Special Commission of Inquiry into Healthcare Funding

Statement of Luke Sloane

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Occupation:	Deputy Secretary, Regional Health

1. This statement made by me 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.

A. BACKGROUND

2. I am the Deputy Secretary, Regional Health, of NSW Health. I commenced this role in July 2023 and oversee the Regional Health Division of NSW Health. Prior to that I was the inaugural Coordinator General, Regional Health, a position established in April 2022.

3. I have worked for NSW Health for over 20 years in a range of senior nursing and midwifery, safety and quality, and executive roles. I was NSW Health's Executive Director for System Management, which involved leading system performance, safety and quality, and support for the COVID-19 pandemic response at a system level. A copy of my CV is exhibited to this statement (Exhibit 11 in the NSW Health Tranche 4 Consolidated Exhibit List).

4. The purpose of the Regional Health Division (**the Division**) is to strengthen and promote regionally-based, patient-centred approaches to the delivery of health services to improve health outcomes and access to healthcare for people living in regional NSW.

5. As a division of the Ministry of Health, we work collaboratively with other Divisions of the Ministry of Health working across all portfolios on matters relating to regional healthcare, and with regional Local Health Districts (**LHDs**) and stakeholders to progress regional initiatives, with a key focus on community engagement, regional workforce, contribution to primary care reform and access to patient transport and staff accommodation.

6. The Division provides accurate, consistent, and timely information to the Minister for Health and Minister for Regional Health about regional health initiatives and issues, and the delivery of health services in regional NSW. The Division is committed to keeping all stakeholders informed and engaged through the provision of regular updates to key

stakeholders, including the Minister, on the delivery of key projects and examples of collaboration and innovation that demonstrate the connectedness of the NSW Health system.

7. My role also encompasses the creation and oversight of the Regional Health Strategic Plan 2022-2032 (**RHSP**) and the RHSP Priority Framework, copies of which is exhibited to this statement (Exhibit B.23.24 and MOH.0001.0372.0001, and Exhibit 149 in the NSW Health Tranche 4 Consolidated Exhibit List, respectively), and oversight of NSW Health's response to the Legislative Council Portfolio Committee No. 2's Report *Health outcomes and access to health and hospital services in rural, regional and remote New South Wales* dated May 2022 (**Rural Health Inquiry**).

8. Just over a quarter of the people in NSW live outside the three major cities of Sydney, Newcastle and Wollongong. Regional NSW is characterised by its diversity. It is made up of major regional centres and coastal cities, small towns and rural and remote communities. Rural and remote communities are assessed against the Modified Monash (**MM**) scale, which measures remoteness and population size on a scale of categories MM 1 to MM 7, MM 1 being a major city and MM 7 being very remote. Rural and remote communities classified as MM 3 to MM 7.

9. The nine regional LHDs are:

   a. Central Coast

   b. Far West

   c. Hunter New England

   d. Illawarra Shoalhaven

   e. Mid North Coast

   f. Murrumbidgee

   g. Northern NSW

   h. Southern NSW, and

   i. Western NSW.

10. In addition to the above, there are two metropolitan LHDs which have regional hospitals within their LHD:

    a. South Western Sydney, and

    b. Nepean Blue Mountains.

11. An important part of my role, and the work of the Division, is engagement with local communities, governments and health providers across regional NSW. There are currently 228 health facilities in NSW, of which 185 are regional health providers ranging from large regional referral hospitals to two bed multi-purpose services and community centres. I have worked with all regional LHDs since the commencement of the Division, including visiting more than 160 of the regional facilities in the State, connecting with healthcare workers and partners in healthcare, and advocating for regional, rural and remote communities in NSW. This is consistent with the place-based focus of the role: to understand the context of regional health and communities.

B. SCOPE OF STATEMENT

12. This statement addresses Term of Reference B concerning the governance and accountability structure of NSW Health, but on direction from the Inquiry does not address workforce governance, which I understand is to be dealt with at a future hearing.

13. I understand other statements will address corporate, clinical and financial governance, and audit and risk management requirements that regional LHDs are otherwise subject to, including the legislative and policy framework.

14. This statement discusses the additional governance structure of the Division, and its role in in relation to the nine regional LHDs identified above.

C. REGIONAL HEALTH DIVISION

15. The establishment of the Division in April 2022, and my appointment as Coordinator General with a direct reporting line to the Secretary, NSW Health, recognised the importance of regional health as part of the NSW Health system. The position was designed to bring a regional voice and representation directly to the Executive of NSW

Health so that the significance of regional health and governance can be integrated across all levels of the system.

