes partnership in delivery of research infrastructure and cancer services, and utilising cancer data (including patient reported measures, **PRM**s) to identify areas of clinical innovation and improvement.

12. The CIR Division also works closely with the CINSW through a range of programs and infrastructure to support clinical trials and cancer research. This includes co-funding opportunities and program support, and provision of policy advice. A number of emerging innovations are in the pipeline supported through this collaboration.

13. The **Health Education and Training Institute** (**HETI**) - examples of engagement with HETI include the delivery of the ACI Healthcare Redesign School, as well as partnership in the delivery of training and education resources, to support new clinical practice.

14. The **Bureau of Health Information** (**BHI**) - the CIR Division responds to published reports of the BHI, identifying new models of care and innovations to improve performance in clinical care. For example, the BHI mortality reports, which demonstrated emerging evidence regarding variation in care across the system in stroke, chronic obstructive pulmonary disease (**COPD**), and chronic heart failure (**CHF**), resulted in ACI led work in partnership with LHDs, to further explore and reduce unwarranted clinical variation. For CHF and COPD, this work was then progressed through the Leading Better Value Care program. For stroke care, a number of initiatives were identified to improve access to hyper acute stroke care, including Telestroke, which focused on improving access and rates of re-perfusion therapies such as thrombolysis and endovascular clot retrieval.

15. **eHealth NSW** - the CIR Division collaborates closely with eHealth NSW in identifying the clinical drivers and business needs for digital technologies and harnessing clinician expertise in the design and delivery of digital technologies. The Health Outcomes and Patient Experience (HOPE) platform, a secure web-based platform used to house and manage PRM surveys is one example. eHealth NSW and the ACI have worked closely together on the delivery of this platform, with eHealth NSW responsible for the software development and maintenance, and ACI responsible for the clinical engagement, implementation and adoption.

16. **LHDs** - noting the role of the MOH in system management, the CIR Division works closely with LHDs, through both the ACI and OHMR, in delivery of programs, initiatives, and support. This is supported through a range of communication platforms and governance structures, including, but not limited to, the Senior Executive Forum, Health System Strategy Group, Directors of Research Committee meetings, Innovation Executive Strategic Committee meetings, as well as the Health System Advisory Council, to maintain engagement and consultation in the consideration of new models of care and clinical innovation.

17. Terms of Reference for the Directors of Research Committee and the Innovation Executive Strategic Committee are at **Exhibit B** and **C** respectively.

A. IDENTIFICATION, DEVELOPMENT AND IMPLEMENTATION OF NEW MODELS OF CARE AND CLINICAL INNOVATION

18. My First Statement dated 30 January 2024 addresses this topic relevant to my roles.

19. Paragraph 47(b) of my First Statement refers to the "Principles of developing models of care". This document is undergoing final approval, following system-wide consultation.

20. In relation to funding arrangements, as set out at paragraph 94 and 95 of my First Statement, the system does not have an innovation fund to scale new models nor a strong mechanism to embed innovations that have been proven to be good value into business as usual. Due to fixed costs relative to activity, it is not always possible for a LHD to commit to a new model of care as business as usual once the central funding

ceases. There is also scope for ACI to further assist local leaders with business cases at the spread and scale stage, including translational research grants.

21. Further examples of this work in practice and **new models of care in use or under development** are set out below.

22. The **Emergency Care Assessment and Treatment (ECAT)** program- referred to at paragraph 51 of my First Statement - is a new model of care currently under development, which will support the delivery of evidence-based nurse-initiated care by emergency nurses across NSW public hospitals. The ECAT program has four main components:

    a. the development of protocols led by the ACI.

    b. an education and training pathway co-designed with HETI.

    c. implementation support via the ACI and LHD/Specialty Health Network (**SHN**) project leads.

    d. an electronic solution supported through eHealth NSW.

23. With LHDs and SHNs expected to go-live with ECAT protocols by the end of June 2024, implementation support has been enhanced to support go-live processes. This has included dedicated project staff within the Emergency Care Institute of the ACI, as well as specialist implementation and project support mobilised from teams across ACI. This has been scaled up where needed to support high activity periods. LHDs have been provided with funding via MOH for ECAT project leads to support local activities and readiness for change.

24. The **spinal cord injury model of care** work is under development. This was referred to at paragraph 56 of my First Statement. This work was initiated following an identification of need through the State Spinal Cord Injury Service and escalation through the MOH Executive. A number of activities have ensued following this identification, including an update of the evidence (**Exhibit D**); creation of an advisory group with broad representation from across MOH, clinical services and ACI; extensive system wide consultations; production of a draft pilot hub and spoke model of care; completion of dynamic simulation modelling; and a series of co-design workshops. The Spinal Cord Injury Service is currently working with MOH to develop a case for funding for staged implementation of a hub and spoke model, based on system need.

