

STATEMENT OF CHRISTOPHER JOHN BLAKE 6 JUNE 2024**PROCEEDING DETAILS**

Matter: Special Commission of Inquiry into Healthcare Funding

WITNESS DETAILS

Name Christopher John Blake
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Occupation Group Chief Executive Officer

STATEMENT

On 6 June 2024, I Christopher John Blake, state:

- 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 (**Special Commission**) as a witness. The Statement is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I will be liable to prosecution if I have wilfully stated in it anything that I know to be false, or do not believe to be true.
- 2 This Statement is provided in response to a letter dated 23 April 2024 from Mr James Palmer, Senior Solicitor, Solicitors assisting the Special Commission which requested that representatives of St Vincent's Health Network Sydney (**SVHNS**) provide an institutional response to topics identified in the letter, which is annexed and marked **CB-1**. In this Statement, I address topics 3(a) and 3(b) in the letter from Mr Palmer.

My background

- 3 I joined St Vincent's Health Australia (**SVHA**) in October 2022 as the Group Chief Executive Officer. I have been in that role since that time.
- 4 I hold a Bachelor of Commerce from the University of Melbourne.
- 5 Prior to my current role, I held the roles of Executive General Manager, Corporate Services for Latitude Financial Services (2019-2022); Executive General Manager positions for Australia Post (2010-2018); Executive General Manager roles at the National Australia Bank (2006-2010); and various roles including Partner at PwC (1987-2006).

6 I also hold Board positions with the Florey Institute of Neuroscience and Mental Health (Director); Brain Australia (Chair) and the Foundation for Imaging Research (Chair).

St Vincent's Health Australia

7 SVHA is Australia's oldest and largest health social enterprise.

8 It was established by the Sisters of Charity in 1857 and is now Australia's largest not-for-profit mission-based health and aged care organisation.

9 SVHA opened some of Australia's first hospitals, provided Australia's first cohort of nurses, opened the country's first intensive care unit, first specialised emergency department and first psychiatric emergency care centre.

10 SVHA's vision is "Every person, whoever and wherever they are, is served with excellent and compassionate care, by a better and fairer health and aged care system".

11 As a not-for-profit, the organisation's focus is on delivering high quality, compassionate patient care, wherever the need exists in our community.

12 SVHA provides the following health and aged care services across Australia:

- a. it operates two public hospitals in Sydney and Melbourne;
- b. it provides public health services in conjunction with public hospitals and public health service providers in New South Wales, Victoria and Queensland;
- c. it operates ten private and community hospitals and 23 aged care facilities across New South Wales, Queensland and Victoria; and
- d. St Vincent's Virtual & Home provides a diverse range of health and aged care services virtually and in the community across Australia and in some cases internationally, including acute (hospital in the home), sub-acute (rehabilitation and palliative care at home), digital mental health support and community care.

13 SVHA also plays a significant role in teaching and medical research in Victoria and NSW. In Victoria, St Vincent's Hospital Melbourne (**SVHM**) is a major teaching, research and tertiary referral centre. In NSW, St Vincent's Hospital Sydney (**SVHS**) partners with leading medical research institutes in Australia, including the Victor Chang Cardiac Research Institute, the Garvan Institute of Medical Research and a number of universities.

St Vincent's Hospital Sydney

- 14 SVHS is a wholly owned subsidiary of SVHA.
- 15 The legal and financial framework in which SVHS operates is built on the foundation of a long-standing and close partnership with the State of New South Wales and the community at large, dating back to the origins of what is now SVHA in 1857.
- 16 SVHS is located on land that was vested by the State of NSW in trustees and their successors under the *Saint Vincent's Hospital Act 1912* (NSW). This established a statutory trust under which this land and other land subsequently acquired for SVHS must only be used for the maintenance or benefit of SVHS.
- 17 SVHS enters into a Service Agreement annually with NSW Health (**the Service Agreement**). Annexed and marked **CB-2** is a copy of the Service Agreement for the period 1 July 2023 to 30 June 2024.
- 18 The Service Agreement outlines the services and performance expectations for funding and other support provided to SVHS. Those expectations are derived from the NSW Health Performance Framework, which applies to the local health districts (**LHD**), statutory health corporations and specialty networks.
- 19 SVHS is the only non-government health service provider that is a networked affiliated health organisation (**AHO**) under the *Health Services Act 1997*. One of the consequences of being a networked AHO is that SVHS negotiates its service agreements directly with the Ministry of Health, rather than with an LHD. No other AHO has this arrangement.
- 20 SVHS and SVHA intend to continue to contribute to the NSW community through the ongoing operation of SVHS, as well as through the provision of other health and aged care services and research activity in NSW.

SVHA's provision of health and aged care services across eastern Australia

St Vincent's Health Australia's national footprint

- 21 As I have described in paragraph 12 above, SVHA provides an extensive range of services, including public, private, aged, virtual, home and community care. Through the provision of this breadth of services across Australia over many decades, SVHA as an institution has a depth of insight into the health system in Australia.