16. The current NSW Government made an election commitment to appoint a Deputy Secretary for Regional Health, accountable for implementing the recommendations from the Rural Health Inquiry and driving reform to improve health outcomes. This election commitment resulted in the re-classification of my previous role to a Deputy Secretary, Regional Health. I was appointed to the position in July 2023. I expand on the governance mechanisms that enable this to occur below.

17. I provide advice to the Minister for Health and Minister for Regional Health, the Secretary, NSW Health and Ministry Executive on matters relating to health in regional communities, including:

    a. strategies, priorities or measures that may help improve health outcomes for regional communities.

    b. promoting innovative and integrated approaches to the delivery of health services in those areas so as to improve the quality and sustainability of, and access to, health services in those areas

    c. identifying opportunities to strengthen and align health workforce training in those areas, and

    d. strengthening and promoting regionally-based, patient-centred approaches to the delivery of health services in those areas that take into account the needs of the communities, families and individuals in those areas.

18. The Division integrates with other functions in the Ministry rather than replicate those functions with respect to regional LHDs, often through the inclusion of myself or members of my Division in various committees and groups, across both the Ministry, LHDs, and other arrangements. The key committees and groups that I am a member of are set out at paragraph 23 below.

19. In 2022, NSW Health developed a 10-year plan for future needs of the NSW population titled Future Health. The *Future Health Report* (Exhibit A.14, SCI.0001.0010.0001) and *Future Health Strategic Framework* (Exhibit A.15, SCI.0001.0011.0001) set out NSW Health's strategic outcomes and the key objectives required to achieve those strategic outcomes. Relevantly, one of those strategic outcomes was for the health system to be

managed sustainably with an outcomes-focussed lens to deliver a financially and environmentally sustainable future. The objectives to meet with outcome were identified as:

a. drive value-based healthcare that prioritises outcomes and collaboration

b. commit to an environmentally sustainable footprint for future healthcare

c. adapt performance measurement and funding models to support targeted outcomes, and

d. align our governance and leader to support the system and deliver the outcomes of Future Health.

20. The Division works closely with the Enterprise Program Management Office (**EPMO**) in the Office of the Secretary to collect action updates for both the RHSP defined and Future Health.

21. The Health System Strategy and Patient Experience Division, overseen by Deputy Secretary Deborah Willcox, is responsible for the Future Health Strategy and I (either in person or via proxy by a member of the Division Executive) am a member of all six Strategic Outcome Steering Committees, ensuring the close integration with that Strategy and the work of the Division.

D. GOVERNANCE MEETINGS

22. In my capacity as Deputy Secretary, Regional Health I attend all key Ministry of Health governance meetings, allowing me to bring a regional perspective to discussions and to advocate for regional communities.

23. The Division is also integrated into the NSW Health system through my membership of committees, including the following key committees:

a. Senior Executive Forum (**SEF**)

b. Ministry Executive Meeting

c. Regional Health Ministerial Advisory Panel (**RHMAP**)

d. NSW Aboriginal Health Transformation Committee

e. Measurement Intelligence Council, and

f. NSW Health Systems Advisory Council.

24. The Division operates formal meetings through the Regional Health Committee (**RHC**) and the Regional Health Plan Steering Committee (**Steering Committee**), which are responsible for the governance and endorsement of the RHSP strategic objectives.

25. The RHC is part of the NSW Health's governance structure focused on the strategic leadership of the NSW regional and rural health system. The purpose of the RHC is to support and enhance healthcare in regional, rural and remote communities, and across NSW. The RHC represents regional LHD interests, advocates for innovation and locally informed strategies and solutions, and builds statewide systems and mechanisms to support place-based approaches to healthcare in communities.

26. The RHC meets every month to discuss key issues and areas of work including the reporting against the RHSP. Membership includes all Chief Executives from the nine regional LHDs and Ministry of Health Executive.

27. The Chair of the RHC is one of the nine regional Chief Executives and changes at the beginning of each calendar year. The current Chair is Brad Astill, Chief Executive, Far West LHD. Nominations for the Chair are called for at the end of each calendar year and the Chair is selected following consensus from all Chief Executives. The Division provides secretariat for the RHC.

28. The Steering Committee guided the development of the RHSP. The Steering Committee has an ongoing role to consider any issues or risks that may impact on the successful implementation and delivery of the RHSP, review communications and messaging, assist in the development of delivery roadmaps, champion and promote the RHSP, and support the implementation monitoring, reporting and evaluation.

29. The Steering Committee has representation from clinical, operations and management areas of LHDs, representatives from key partners across other NSW government agencies and representatives from community and partner organisations to achieve a diversity of contribution in developing the RHSP.

30. The RHMAP was established in 2022 by the former Minister for Regional Health to strengthen community engagement and foster genuine co-design principles in the development of healthcare in regional NSW. The members' terms concluded on 31 July 2023.

