Witness Statement

Name: Associate Professor Kathryn Browning Carmo

Occupation: Senior Staff Specialist Neonatologist & Paediatric Critical Care Physician

1. This statement sets out the evidence that I would be prepared to give as a witness to the Special Commission of Inquiry into Healthcare Funding.
2. The contents of this statement are true and correct.

A. My Role

3. I am a Senior Staff Specialist Neonatologist at the Grace Centre for Newborn Intensive Care (**NICU**), Children's Hospital Westmead (**CHW**). I hold a 0.2 FTE appointment for this role.
4. I am also a Senior Staff Specialist Neonatologist at the NSW Newborn and Paediatric Transport Service (**NETS**). I have a 0.8 FTE appointment for this role, which I have held since 2008. I have been the Deputy Director of NETS NSW since 2016 and share the Director role with the State Director.
5. I am an Associate Professor at the University of Sydney.
6. I was Chair of the Medical Staff Council at CHW from 2018 to 2022.
7. I am Chair of the NSW Medical Staff Executive Council since 2022.
8. A copy of my Curriciulum Vitae is **attached** and marked 'A'.

B. Creation of the Children's Hospital Network

9. The Garling Special Commission's recommendation that there be one children's hospital for the State was not realised. Instead, the government created the Sydney Children's Hospital Network (**SCHN**).
10. From my investigations and observations it seems that the SCHN was given no enhancement to funding from the original CHW budget in the first 10 years and this led to a loss of confidence in the structure.

11. There was no effort/funding put into the change management required to merge two large organisations.
12. At the critical care level, my observation is that the creation of the Network has led to a loss in collegiality. I have observed that staff at Sydney Children's Hospital, Randwick (**SCR**) are often concerned that CHW staff are cherry picking the higher-level complexity patients and there were concerns at both hospitals about unfair funding. I believe this is because the funding was inadequate from the start of the SCHN.
13. In my view, the SCHN has led to a fragmentation of service delivery, with some highly specialised services being delivered across both sites. The lack of a mature state-wide plan for the delivery of paediatric care contributes to this fragmentation.

C. Alternative approaches

14. Based on global standards, the world's largest children's hospitals (e.g. Stockholm and Toronto) service up to around 10 million people. I believe that in New South Wales, we could and should have followed a similar model with one specialised children's hospital until the population is such that a second is required.
15. I recognise that it is now too late to create a single tertiary or quaternary children's hospital in Sydney at which all staff come together because too much has been invested at each of the two hospital sites. I believe, however, that we should consider concentrating services so that there is one site at which all quaternary, critical, high-level, complex care occurs. This should be supported by adequate paediatric services at tertiary and secondary hospitals and primary care clinics.
16. The creation of a centralised and specialised hub would allow staff to develop and maintain skills. New South Wales is fortunate to be a state with an excellent health care system including excellent primary care. Children are generally born healthy and are immunised, and we have good trauma prevention. Therefore, for staff to be skilled in neonatal and paediatric critical care, to care for children who unfortunately do suffer from health

problems, or who are seriously injured, there are only a few people who can become skilled in those areas, and with access to a sufficient volume of work to maintain those skills. A skilled workforce requires a team to work together and have faith in each other. In my view, this goal has not been realised through the creation of the Network.

17. In addition, I believe that the most effective use of the Network structure is to connect paediatric care across the State. However, as part of that process, there needs to be clear role delineation about where quaternary and tertiary services should be delivered. In order to effectively network all paediatric care across the state, a state-wide plan for the delivery of paediatric services across New South Wales would need to be developed.
18. Under this proposed alternative model, the centralised hub site would support and be supported by local paediatric services across the state. Good communication and support would be needed so that services in secondary hospitals and primary care do not suffer from a loss of essential resources.
19. Under this model, I envisage that doctors at the hub would, as they do now, try to refer patients to local paediatricians or general practitioners for follow-up appointments wherever possible. Specialist follow up review should also be facilitated to occur locally – this benefits the family in not having to travel and increases the collegiality at the local sites with the specialist clinicians.
20. To ensure excellence in centralised paediatric critical care there needs to be a well-funded and supported excellent retrieval service to ensure sufficient access to tertiary and quaternary care for regional and remote children.
21. Currently, there is inconsistent capability between paediatric services across hospitals in the various Local Health Districts. These services should be supported and capability harmonised so that children are able to stay closer to home for less complex care.

22. Greater statewide planning of lower-level paediatric care in areas where there are higher proportions of children is also required. This would require ensuring all secondary services are robust and able to provide an equal level of care.

D. Funding models

23. In my opinion Activity Based Funding (**ABF**) does not adequately capture the complexity of paediatric services and reflect the cost-of-service delivery.
24. There are also gaps in the funding arrangements. For example, NETS (Newborn and paediatric emergency transport service) is not recognised as having occasions of activity so it is not recognised in ABF funding. NETS is block funded by the State but without adequate State wide planning there has been no ability to address the funding gaps as occasions of service have doubled over the past five years. There is no recognition of the significant virtual care provided via telemedicine to prevent retrieval and support care locally. In addition, when NETS attends to retrieve babies from private hospitals, there is no mechanism for NETS to bill the private hospital/health fund so the service is free for that private corporation.
25. In my view, funding should be allocated to areas where there are greater concentrations of children and occasions of service. This does not currently occur – there is no statewide plan or levers to recognise this. There should be a statewide plan/Network of care for children. A number of examples would be:
    a. Wyong Hospital sees approximately 20,000 children a year in their ED but only has a paediatric service during the day. Overnight there are no specialist paediatric qualified staff to deliver the care. There needs to be a lever that once paediatric presentations reach 15-20000 there need to be 24/7 access to specialist paediatric support.

b. Following the tiered maternity network arrangements Liverpool and Nepean NICU's both became overwhelmed with high risk mothers delivering high risk neonates but the NICU's were not enhanced in accordance with that rising demand. NICU's running at 100% capacity or more is not safe and so capacity needs frequent review and enhancement.

c. Both surgical NICU's in Sydney are running at 100% capacity or more without adequate enhancement in funded beds to cater for the demand. NICU's running at 100% capacity or more is not safe and so capacity needs frequent review and enhancement.

d. Funding of nursing recruitment and education needs urgent review. Raising the profile of nursing as a career is required to build capacity in the health system in general.

26. Most NSW tax payers would be shocked to learn that currently, paediatric service delivery is significantly reliant on charitable donations because there is insufficient funding. While there is funding for hospitals and skeleton staffing there is insufficient funding available for equipment. For example, most ventilators in neonatal intensive units, cardiac bypass machines for paediatric cardiac surgery and all of the NETS ambulances need to be funded by charitable donors.

Name: Kathryn Browning Carmo

Date: 5 June 2024

Signature: Kathryn Browning Carmo