



## Special Commission of Inquiry into Healthcare Funding

**Submission Number:** 64  
**Name:** Australian Health Promotion Association  
**Date Received:** 31/10/2023



**AHPA NSW/ACT Branch  
submission to the  
NSW Special Commission of Inquiry  
into Healthcare Spending  
31<sup>st</sup> October 2023**



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## **Submission to the NSW Special Commission of Inquiry into Healthcare Spending**

### **SUMMARY OF RECOMMENDATIONS**

The Australian Health Promotion Association (AHPA) recommends:

1. Increase funding for preventative health to 5% of the total health expenditure by 2030.
2. Create a health promotion statutory body, like VicHealth, to lead health promotion efforts across NSW.
3. Establish a Mental Wellbeing Promotion Office to coordinate mental health promotion across the state.
4. Adopt health in all policies (HiAP) as a key principle for the Government and public service in NSW.

### **ABOUT AHPA**

The AHPA is the peak body for health promotion in Australia. AHPA advocates for the development of healthy living, working and recreational environments for all people. AHPA is the only professional association specifically for people interested or involved in the practice, policy, research and study of health promotion.

Health promotion is the process of enabling people to increase control over and improve their health. Health promotion supports governments, communities, and individuals to address health challenges. This is accomplished by building healthy public policies, creating supportive environments, and strengthening community action and personal skills.

More about our vision for a healthy, equitable Australia can be found in [AHPA's Health Promotion and Illness Prevention Policy](#).

AHPA welcomes the opportunity to provide input to the Special Commission of Inquiry. Our submission is mostly regarding items A, C, D, H and I in the Terms of Reference.

- A. The funding of health services provided in NSW and how the funding can most effectively support the safe delivery of high quality, timely, equitable and accessible patient-centred care and health services to the people of NSW, now and into the future.**
- C. The way NSW Health funds health services delivered in public hospitals and community settings, and the extent to which this allocation of resources supports**

**or obstructs access to preventative and community health initiatives and overall optimal health outcomes for all people across NSW;**

- D. Strategies available to NSW Health to address escalating costs, limit wastage, minimise overservicing and identify gaps or areas of improvement in financial management and proposed recommendations to enhance accountability and efficiency;**
- H. New models of care and technical and clinical innovations to improve health outcomes for the people of NSW, including but not limited to technical and clinical innovation, changes to scope of practice, workforce innovation, and funding innovation; and**
- I. Any other matter reasonably incidental to a matter referred to in paragraphs A to H, or which the Commissioner believes is reasonably relevant to the inquiry.**

NSW's health and hospital system face huge and increasing pressures to treat the [47 per cent of all Australians living with a chronic disease](#).

Many chronic diseases are preventable. A whole of government health promoting approach is required to reduce healthcare spending by reducing the pressures on the health system and preventing early onset of chronic illness. A Health in All Policies (HiAP) strategy and strong investment in preventative health can improve population health in NSW. An increased focus and investment in public health is required to stem escalating healthcare costs. Funding of at least 5 per cent of the total health expenditure by 2030 is needed as recommended in the [National Preventative Health Strategy](#).

Reducing healthcare costs through investment in public health prevention interventions is highly cost-saving. Most preventive health strategies lead to cost savings that outweigh the cost of their implementation. Savings have already been achieved in tobacco control and interventions in physical activity, promotion of healthy weight and prevention of overweight and obesity,<sup>1</sup> dental caries, periodontal disease, child injury, road safety, sudden infant death syndrome and HIV,<sup>2</sup> Evidence demonstrates that for every \$1 invested in prevention intervention, there is a return of \$14 plus the original investment back to the wider economy.<sup>3</sup>

### **NSW Health Promotion Statutory Body**

AHPA NSW recommends the creation of **Health Promotion Statutory Body in NSW** like the successful [VicHealth](#) to lead a strategic approach to health promotion across NSW.