31. The current RHMAP was announced in October 2023.

32. The RHMAP plays an important role in advising the Minister for Health and Minister for Regional Health, and the Secretary of opportunities and solutions to improve healthcare, hospital and support services in regional NSW. The RHMAP has 10 appointed individual members with a range of backgrounds (including gender, age, culturally and linguistically diverse, and workplace experience) and regions of NSW, plus five ex-officio roles, and is chaired by Richard Colbran PhD, Chief Executive Officer of NSW Rural Doctors Network. It was established through an Expression of Interest and governance process involving the Ministry and appointment through Cabinet. The five ex-officio roles are held by the Deputy Secretary, Regional Health, the Secretary, NSW Health, the Deputy Secretary, People, Culture and Governance, the Cross Border Commissioner and the RHC Chair.

33. The Minister for Regional Health's three key priority focus areas for the RHMAP are regional workforce, implementation of the Inquiry recommendations, and Aboriginal health.

34. The Bilateral Regional Health Forum (**BRHF**) facilitates discussion and common interests between the Australian and NSW Governments to effect improvements to health outcomes and access to health services in regional, rural and remote New South Wales.

35. The BRHF involves the Commonwealth Assistant Minister for Regional Health meeting with Minister for Health and Regional Health and respective officers.

36. The BRHF focuses on priority areas of common interest in regional, rural and remote health including access to primary care, aged care, First Nations and mental health services; health workforce, education and training; health service delivery and opportunities to address service provision; and the effectiveness and impact of key initiatives to improve regional health care and the alignment of governance structures to support the delivery of key initiatives. The Single Employer Model (**SEM**) and both the Pharmaceutical Benefits Scheme (**PBS**) and Medical Benefits Scheme (**MBS**) reform has also been an agenda item at the BRHF, given the need to obtain Commonwealth agreement and exemptions. The emerging areas of priority, identified through consultation with Australian and NSW Government representatives, are also included where appropriate.

37. A joint communique is published on the NSW Health website after each BRFH.

38. The BRHF agenda planning process includes representatives from the Division and the Commonwealth, with joint responsibility for the identification and development of agenda papers as well as managing the progress of actions identified through the forum.

39. The Division works with the Department of Regional NSW on projects and programs, and the department is represented on the Steering Committee.

40. I meet with the Cross Border Commissioner in the Department of Regional NSW and recently attended the ACT-NSW Senior Officials Dialogue in Canberra, a forum intended to progress priorities under the ACT-NSW Memorandum of Understanding for regional collaboration.

41. NSW Health works with the Department of Regional NSW to mitigate the impacts of drought on regional communities and has supported the Department of Regional NSW to develop the NSW Drought Strategy. The Division also takes part in the NSW Drought Community of Practice, convened by the Department of Regional NSW.

42. NSW Health participates in the Department of Regional NSW's place and strength-based Whole of Government Steering Committee, which is a focused project operating in partnership with communities of Walgett, Wilcannia, Moree and Boggabilla/Toomelah.

43. NSW Health and the Department of Regional NSW are collaborating to strengthen key worker accommodation in regional communities and are supporting the transition of the project from the Department of Regional NSW to the new Homes NSW agency.

44. The departments work together at a project level to share data and insights on regional communities, where appropriate and practical, to improve efficiency and reduce duplication.

E. NSW REGIONAL HEALTH STRATEGIC PLAN 2022-2032, PRIORITY FRAMEWORK AND PROGRESS SNAPSHOTS

45. The RHSP has been developed to support the specific health needs of regional, rural and remote communities and will guide NSW Health's strategic focus for regional health for the next 10 years.

46. The Division has worked with LHDs, consumers, community members and an extensive stakeholder network to undertake comprehensive consultation to inform the RHSP, with a focus on community engagement, regional workforce, primary care reform and access to transport and accommodation.

47. In addition, the Division led targeted consultation with NSW Government agencies, and across NSW Health including with other areas within the Ministry of Health, LHDs and Specialty Health Networks, Pillars and statewide specialist health services. Submissions were also sought from health workforce groups, local councils, and Aboriginal Medical Services. More than 60 submissions were received as part of this targeted consultation.

48. The RHSP aligns with and supports the Future Health strategy, while addressing issues that are specific to regional, rural and remote communities.

49. Strong feedback from stakeholders including LHDs, consumers, community members and extensive stakeholder network noted that the Plan should include specific priorities for regional health including integrating primary, community and hospital care, and keeping communities informed and engaged.

50. Consultation undertaken in developing the RHSP included the following:

    a. Developing the initial framework of the Plan (June - July 2022)

    b. Consulting on the framework (August – November 2022), and

    c. Targeted consultation and submissions.

