



Special Commission of Inquiry into Healthcare Funding

Submission Number: 25
Name: Illawarra Shoalhaven Local Health District
Date Received: 03/11/2023

Illawarra Shoalhaven Local Health District Response

Special Commission of Inquiry into Healthcare Funding 2023

Acknowledgement of country

The Illawarra Shoalhaven Local Health District acknowledges the Traditional Custodians of the land on which we live, meet and work. We pay our respect to Elders past, present and emerging and we extend that respect to all Aboriginal and Torres Strait Islander people.

ISLHD Response

This submission was developed to address the terms of reference of the Special Commission of Inquiry into Healthcare Funding. It provides local insight toward the consideration of opportunities for NSW Health to improve the delivery of high quality, timely, and more accessible patient-centred care.

It is a privilege to work within a system as strong as the NSW Health system and amongst the dedicated and exceptional people that work across all its sites and services. We look forward to the actionable insight that will come from the inquiry.

Response

The responses provided in this submission are grouped in key themes based on the experience of our organisation. These themes are interconnected and should not be considered in isolation. We welcome the opportunity for these views to be used as the basis for discussion and debate.

Background

- Findings and recommendations that were made by the investigating committee of the NSW Parliamentary Inquiry into health outcomes and access to health and hospital services in rural, regional and remote NSW relate to this response.
- ISLHD's population is growing and ageing at a faster rate than the State average.
- ISLHD has a higher prevalence of people with long-term conditions than the State average.
- As an LHD with metropolitan, regional and rural reach we wanted to respond to the terms of reference from this unique perspective.

Challenges

- There has been a marked increase in acuity and activity across the majority of ISLHD services.
- There has been a marked increase in patients occupying hospital beds who are unable to be discharged to Residential Aged Care Facilities due to lack of beds in local aged care facilities.
- The impact of the disruption of COVID-19 on service delivery continues to require management, especially in the reduction of elective surgery waitlists.
- Patients are finding it harder to access GP and primary care services, which is increasing the burden on services provided by the LHD.
- There has been a marked increase in the number of disability patients needing to stay in hospital as they are unable to be discharged due to challenges in disability or in-home community support.

Governance

- The Statewide key performance indicator reporting process is an effective tool for encouraging system improvement.
- The discretion of choice of how services and systems are provided by each LHD is vital to drive locally based solutions, acknowledging that there needs to be a balance between State standardised models and localised service delivery.
- Collaborative Community of Practice groups are considered an excellent forum for service improvement.

Workforce Recruitment and Retention

- Distribution of the NSW Health workforce is not uniformly aligned to population across the State with greater disparities experienced in rural and regional areas.
- Opportunities may exist to streamline and consolidate the recruitment and onboarding processes across NSW Health.

- There are significant health professional skills shortages across Australia that are experienced in ISLHD.
- A strengthened strategic Statewide approach to the recruitment and retention of identified workforce streams (e.g., midwives) could provide benefits.
- International recruitment is complex, and time consuming for LHDs and may be expedited through a Statewide approach.
- A Statewide approach to medical staffing rosters for services could result in better clinical and financial outcomes.
- A Statewide approach to premium labour engagement could result in system and financial efficiencies.
- A review of current and potential incentives for rural and regional areas may assist in maximising their effectiveness in staff retention.
- Alternative models of care may address the stubborn problem of staff recruitment and retention in regional and rural areas.
- The demand for healthcare staff is expected to grow nationally and internationally with a subsequent increase in health service competition for staff. The cost of turnover could be mitigated through ongoing work to establish NSW Health as an employer of choice.
- The lack of parity in Award conditions and salaries across Australian States and Territories will continue to impact health staff retention.
- The current system used to manage and monitor workforce establishment, including vacancies, is not fit-for-purpose for financial analysis.

Education and Training

- To address future workforce shortages, the scope of practice of all clinicians will need to change to accommodate local demand and staffing challenges.
- The ability of regional and remote sites to support medical clinical placements is often hampered by access to clinical supervision and the depth of services (specialties) available.
- The ability of staff to supervise clinical placements is often challenged by the availability of senior staff, particularly in rural and regional locations.
- Medical Specialist Training Program (STP) pathways are not easily accessible for regional and rural based doctors.
- The role and function of Medical Colleges in meeting service demand needs to be clarified.
- Geographical and other factors should be considered when determining funding for teaching and training to ensure equitable allocation.

Healthcare Funding

- Health economics in Australia is convoluted and complex with many different funding mechanisms employed in different clinical settings and geographic areas.
- Regional and rural LHDs are challenged to deliver efficient models of care aligned to the Activity Based Funding models.

- Funding models for small sites in rural and regional areas often result in these sites being considered non-financially viable as a stand-alone service.
- Funding needs to be distributed based on population, ageing, remoteness, and the sociodemographic profile of diverse communities.
- Activity should be funded in a way that is more aligned to delivery and demand.
- Activity Based Funding models for community-based care do not promote innovation or service development.
- Whilst responsibility for primary care sits with the Commonwealth Government, ISLHD as an LHD has been increasingly required to fill the gap in primary care due to pressures in the sector.

Infrastructure Maintenance

- Greater investment in building maintenance for existing hospitals and health facilities needs to be prioritised to ensure environments are suitable to the services being provided and that schedules are more aligned to protecting against extreme weather events, which are becoming more frequent.
- More guidance could be provided on the management of end-of-life planning and decommissioning of assets including how LHDs may benefit from sale of assets deemed excess to need.

Procurement

- The balance between centralisation versus localisation of procurement needs to be considered for each approach to market.
- To ensure an adequate supply chain, minimum standards and volumes for supply contracts could be included in future agreements.
- The current procurement system does not provide end-to-end visibility across the system.
- There is currently limited capacity to predict and respond to supply chain disruptions across the system.
- A single point of contact (relationship manager) at HealthShare to address supply issues would better align with procurement industry standards.
- Procurement systems (e.g. DeliverEASE) that have proven savings and efficiencies should be prioritised and expedited including suitable resourcing to embed the changes.

Future Directions

- The ability to implement new innovative financially sustainable models of care in community health are limited by ABF rules.
- There are opportunities to leverage advanced technologies for use in NSW Health to provide better patient care and financial efficiency.
- Consideration of mechanisms to integrate the health and aged care sectors that ensure care is delivered at the right place at the right time for older people.
- Explore funding mechanisms that work to promote greater research investment.
- Advocate for increased service delivery models and funding methods that improve health outcomes for our Aboriginal, CALD and disadvantaged communities.