25. **Menopause services** – paragraph 57 of my First Statement refers to menopause services, funded through a 2023/2024 State Government commitment to improve access to expert advice for women experiencing severe or complex menopause symptoms and address associated health risks. The ACI is leading the design and implementation of alternate models of care, with fifteen LHDs and one speciality health network, integrating a network of 12 referral sites and four specialist hubs. All hubs and referral sites will have a care coordinator to support triage, assessment, and treatment across their specific services.

26. All LHDs have a nominated lead who participates in the ACI implementation working group to localise the statewide model. MOH provided seed funding to LHDs in August 2022 and additional annual funding has been provided to hubs and referral sites over four years. Additionally, ACI hosts the LHD teams to come together once a month to learn from others about the experience in setting up the specialised hubs.

27. To expand capability in primary care and ensure appropriate referrals to the outpatient services, ACI also supports the MenoECHO, an online case-based learning platform facilitated by an expert clinician, and is also supporting local teams to build local General Practitioner (GP) case conferencing models and a GP referral phone line. ACI has also established a Menopause Aboriginal Working Group to advise statewide services on how to create a culturally appropriate service. The additional ACI offerings include dedicated cluster workshops, drop in sessions for targeted advice and guidance, patient journey mapping, and act as a conduit to MOH.

28. **Rehabilitation model of care** - building on earlier work, in 2023 the ACI established a Clinical Advisory Group to update the NSW Rehabilitation Model of Care (Rehabilitation MOC), published in 2015. This work has included a diagnostic phase, a consultation period of workshops with clinicians and managers across the system, as well as ongoing discussion with key stakeholders and comparable jurisdictions. Whilst still being finalised, the revised Rehabilitation MOC will provide guidance for local implementation, based on service and population need, for use by local services and services planners within LHDs, to inform their models of care going forward, within existing funding arrangements.

Prioritisation of innovations

29. As set out at paragraph 110(c) and (d) of my First Statement, systematic capture of promising local innovations or models of care, assessment and prioritisation, and scaling, is a work in progress of the newly created CIR Division.

30. The current system level processes are:

    a. The *ACI prioritisation toolkit* (**Exhibit E**), which provides guidance for the prioritisation of innovations and work of the ACI in alignment with the ACI Strategic Plan. Further work is being done on this toolkit at present, in development of a prioritisation matrix that will provide a clear and standardised method for evaluation and ranking of ACI initiatives. Considering strategic alignment, target audience, costs, risk, value and impact, this matrix will provide an objective score for ranking to support operational planning.

    b. The ACI "Innovation Exchange" as set out in paragraph 68(b) of my First Statement.

    c. Existing governance forums and structures previously identified, include:

        i. Participation in MOH led structures such as the Senior Executive Forum, Health System Strategy Group, MOH Executive.

        ii. Leadership of the Health System Advisory Council, as well as the Clinical Co-Chairs' regular informal meeting. The purpose of this meeting is to foster collaboration and shared learning on models of care and innovation.

        iii. Leadership of the Directors of Research Committee and Innovation Executive Strategic Committee meeting.

        iv. The School for Healthcare Redesign where a majority of innovations eventually brought to scale are first developed by LHD teams.

        v. In many clinical areas, the ACI also has steering groups with broad system representation, such as through the Surgical Care Network, where each of the LHD and SHN Directors of Surgery and equivalent

roles are represented on the Surgical Network meeting and discuss system issues and potential new models of care.

B. IDENTIFICATION, DEVELOPMENT AND IMPLEMENTATION OF CLINICAL AND/OR TECHNICAL INNOVATIONS

31. My First Statement addresses these topics relevant to my roles.

32. The CIR Division, through the ACI and OHMR, has robust grant frameworks and guidelines, to inform assessment, prioritisation, selection and funding of technical innovations.

33. Examples of such programs include:

    a. The Medical Research Support Program (**MRSP**), which provides $40 million per annum. The MRSP is the NSW Government's leading program for health and medical research investment, and provides support for the indirect costs of research based on success in competitive National Health and Medical Research Council grant schemes.

    b. The Medical Devices Fund (**MDF**) and Commercialisation Training Program, which provides funding of $9.5 million per annum. The MDF is a competitive technology and commercialisation program funded by NSW Health through the OHMR, which aims to progress new and innovative medical devices and related technologies in NSW towards commercialisation.

    c. Translational Research Grants Scheme (**TRGS**), which provides $5 million per annum. TRGS funds research projects that will translate into better health outcomes, health service delivery, and population health and wellbeing. Examples were provided at paragraph 49 in my First Statement.

    d. ACI seed funding, which supports small research grants. On average this equates to $90,000 - $120,000 per year.

(i) Artificial intelligence

34. Across NSW Health, several Artificial Intelligence (**AI**) based initiatives are already in place facilitating delivery of better wound care, simplifying complex data analysis, and saving time by automating repetitive processes or reviewing volumes of cardiology literature to aid in clinical decision-making.