SVHA's delivery of public health services in Victoria

- 22 In Victoria, SVHA (or its subsidiaries) operates:
- a. public services and facilities, including St Vincent's Public Hospital Melbourne (**SVHM**), St Vincent's Hospital on the Park (providing same day surgical services to patients), Caritas Christi Hospice and St Georges Health Service (a comprehensive aged care service funded under an auspice arrangement with the Victorian Government);
 - b. private hospitals including in Fitzroy, East Melbourne, Kew and Werribee;
 - c. aged care facilities and services including St Vincent's Care Kew, Etham, Werribee, Hawthorn, Prague House, Berengarra and Auburn House; and
 - d. St Vincent's Correctional Health Port Phillip.
- 23 SVHM is one of 76 registered funded agencies, being a Denominational Hospital as defined in the *Health Services Act 1988* (Vic). As such, SVHM is required to deliver public health services in Victoria under an agreement with the Victorian Department of Health that was negotiated in 2016, endorsed in 2017, and that has a 20-year term and formal review mechanism after five years. This provides a degree of certainty for both SVHM and the Victorian Department of Health to plan for the long term delivery of public health services at SVHM.

SVHA's delivery of public health services in Queensland

- 24 SVHA does not operate a public hospital in Queensland. It does, however, provide a range of public health services in the State, including:
- a. the Surgery Connect program (run from St Vincent's Private Hospital Toowoomba (**SVPHT**));
 - b. in-patient palliative care, general medical and rehabilitation services at St Vincent's Private Hospital Brisbane (**SVPHB**) (being public services delivered by SVHA's private facilities); and
 - c. palliative care for the Department of Corrections.
- 25 These services are funded under contractual arrangements with individual hospital and health services, Queensland Health and the Department of Corrections on behalf of the State of Queensland.
- 26 Surgery Connect is a Queensland Health program that enables public hospital patients to have surgery at a private hospital. Queensland Health's stated purpose

for the program is to “*ease the burden on public hospitals while maintaining an acceptable level of service to public patients.*”

- 27 During FY24, the Surgery Connect program at SVPHT received 586 referrals and performed 385 procedures across ears nose and throat, general gynaecology, gastroenterology, urology and orthopaedic specialities.
- 28 The Surgery Connect program and the provision of public services at SVPHB are two examples of how the use of co-located facilities for the provision of public and private services creates efficiencies that are not available in a bifurcated system.
- 29 SVHA also plays a significant role in alleviating pressure in the Queensland health system through its private operations. For example, St Vincent's Private Hospital Northside is the largest private provider of cardiac surgery in Queensland, performing approximately 700 heart operations each year.

SVHA's delivery of public health services in NSW

- 30 In NSW, the potential exists to reduce the cost of care through improved integration of public and private health services.
- 31 An example of accessible, innovative and evidence-based treatment that is well integrated in the health care system, both public and private, is the “This Way Up” (TWU) program.
- 32 TWU is a not-for-profit joint initiative of SVHS and the University of NSW that provides evidence-based, internet-delivered cognitive behaviour therapy programs. Its mission is to provide accessible online treatment to Australians for depression and anxiety disorders and related mental health conditions.
- 33 The benefits of the TWU program include:
- a. as the program is online, it is available instantly, without the need for an assessment or referral, making it easier for people to access quality mental health programs;
 - b. access to the program is also provided to general practitioners, psychologists and other mental health professionals so they have resources relevant to the treatment of their patients, connecting the care a person receives through TWU and that provided by their clinician.
- 34 The service is primarily funded by the Australian Government Department of Health and Aged Care under the Digital Mental Health Program. This funding enables clinicians to prescribe TWU as part of routine care, providing effective, immediately accessible digital mental health treatment to patients at no additional cost.

- 35 Individuals seeking to enrol in the program independently, without a referral, can also access a program for a one off payment of \$59.
- 36 Through a partnership with Bupa, Bupa's members can also access TWU online mental health treatment programs until August 2024 for no fee.
- 37 This provision of free or inexpensive, timely and connected mental health care by a partnership of SVHA, University of NSW, the federal government and Bupa provides a cost effective treatment option in a highly resource constrained and high demand area of health care.
- 38 Another example of the delivery of effective interconnected care through partnerships is St Vincent's Diabetes Regional Education, Access and Management (**DREAM**) service.
- 39 The DREAM service is a new outreach diabetes service at SVHS established earlier this year. It aims to address the inequity of access to specialist diabetes services in regional NSW by providing chronic disease care for diabetes management in the Murrumbidgee region.
- 40 The Diabetes Outreach Team (which forms part of the DREAM service) conduct face-to-face clinics for general practitioners to upskill them in diabetes management. The clinics also involve an initial case conference for patients, who the team follows up with via telehealth six months after their initial visit.
- 41 The clinics have been held at three practices to date involving six local GPs. Those clinics treated almost 70 complex patients in the Tumut region with type 1 and type 2 diabetes. Almost 20% of the patients identified as Aboriginal or Torres Strait Islanders.
- 42 To further support the upskilling of local GPs, the DREAM program has collaborated with Murrumbidgee Primary Health Network to provide education evening sessions for local clinicians on a monthly basis. Three sessions have been completed to date.
- 43 This service was initially funded through a bequest that encompassed service delivery and integration with research to evaluate the health outcomes for the service. SVHA intends to engage with potential partners, including the Ministry of Health, to ensure continued funding.