51. In relation to developing the initial framework:

    a. more than 1,600 people from across NSW participated in 68 initial consultation sessions during June and July 2022, and more than 2,000 people completed an online survey. The sessions drew on the experiences and insight of community organisations, health staff, local councils, Primary Health Networks, professional associations, training organisations, government departments and agencies, non-government organisations, Aboriginal Community Controlled Health Organisations, charities, affiliated organisations and health service providers, volunteers, community members, carers and consumers.

    b. Bendelta and NSW Health (led by Regional Health Division) consultation: Bendelta Pty Ltd were engaged to work with NSW Health to hold consultation sessions with staff, community, consumer and patient representatives and service delivery partners. The sessions were run by Bendelta and staff from the Regional Health Division and HETI. Approximately 1,520 people participated in a total of 48 sessions held during June-July 2022 including:

i. 38 sessions (approximately 30 virtual and 8 face-to-face/hybrid) across nine local health districts (Central Coast, Far West, Hunter New England, Illawarra Shoalhaven, Mid North Coast, Murrumbidgee, Northern, Southern, and Western). Approximately 990 people participated in the LHD consultations.

ii. 6 virtual consultation sessions with specialty health networks, pillars, shared services and Ministry branches. Approximately 390 people participated.

iii. 9 virtual sessions with approximately 140 external stakeholders covering a broad range of groups including professional organisations, research and training entities, non-Government organisations, aged care, local councils, consumer representatives, Aboriginal health providers and Primary Health Networks.

c. Aboriginal consultation led by 33 Creative: NSW Health engaged 33 Creative, an Aboriginal owned media and events agency which conducted 4 virtual consultations with 39 regionally based Aboriginal community members and Aboriginal NSW Health staff.

d. Regionally based patients and general public consultation conducted by Faster Horses: NSW Health engaged Faster Horses who ran 14 group interviews with 79 regionally based patients and the general public, and 8 in-depth interviews with people with disability, LGBTIQA+ and CALD people within the regional community, plus carers and refugees in regional areas.

52. Regarding consulting on the framework (August – November 2022):

a. a draft strategic framework was developed following the consultations which also included the findings and recommendations of NSW Parliament's inquiry report.

b. 'Have your say' Consultation - the proposed vision, priorities and actions was hosted on the NSW Government platform 'Have your say' for three weeks in October 2022 to gather further community feedback before the NSW Regional Health Strategic Plan (the Plan) was developed. More than 4,200 people visited the site. Of those who visited the site 1,524 people answered the survey questions and 677 people responded to the quick poll to provide their thoughts and ideas about the Plan.

53. In addition, the Division led targeted consultation with NSW Government agencies, and across NSW Health including with other areas within the Ministry of Health, local health districts and Specialty Health Networks, Pillars and state-wide specialist health services.

54. Submissions were also sought from health workforce groups, local councils, and Aboriginal Medical Services. More than 60 submissions were received as part of this targeted consultation.

55. The RHSP has also deepened its focus on the challenges faced by Aboriginal people in accessing safe, high quality, timely and culturally appropriate health services. There will be ongoing collaboration in the planning, delivery, monitoring, reporting and evaluation of the RHSP and Future Health to focus efforts on shared outcomes and ensure alignment.

56. The RHSP is complemented by a Priority Framework which sets targets for the first time horizon (1-3 years). The Priority Framework differs from the RHSP as it focuses on the first time horizon, includes current investment and initiatives against each of the six priorities, and includes targets for the first horizon. Delivery Roadmaps guide implementation for three time horizons at three, five and 10 years. The first Delivery Roadmap (2022-2025) was developed in consultation with Ministry of Health branches, pillars and state-wide health agencies. It was endorsed by all Deputy Secretaries and approved by the Secretary. The Delivery Roadmap includes:

    a. A detailed action plan against the deliverables identified in the RHSP, including responsibility for actions.

    b. A measurement and evaluation framework has been developed to monitor indicators and targets identified throughout the Delivery Roadmap when they align to the priorities and strategic objectives.

    c. 68 actions that respond to the 44 recommendations in the report of the Parliamentary Inquiry into Health outcomes and access to health and hospital services in rural, regional and remote NSW.

57. The measurement and evaluation framework is designed to be adaptable, and measures will be adjusted over time to ensure reporting is against indicators most relevant to objectives and outcomes of the RHSP, with in-depth evaluation to occur at the end of three, five and 10 years of the plan.

58. Progress against the six strategic priorities of the RHSP is reported through six-monthly Measurement and Activity Reports, prepared for the RHC and the Steering Committee.