35. A dedicated NSW Health AI Taskforce has been established to help inform and guide the safe and effective use of AI in the public health system. I co-chair the AI Taskforce with the Acting Chief Executive of eHealth NSW, and Chief Information Officer, NSW Health.

36. Comprising approximately 25 subject matter experts and senior leaders from across NSW Health, the AI Taskforce is supported by working groups to develop an AI Framework for release in 2024.

37. The AI Framework will encompass important elements such as governance, communication, skills and capability, assets and intellectual property, data governance, and align with national and state government frameworks.

38. The NSW Government Artificial intelligence assurance framework is mandated for use in all government agencies, and a copy is at **Exhibit F**. The NSW Health Framework will build on this process, including additional requirements for the NSW Health context. The NSW Health Framework will also build on existing NSW Health and Government processes for the assessment of technological innovations, including the Department of Premier and Cabinet unsolicited proposals process, NSW Health New Technologies and Specialised Services Framework, and eHealth NSW Capability Assessment process.

(ii) Virtual and digitally enabled care

39. The ACI works in partnership with LHDs, SHNs, pillars, eHealth NSW and MOH to support the ongoing adoption and implementation of innovative virtual care services across NSW.

40. myVirtualCare is one example, which is NSW Health's custom-built web-based videoconferencing platform, designed to help patients, their family and carers, and healthcare providers to access and manage care. Released in September 2020, the myVirtualCare platform has over 1000 clinical rooms that have supported over 527,000

consults, with ACI providing 13,122 clinicians formal training to use the platform during this time.

41. Other innovations in this space include the HOPE digital platform, the Information system for trauma, retrieval and critical care (iTRACC) system helping to manage blood-related products, the electronic Clinical Quality Registry (eCQR) prototype and clinical-specific applications aiming at supporting patients' care at home.

(iii) Other clinical and/or technical innovations

42. The Clinical Trial Management System (**CTMS**) is a new software innovation introduced in 2023 to support the delivery of clinical trials across the health system. The system manages the planning, performing and reporting functions, and maintains participant trial information, tracks deadlines and milestones for streamlined trial management. The electronic infrastructure of the CTMS system will assist the state's clinical trials sector through reduced administrative burden, increased visibility of clinical trial activity, and improved financial management.

43. Other innovations have been identified and are currently being supported in implementation through partnership and support of federal initiatives. These examples include:

    a. The Rural, Regional and Remote clinical trial enabling program, supported through funding from the Australian Government under the Medical Research Future Fund, which together with 34 state and national partners across health, research, private and community sectors, as well as ACT Health, will deliver increased and more equitable access to clinical trials for patients in rural, regional and remote NSW and the ACT.

    b. PrOSPeCT, a $185 million investment comprising $61.2 million from the Australian Government as part of the Modern Manufacturing Initiative and $25 million from the NSW Government, as well as other industry partners. Over 25 months, due to conclude in late 2025, PrOSPeCT's Cancer Screening Program will provide genomic profiling to 23,000 Australians with advanced of incurable cancers and identifying potential matches for patients to clinical trial with new targeted therapies. In its first year, the program has enrolled 4606 patients, with almost half from NSW.

C. FUTURE DIRECTIONS

44. In paragraph 109 of my First Statement, I touched on challenges in implementing, funding and scaling innovation. The consultation undertaken to date through the NSW Health Research and Innovation strategy has cemented this thinking, as well as identified further challenges and areas for prioritisation in the development of the New Strategy and future direction of the CIR Division, including:

a. More tactical support and oversight in implementation of research and innovation priorities, including the identification of innovations or models of care that represent "game-changers", as well as the implementation of metrics and key performance indicators, to set objectives and drive performance with LHDs.

b. Further workforce development, to support capacity building in research and innovation career pathways. This includes attracting, retaining and developing the current and future workforce and creating a culture of research and collaboration.

c. Greater opportunities to mobilise assets to further drive innovation scalability. For example, leveraging data assets and digital technologies.

d. More strategic consideration of funding opportunities, including collaborative funding models across Departments or with Industry.

e. Greater coordination across the research and innovation pipeline, improving pathways for research translation, with a focus on patient outcomes.

f. Enabling policies and culture to address current and future challenges for research and innovation, including collaborative procurement opportunities and improving timely access to data to improve research efficiencies.

45. As set out above and in paragraph 113 of my First Statement, the creation of the new CIR Division in February 2023, integrating ACI and OHMR, provides a greater opportunity to bolster clinical innovation and research along the continuum from basic science to system transformation. There are also opportunities for greater linkages between the delivery arm of NSW Health and the innovation arm, however to date there is no jurisdiction who has fully achieved this.

46. The delivery of the new NSW Health Research and Innovation Strategy provides an opportunity to build on the strengths of the CIR Division, further complementing the Ministry of Health structure and broad system design, and delivering on the priorities and challenges addressed in my current and previous statement.

Jean-Frédéric Levesque

19 JUNE 2024

Date

Witness: Lucy Tillotson

19 June 2024.

Date