



Special Commission of Inquiry into Healthcare Funding

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Mr. Richard Beasley SC
Commissioner
The Special Commission of Inquiry into Healthcare Funding
submissions.hfi@specialcommission.nsw.gov.au

Dear Commissioner Beasley SC,

SUBMISSION TO THE NSW SPECIAL COMMISSION OF INQUIRY INTO HEALTHCARE FUNDING

Thank you for the opportunity to contribute to the Special Commission of Inquiry into Healthcare Funding Terms of Reference. The George Institute is a leading independent global medical research institute with major centres in Australia, China, India, and the UK. Our mission is to improve the health of millions of people worldwide, particularly those experiencing inequities in healthcare outcomes and access to healthcare, by challenging the status quo and using innovative approaches to prevent and treat non-communicable diseases and injury.

We welcome the establishment of the Inquiry and believe that it presents an opportunity to take a fresh look at how best to fund and deliver high quality healthcare in NSW. Thank you for considering our comments on the Inquiry's Terms of Reference, outlined below.

Terms of Reference B

Consideration of the existing governance and accountability structure of NSW Health should include **cross-sector collaboration**. This is important given that investment in sectors outside of health, such as housing, education, employment, justice, planning and the environment have the potential to have the greatest enduring impact on the health of the population. The Inquiry should consider cross-sector funding models that can address current disincentives to collaboration between different government departments. In addition, there should be consideration of the widespread use of analytical tools such as health impact assessments to better incorporate health in all policies.

Terms of Reference D

We agree that the Inquiry should examine strategies available to NSW Health to address escalating costs and inefficiencies. We encourage the Inquiry to explore the use of formal processes such as Health Technology Assessment (HTA) in NSW. Using HTA to guide health investment is well established within the Federal Government for new medicines and procedures through the Pharmaceutical Benefits Advisory Committee and Medical Services



Advisory Committee, but no such mechanism exists in NSW. Implementing an HTA system to guide investment in NSW will improve transparency of government spending, identify and support investment into 'best buys' and potentially address systemic inefficiencies. To do this requires not just investment in technical capacity to carry out HTA but also accompanying legislative and regulatory instruments that mandate its use.

Terms of Reference E

As well as considering opportunities to improve procurement processes, the Inquiry should also examine ways in which the NSW Government can better leverage its strategic purchasing power. Strategic purchasing can be used to achieve both efficiency and equity, through equitably distributing resources, targeting procurement to address the health needs of the population, and getting better value-for-money through its contracting arrangements with the private sector.

Terms of Reference H

We welcome the Inquiry's mandate to explore technical and clinical innovations in health service funding and delivery. We would like to see this expanded to include innovation through research. Historically, there has been a lack of rigour in the testing of funding models, and thus the systems we have in place are based on either historical legacy or models imported from other jurisdictions without testing. In contrast, for instance, health funders in the United States have been pro-active for many years in testing different models such as through the Centers for Medicare and Medicaid Services. To provide locally relevant best practice, we need to change the culture of decision making and enable system level changes to be subject to testing and innovation.

The George Institute is grateful for the opportunity to provide input to this process, and we are interested in continuing to be consulted going forward. We look forward to hearing of further opportunities to contribute.

Kind Regards

Stephen Jan PhD FAHMS

Co-Director, Health Systems Science, The George Institute
Professor of Health Economics, Faculty of Medicine, UNSW Sydney
Visiting Researcher, Centre for Health Economics and Policy Innovation (CHEPI) Business School, Imperial College London.



Adjunct Professor, Department of Public and International Affairs, City University of Hong Kong