59. The Division works with the **EPMO** in the Office of the Secretary, to coordinate action updates for the RHSP, Future Health and the NSW Health Workforce Plan, through a streamlined reporting process. This process aims to minimise duplication and effort across the system by collecting information once and using it for multiple purposes. The EPMO records action updates across the three plans and includes a high level reporting dashboard for each plan, key reporting dates and shared reporting templates and guides.

60. Progress on the RHSP is reported publicly through annual Progress Snapshot reports. The first Progress Snapshot (2022-23) was released in February 2024 (a copy of which is exhibited to this statement (Exhibit 150 in the NSW Health Tranche 4 Consolidated Exhibit List), and outlines progress in the first year of the RHSP as well as key focus areas for 2023-24. The Progress Snapshot is available on the NSW Health website and was distributed to all NSW Health staff via an email from the Deputy Secretary, Regional Health on 15 February 2024. The Progress Snapshot has been shared widely with internal and external stakeholders to showcase the range of local and system-wide initiatives underway to achieve the Plan's six Strategic Objectives.

61. NSW Health will also publish the findings of the three, five and 10-year evaluations once they are completed.

F. THE COMMONWEALTH RESPONSIBILITY FOR PRIMARY CARE

62. The Commonwealth is chiefly responsible for primary care. It does so via administering the **PBS** and funding General Practitioners (**GPs**) through the **MBS**. The Commonwealth is also primarily responsible for aged care and disability services, while the states and territories provide public hospital services and some community-based services.

63. Improving access to health care requires a coordinated effort between state, Commonwealth and local governments, NSW Health, LHDs, specialty health networks, clinicians, patients and local communities, primary health networks and Aboriginal Community Controlled Health Organisations.

64. In 2020-21, over three million people presented to public emergency departments (**EDs**) in NSW. In metropolitan areas (major cities as defined by the Accessibility/Remoteness Index of Australia), the rate of ED presentations was 29,819 per 100,000 people. In inner regional areas the rate of ED presentations was about 75 per cent higher (52,337 per

100,000 people). In outer regional and remote areas, the rate of ED presentations was more than double that of metropolitan areas (64,410 presentations per 100,000 people). Data from the Australian Institute of Health and Welfare shows that people living in rural and remote areas have higher rates of hospitalisations, mortality, injury and poorer access to, and use of, primary health care services, compared with those living in metropolitan areas. These factors should all be considered when interpreting the data on ED presentations in regional, rural and remote NSW.

G. SYSTEM INNOVATION IN COLLABORATION WITH REGIONAL AREAS

65. Examples of specific innovation in regional areas include, but are not limited to, the following programs:

    a. The Virtual Clinical Pharmacy Service (**VCPS**) was established to demonstrate the use of virtual clinical pharmacy to improve the delivery of safe and high-quality healthcare regardless of patient location. The VCPS provides health facilities in Western NSW and Far West Local Health Districts with clinical pharmacy services where there is no onsite access. Virtual clinical pharmacists provide safe and high-quality medication management, regardless of where a patient is admitted.

    b. The Virtual Rural Generalist (**VRGS**) service provides support to the medical workforce and provides leave relief. In addition, NSW Health supported the scaling of this model through a pilot the service in Southern NSW Local Health District. The pilot was launched on 3 July 2023 and provides a VRGS across 5 sites in Southern NSW – Delegate, Crookwell, Yass, Braidwood, and Bombala.

    c. The Telestroke statewide service delivers time-critical care to people in rural and regional health facilities, by instantly connecting with stroke specialists supporting patient diagnosis, and treatment. The service supports the treatment of patients in 23 rural and regional hospitals in NSW.

    d. On 19 December 2023, the virtualKIDS urgent care service program expanded becoming accessible to all families across NSW. The program is delivered in partnership with HealthDirect Australia and provides access to specialist paediatric advice for clinicians in rural and regional hospitals, urgent care outside of the ED, avoiding unnecessary ED presentations, and supports families to engage with local services as needed.

H. THE DIVISION'S ROLE IN OVERSIGHT AND INTEGRATION WITH REGIONAL LOCAL HEALTH DISTRICTS AND COMMUNITIES

66. The Division connects with LHDs through a number of formal mechanisms including the SEF, and RHC to respond to the healthcare needs of regional, rural and remote communities. Through ongoing collaboration with LHDs and close community connections, the Division provides oversight of issues, integration across the health system and advocacy for local communities.

Rural Generalist Single Employer Program

67. Rural Generalist Single Employer Program (**RGSEP**) provides a tailored, coordinated pathway for doctors wanting to become rural generalists during their training in public health facilities and private GP practices. Based on a trial in Murrumbidgee LHD (the Murrumbidgee Model), the initiative seeks to make it more attractive for junior doctors to enter the rural generalist training pathway, while supporting the delivery of services in emergency departments and general practices.