VicHealth was created under the Tobacco Act of 1987. It aims to:

1. Deliver healthier, longer lives for all Victorians
  2. Create value to the Victorian healthcare system and economy
  3. Drive fairer health outcomes with and for Victorian communities
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This can be funded by a levy on the harmful industries such as gambling, alcohol, tobacco, and fossil fuels which contribute to premature deaths and the burden of disease in NSW. Introducing a tobacco retailer fee is an example of revenue raising for this purpose. There are an estimated 10,000 tobacco retail outlets in NSW. AHPA recommends the Tobacco Retailer Notification Scheme is amended to charge an annual fee to generate revenue for NSW Government and encourage existing businesses to reconsider selling tobacco. Tasmania sets an annual tobacco retailer fee of \$1219. NSW could introduce an annual fee of \$5000 per annum and potentially raise \$50M annually to reinvest in health promotion. A sugar tax on sweetened drinks is an effective way to reduce sugar consumption and raise finances to invest in health promotion.

### **Mental Health Promotion**

45 per cent of Australians aged 16-85 years will experience a mental disorder at some point in their lives and over 3000 Australians die by suicide every year.<sup>4</sup> Despite increased awareness about mental health in Australia, Prevention United reports “the prevalence of mental health conditions has not changed since 1990 and the magnitude of the disability and premature death associated with these conditions remains largely unchanged and unacceptably high.”<sup>5</sup>

To begin to change this the [2020 Mental Health Productivity Commission report](#) argues that the mental health system needs to be refocused towards prevention and early intervention. AHPA recommends the establishment of a Mental Wellbeing Promotion Office to drive mental health promotion across the state and the establishment of teams of mental health promotion workers in each Health Promotion Service in every Local Health District to implement wellbeing and social prescribing initiatives to reduce loneliness and social isolation.

### **Health in all Policies**

People’s health is determined by the environments in which they work, live and play. People who have high quality education, transport, employment, secure housing are more likely to lead healthy lives than those without such opportunities. Many chronic conditions can be prevented but not by the health system alone. The current health system is mainly an illness system which treats people who are unwell and then people are sent back to the same circumstances that made them sick in the first place, such as food insecurity and inadequate housing. Health in All Policies (HiAP) recognises that population health is largely determined by policies that guide actions beyond the health sector. [HiAP is a public policy approach that systematically considers the health implications of policy decisions in all areas and avoids harmful health impacts to improve population health.](#) South Australia has reviewed the evidence and found that [governments need intersectoral action](#) to act on the social and commercial determinants of health to find solutions to complex health problems.

### **Present in Person**

Investing in health promotion makes economic sense. [The Productivity Commission conservatively estimated that Australia’s GDP could be increased by \\$4 billion per year if the](#)

[health of people in fair or poor health was improved](#). Investing in health promotion is an opportunity to build a healthier, more productive, and fiscally responsible future. It is not a quick fix bit but rather a long-term solution to escalating health costs.

As the peak health promotion body in NSW, we would like to present in person at the Inquiry to speak about how we can turn our health system around.

This submission was prepared on behalf of the AHPA NSW/ACT Branch by:

Gabriela Martinez

Committee Member, AHPA NSW/ACT Branch

## References

<sup>1</sup> Howse, E, Crosland, P, Rychetnik, L, Wilson, A. The value of prevention: An Evidence Review. The Australian Prevention Partnership Centre, 2021.

<https://preventioncentre.org.au/resources/the-value-of-prevention/>.

<sup>2</sup> Gruszyn, S., Hetzel, D., Glover, J., & Public Health Information Development Unit (2012). Advocacy and action in public health: lessons from Australia over the twentieth century. Adelaide: Public Health Information Development Unit. Available from

<http://www.publichealth.gov.au/publications/advocacy-and-action-in-public-health%3a-lessons-from-australia-over-the-20thcentury.html>

<sup>3</sup> Masters R, Anwar E, Collins B, et al. (2017). Return on investment of public health interventions: a systematic review Journal of Epidemiology and Community Health 71:827-834.

<sup>4</sup> Australian Institute of Health and Welfare, 2020. Australia's health 2020 data insights. Australia's health series no. 17. Cat. no. AUS 231. Canberra: AIHW

<sup>5</sup> Prevention United Strategic Plan 2018-2023 <https://preventionunited.org.au/about-us/strategic-plan/>