Delivery of aged care services – Eastern Australia

- 44 SVHA provides aged care services in residential care settings along the east coast of Australia between Townsville and Melbourne's Western Suburbs.

- 45 The provision of these services over a number of decades has allowed SVHA to observe changes in the nature of the care desired by older Australians and make proposals for the future of aged care.
- 46 Aged care services have traditionally been delivered in isolation, with minimal connection along the continuum of care. The Australian health system will need to respond to the demands of an aging population with innovative, flexible models that deliver home based and place based care, tailored to the individual and supported by an equally flexible funding model.
- 47 The St Vincent's Neighbourhood Care model is a proposal made by SVHS to the Federal Government to repurpose an existing residential aged care facility (**RACF**) at Edgecliff, which is within the SVHS local area, to pilot a new and innovative healthy aging model designed to embed healthcare into the community.
- 48 In practice, this would involve:
- a. converting the existing RACF into a satellite ward of SVHS, surrounded by custom housing for members of the neighbourhood, who would be older Australia; and
 - b. the members of the neighbourhood living in the custom housing and receiving all of their care needs within those homes, accessing the satellite ward for particular acute needs.
- 49 The model will allow older Australians to receive necessary care from home-based settings without relocation, using self-managed and live-in care teams. In addition to satellite wards, it would involve the development of satellite Emergency Departments with short-stay units for immediate care.
- 50 This model would enable older Australians to continue to live in a home setting for longer. It would also alleviate the pressure on admissions to hospitals caused by the isolation of existing RACFs from the health system.
- 51 Many RACFs are challenged by the limitations surrounding integration into the broader health system, owing to the pressures on avoidable Emergency Room presentations and difficulties discharging from hospital settings back into RACFs. A significant demand on ambulance services is the call out and presentation to Emergency Departments of RACF residents with complex but non-acute needs. A model that provides care for older Australians at their residence (speciality homes) or in settings close to home but separated from tertiary hospitals (satellite wards) reduces presentation pressure and keeps more tertiary hospital beds available.

- 52 The Buurtzorg model of aged care used in the Netherlands is a similar model that supports healthy living in place. The World Economic Forum reports that this model has reduced healthcare system costs by approximately 40%, and halved administrative care time. Further studies on this model by The Commonwealth Fund and Global Advances in Health and Medicine Journal and a Harvard Business School case study have all confirmed the benefits of this model in reducing the costs of care and improving quality and staff autonomy.

St Vincent's Health Australia's – Health Innovation and Research Precincts

- 53 St Vincent's Sydney Health Innovation Precinct (**the Precinct**) has an extensive history of translational research innovations, resulting in a material contribution to the social, economic and health advancements of NSW.
- 54 The Precinct is home to three primary partners: St Vincent's Centre for Applied Medical Research, the Garvan Institute of Medical Research and Victor Chang Cardiac Research Institute (**VCCRI**), standing alongside SVHS and St Vincent's Private Hospital Sydney.
- 55 Precinct partnerships extend to a range of leading universities, research institutes and clinical service providers, including the Bionics Institute, The Clinical Research Unit for Anxiety and Depression, The Cunningham Centre, The Kinghorn Cancer Centre, Kirby Institute, NCCRED, RMIT University, St Vincent's Institute of Medical Research, Swinburne, The University of Melbourne, The University of New South Wales, The University of Notre Dame, The University of Wollongong Australia, and The Nursing Research Institute.
- 56 Through these partnerships, a number of significant medical research findings have been translated into major advancements in the delivery of care for the benefits of patients in NSW and around the world.
- 57 One such example is Donation after Circulatory Death (**DCD**), a technology underpinned by research by VCCRI and pioneered by the cardiothoracic unit at SVHS. This technique involves transplanting donor hearts that have stopped beating after death, using a preservation fluid developed in the laboratory and a machine called a 'Heart in a Box', which allows the heart to beat outside the body. This development has reduced waiting lists for organ recipients in NSW.
- 58 DCD transplantation also being carried out in the US, Spain, Belgium and the Netherlands, and the United Kingdom, placing SVHS, and the Australian healthcare system on a global platform for innovation and healthcare transformation.

Observations for the broader health system

- 59 Based on my experience as the Chief Executive Officer of SVHA:
- a. there is significant opportunity for system reform to better integrate all levels of health care in NSW, with subsequent benefits for the financial position and health outcomes of NSW;
 - b. whole of system thinking is required where all component parts are perceived as valuable in contributing to the whole of population health – and where funding models and systems support integration across public, private, aged care, community services, virtual care, research and education; and
 - c. given the complexities of the current operating environment, the stakeholder and regulatory externalities and the challenges in developing solutions drawn from the views of the existing sectoral players, there is great merit in a systems wide agreement or Accord-like document on the future direction of health care nationally.

Signature of witness