Health Insurance Act 1974 (Cth) section 19(2) exemptions

68. Section 19(2)(b) of the *Health Insurance Act 1973* (Cth) provides that unless the Commonwealth Minister for Health directs otherwise, a Medicare benefit is not payable in respect of a professional service that has been rendered by, or on behalf of, or under an arrangement with a State. The Commonwealth developed an initiative titled the *Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative* (the **Initiative**) to improve access to primary care in rural and remote areas using section 19(2)(b) as the mechanism to enable the Initiative.

69. The Division have developed a guideline to outline the exemption and the requirements of application, *GL2023_019 Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative*, a copy of which is exhibited to this statement (Exhibit 151 in the NSW Health Tranche 4 Consolidated Exhibit List). This Guideline summarises and reflects the Initiative requirements, as set out in the Commonwealth Department of Health and Aged Care's *Guide to the COAG Section 19(2) Exemptions Initiative*, a copy of which is exhibited to this statement (Exhibit 152 in the NSW Health Tranche 4 Consolidated Exhibit List).

70. The exemption allows LHDs, eligible health professionals and Visiting Medical Officers to access the MBS scheme. All these parties have varying responsibilities:

a. LHD Chief Executives:

i. implementing local policies to assist with the implementation of the Initiative

ii. implementing processes to ensure the Visiting Medical Officer/ Visiting Medical Officer Practice Companies – Letter of Agreement, Eligible Health Professional – Letter of Agreement, and the End of Financial Year – Medicare Information Letter, are provided to participating Visiting Medical Officers and eligible health professionals as outlined in this Guideline

iii. establishing local billing, accounting and reporting procedures to assist with the implementation of this Initiative where sites become eligible

iv. monitoring and evaluating the implementation of this Initiative, and

v. monitoring, evaluating and reporting on the investment of revenue as identified in the Site Annual Report.

b. Visiting Medical Officers and eligible health professionals:

i. compliance with Medicare Australia rules, especially with respect to the assignment of Medicare income from the patient

ii. allocation of appropriate Medicare Benefits Scheme (MBS) item numbers, and

iii. paying Medicare earnings to the Local Health District.

71. Funds generated by the billing of Medicare under this Initiative must be used to enhance primary care services in the approved site as identified in the site operational plan. In addition, as identified in the site operational plan, a small proportion (no greater than 30%) of the funds generated from this initiative may be directed towards meeting the administrative costs of the Initiative, such as billing procedures. Revenue raised from exempt sites can be pooled by these sites for reinvestment initiatives which benefit all of these exempt sites and is included in any operational plan. For example, such funds could be put towards the cost of shared locum or shared equipment.

72. Further support to local health districts is provided by the Division through the convening of the S19(2) Network Group.

73. This group has been set up to work on increasing the number of sites with an exemption and effectively utilise revenue from the sites and improve the efficiency of billing. The group supports further implementation of the initiative.

74. Under the RHSP Priority Framework released in February 2023, the target is an increase of number of sites in NSW by 10% by 2026.

75. Other sites fall within the MM5 - MM7 classification but are not suitable for obtaining an exemption.

76. The Division also formally meets with the Commonwealth Department of Health and Aged Care to discuss:

    a. how the initiative works in NSW and issues raised such as advocating to include more MBS items in the Directive

    b. The application process

    c. Income raised by the initiative in NSW and other States and Territories

    d. Annual Reports, and

    e. Evaluation of the scheme.

77. There are currently 48 sites across NSW Health that have an approved S19(2) exemption. NSW Health currently has no application being considered by the Commonwealth, however there are several applications being developed by LHDs.

78. No applications have been rejected within the last two years, however Scott Memorial Hospital Scone had its exemption removed at the end of 2022 due to it no longer falling within MM5 - MM7.

Collaborative Care

79. The Division is exploring place-based programs to deliver fit for purpose solutions to meet the needs of the diverse communities of regional NSW. Support for place-based planning, and collaborative models was identified through NSW Health's response to the Inquiry. The RHSP Priority Framework also includes a target to '*Double the number of*

collaborative care models across regional local health districts by trialling and expanding on effective models.'

80. The Rural Doctors Network's (**RDN**) Collaborative Care Program (**Program**) is a community-centred approach to place-based planning to address primary health care challenges in remote and rural NSW. The Program works with local health professionals and communities to create a primary health care access model that fits their needs. It does this by bringing communities from neighbouring areas together to develop shared priorities and solutions. NSW Health is working with the RDN to expand this Program into five additional sites in regional NSW by 2026.

81. Collaborative Care was piloted by the RDN in partnership with LHDs, Primary Health Networks, Aboriginal Community Controlled Health Organisations, and regional community members across five NSW regional areas from 2021 to 2024. The Program has been utilised across five sub-regions in Murrumbidgee, Western NSW and Far West LHDs. The specific model of care developed in each pilot site differs, as it has been identified by local stakeholders to meet the particular needs of the local community.

82. The five initial sites, locations or 'Sub-regions' are:

    a. **The 4Ts (Tottenham, Tullamore, Trangie, and Trundle)**: In the rural towns of Tottenham, Trangie, Trundle, and Tullamore (the 4Ts) there was a gap of a GP in each of the four small communities. Existing remuneration mechanisms and business models had made it difficult for private practices to operate. However, each town has a MPS with a GP clinic space. To address the need, Western NSW Local Health District opened a primary care clinic in each town, co-located within the MPS. They employ GPs, nurses, and administrative staff and share them across the four towns in a networked arrangement. A dedicated medical centre manager coordinates the shared services, and telehealth technology is used to support communities when a GP is not on-site. The project is being implemented in close collaboration with local communities, health councils, local government, and community groups.

    b. **Canola Fields (Canowindra and surrounding towns)**: The Canola Fields model involved collaboration with the multidisciplinary team of local health professionals, partnering with Western NSW Local Health District, Western NSW Primary Health Network, and RDN. The model developed was a GP lead model which is a deliberate team based care model (DTBC) for patients with a greater risk of health

decline. These patients are case managed by a multidisciplinary team representing general practice, specialists, pharmacy, paramedicine, nursing, allied health, and aged care. The Program will also consider the perspectives of other local GPs and alternate methods of primary health care for patients with chronic or complex conditions.

c. **Lachlan Valley (Condobolin, Forbes, and Parkes)**: The Collaborative Care Program in the Lachlan Valley (Parkes, Forbes and Condobolin) is focused on the development of the health workforce across the region and opportunities to coordinate services. The project brings stakeholders together from the three communities to identify primary health needs and work in a co-design process to come up with solutions that will improve access to primary health care. This includes the development of a Health Workforce Strategy for the region and a targeted GP recruitment campaign to support models of care. The Lachlan Valley project is a partnership between primary health service stakeholders in the towns of Condobolin, Forbes, and Parkes. The working group has representatives from local governments, local healthcare providers, Western NSW Local Health District, Western NSW Primary Health Network, and RDN.

d. **Snowy Valley**: The Snowy Valleys Project addresses local access to primary health care, which encompasses general practitioners, allied health professionals, primary care nurses, pharmacists, and Aboriginal and Torres Strait Islander health workers. The project is focused on multidisciplinary care for chronic disease management and is currently trialling Group Medical Appointment (GMA) models in the Snowy Valleys and the neighbouring Riverina area.

e. **Wentworth Shire**: The Collaborative Care Program in Wentworth is working to understand local needs and improve access to primary health care in these communities. This model of care was developed by Coomealla Health Aboriginal Corporation (**CHAC**), in collaboration with Wentworth shire, local stakeholders, to provide a GP clinic and primary care service in the town of Wentworth. The town of Wentworth (<1500 population) experienced private GP practice market failure in 2020. In response, CHAC partnered with Wentworth Shire Council to open a GP clinic in Wentworth to serve the whole community.

83. In 2023, NSW Health commissioned the Sax Institute to complete a Scalability Assessment of Collaborative Care and other place-based planning approaches. The Sax Institute were asked to do two things:

a. Assist in understanding the how the Collaborative Care approach works in the five sites established in NSW and the factors that support its success and,

b. Understand the role of Ministry of Health Regional Health Division in scaling the approach to further sites across the state.

84. Four key themes emerged as the foundations of Collaborative Care and other place-based approaches from the extensive stakeholder consultation and literature as part of this Scalability Assessment. These critical enablers are Stakes/Interest, Trust/Time, Power/Influence and Knowledge/Expertise.

85. The results of the Scalability Assessment demonstrated that local community plays a pivotal role in all aspects of the collaborative care approach. It found that stakeholders such as the NSW Ministry of Health and external facilitators like the RDN have an enabling and facilitation role, with the local community stakeholders best suited to identifying the local health needs and opportunities for innovation. The Scalability Assessment identified the tangible and replicable themes required to reproduce successful Collaborative Care approaches in the future. The success of the Collaborative Care approach highlights the importance of communities and their centrality when finding healthcare improvements and solutions within their own towns.

Community Engagement

Local Health Advisory Committees

86. In 2022, NSW Health reviewed the local health committee models for community engagement in regional LHDs and developed five guiding principles for strengthening local health committees, published in a report.

87. In 2023, the Division partnered with regional LHDs to understand the key requirements for local implementation of the five guiding principles. The project working group facilitated action against the five project deliverables.

88. In 2024, the Division will work in partnership with the Patient Experience team in the Ministry of Health, the Agency for Clinical Innovation and the Clinical Excellence Commission, to support the implementation of the five guiding principles to strengthen local health committees across all regional LHDs.

89. The Division is leading the development of a best practice toolkit and resource hub, and hosted a working group for local health committee leads in regional LHDs. The

guidelines, tools and resources will be co-designed with local health committee leads to ensure solutions suit local needs. The Division will also undertake periodic monitoring to understand how implementation is progressing.

Not-for-Profit Organisations and Charities

90. In 2023, the Division commenced the review of the role of community groups and charities in regional LHDs to better understand how they support the health system in regional NSW. Following a formal review of the charity and community sector landscape,the Division will prepare a position paper which will share key findings from the review, opportunities for enhanced collaboration with charities and local community groups and next steps for targeted action planning to identify and address gaps. The position paper will include the perspectives of local community groups and charities, Primary Health Networks, Aboriginal Community Controlled Health Organisations, and local governments in three regional LHDs as well as preliminary service mapping in those regions and a summary of the best practice literature about health systems and their connections with local community groups and charities.

Aboriginal Health Sector

91. The Division works with the Centre for Aboriginal Health (**CAH**) to deliver programs and projects against key strategic priorities. The Division has several projects planned or in progress that are working towards the overarching objective of supporting the Aboriginal Community-Controlled Health Sector. These projects will be done in partnership with CAH. Several of these projects are focussed on place-based planning initiatives. and are measured through the RHSP as below:

    a. Priority 2: Enable better access to safe, high quality and timely health services.

        i. Priority 2.5: Drive and support improved clinical care, timely access and safety and quality outcomes for patients in hospitals and other settings. Deliverable: Reduce rate of discharge against medical advice: clearly explain and emphasise to patients (particularly Aboriginal patients) the medical risk of discharge

        ii. Priority 2.6: Align infrastructure and sustainable service planning around the needs of staff and communities and to enable virtual care. Deliverable: Engage with communities and Aboriginal Community Controlled Health Organisations on infrastructure need

b. Priority 4: Keep communities informed, build engagement and seek feedback.

i. Priority 4.3: Support culturally appropriate care and cultural safety for zero tolerance for racism and discrimination in health settings.

Deliverable: Eliminate racism and promote cultural understanding: explore new initiatives and further embed existing initiatives to address and reduce structural racism towards Aboriginal people and promote cultural safety. This includes cultural training for all staff, acknowledgement of country and including artwork in waiting rooms, signage in local language, support for and listening to experiences – for staff and communities and a robust system for managing racism and discrimination.

ii. Deliverable: Reduce barriers to care: investigate and resolve other barriers for diverse groups seeking healthcare, especially people with disability, LGBTQIA+, refugees and asylum seekers, people experiencing homelessness and people seeking support for alcohol and other drugs.

iii. Priority 4.5: Improve transparency of NSW Health decision-making and how it is perceived and understood by patients and the community. Deliverable: Ensure diversity of representation on governance groups: ensure meaningful representation of Aboriginal community members and diverse groups on local health district governance settings so that all community voices are heard and are involved in decision-making.

c. Priority 5: Expand integration of primary, community and hospital care

i. Priority 5.3: Improve access and equity of services for Aboriginal people and communities to support decision-making at each stage of their health journey.

Deliverable Engage with Aboriginal communities: identify and implement culturally safe access to information and care.

I. FURTHER OPPORTUNITES

Data fragmentation

92. NSW Health is implementing a number of programs to better integrate data to get a more holistic view of the patient journey and identify ways to improve patient experiences and outcomes.

93. The Single Digital Patient Record is one example and will be a major step in the digital transformation of healthcare across NSW. The Single Digital Patient Record will provide a secure, holistic and integrated view of the care a patient receives across the NSW Health system. Clinicians will be able to access a patient's medical information in real-time from a single source.

94. Lumos is another example of a pioneering program that links data from general practices with other health service data to provide a whole of system overview of care. By bringing together 'whole of system' information, Lumos provides a more comprehensive view of the patient journey across the continuum of care, which can help identify the best places and times to intervene or influence health care practices to improve patient outcomes, experiences, and the efficiency of health services.

95. Participation in Lumos is voluntary, with currently more than 700 practices participating across NSW. 253 practices located in regional, rural and remote areas are enrolled in Lumos.

Luke Sloane	Witness: Katherine Rowe
9.4.2024	9 April 2024
Date	Date