New South Wales

Special Commission of Inquiry into Healthcare Funding

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Name: Australasian College of Dermatology

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SUBMISSION TO SPECIAL COMMISSION OF INQUIRY INTO HEALTHCARE FUNDING

THE AUSTRALASIAN COLLEGE OF DERMATOLOGISTS

EXECUTIVE SUMMARY

The Australasian College of Dermatologists (ACD) is committed to working with Federal, state and territory governments, health services and other stakeholders to address the significant shortage and maldistribution of the specialist workforce, and to ensure all Australians can access timely and appropriate care for dermatological conditions. However, in NSW, healthcare funding arrangements remain one of the key barriers to increasing service delivery and training in areas of need. We therefore welcome this Special Commission of Inquiry and the opportunity to make a submission.

Beyond inner metropolitan Sydney, public dermatology services are scarce and in some LHDs non-existent. There is no public dermatology service in the following LHDs: Far West, Mid North Coast, Murrumbidgee, Northern NSW, Southern NSW, Western NSW, Central Coast, Illawarra Shoalhaven and Nepean Blue Mountains. This inequitable access to specialist care is unacceptable and must be addressed.

The NSW Regional Health Strategic Plan is robust and should guide funding. However, in our experience of trying to secure investment to introduce or grow dermatology services and training in identified areas of need in NSW, there is a significant disconnect between government strategy and planning, and LHD funding and priorities.

This maldistribution of specialist dermatology services exists not only in regional areas but, also in availability of public and private dermatologists in MM1 and MM2 designated outer-metropolitan areas.

Activity-based funding models, focused on activity rather than outcomes, significantly disadvantage outpatient services and primarily chronic disease specialties like dermatology. Cost-based decision making by LHDs and public hospitals are hindering the introduction and growth of public outpatient clinics, consultant capacity and trainee positions in areas of need. From a governance perspective, where health and service needs assessments identify a gap, the knowledge and resources of specialty medical colleges is not being sufficiently leveraged to identify potential on the ground workforce.

End-to-end, place-based medical training has been clearly identified as an enabler to addressing maldistribution of the specialist workforce, yet opportunities for NSW funding for specialist training are not being leveraged to help drive place-based training and development of homegrown workforce in areas of need.

All these factors need to be addressed so that the people of NSW can access the timely, safe, affordable and geographically convenient care they need now and into the future.

Recommendations

This submission sets out our three key recommendations to the Special Commission of Inquiry, namely that the NSW Government:

1. Examine and address cost/activity-based decision-making frameworks that constrain workforce growth in outpatient specialties and areas of need.
2. Invest in state-wide governance and funding arrangements that can respond flexibly to opportunities to build public specialist services in areas of need.
    - For dermatology, this should start with NSW Health and Northern NSW LHD establishing a public dermatology service in Northern NSW LHD.

3. Implement a scheme for NSW-funded training positions in areas of need that enable selection and training from the area, in the area, for the area.
    - For dermatology, this should start with SWSLHD funding two new registrar positions at Liverpool/Campbelltown Hospitals that require trainees to be selected having been educated at school and university in South Western Sydney, living in the area and being committed to working in the area.

INTRODUCTION

The Australasian College of Dermatologists (ACD) is the sole medical college accredited by the Australian Medical Council for the training and continuing professional development of medical practitioners in the specialty of dermatology. As the national peak membership organisation, we represent just over 600 dermatologist Fellows (FACD) and 100 trainees.

In this submission we seek to provide recommendations that are applicable to healthcare funding beyond dermatology. We have provided case studies from our experiences. The following overview of the dermatologist workforce is provided as background and context to the recommendations which follow.

CONTEXT: THE CHALLENGES IN DERMATOLOGY

Dermatology workforce - The national picture

All Australians should be able to access timely, safe and geographically convenient skin health and dermatology care. Dermatologists specialise in the diagnosis, treatment and management of all skin diseases, including skin cancer. Through the College's specialty training program, they are extensively trained over a minimum of four years.

Access to specialist dermatology services leads to improved patient outcomes[1] and drives efficiencies within the health system[2], reducing downstream costs to individuals and the taxpayer. Yet many Australians are unable to access dermatologists and other specialist care where and when they need it. It is especially difficult in rural and remote, and in many outer metropolitan communities.

Despite Australia's high rates of skin cancer and incidence of increasingly complex chronic skin disease, dermatology is one of the few medical specialties in national undersupply as most recently highlighted in the Australian Government's National Medical Workforce Strategy 2021-2031[3]. There are only just over 600 dermatologists nationwide – or roughly 2 dermatologists per 100,000 Australians[4], a shortfall only set to worsen, and the workforce is maldistributed.

This shortage is not due to a lack of doctors seeking to train as dermatologists, but to insufficient public investment in dermatology services and in the registrar and consultant supervisor positions needed to grow the dermatology workforce.

Dermatology Workforce in NSW

It is a consistent picture in NSW. ACD's NSW Faculty, which provides specialist dermatology services across both NSW and the ACT, comprises 225 actively practicing Fellows (dermatologists) and 36 trainees and International Medical Graduates (IMGs) enrolled in the specialist dermatology training program. The *NSW Medical Workforce Modelling by Specialty 2015-2030 Summary* identified Dermatology as a specialty with substantial career opportunities needing an increase in trainee numbers of 25% to 150% in order to meet projected service demand by 2030[5].

These challenges were clearly articulated in our December 2020 Submission to the Inquiry into health outcomes and access to health and hospital services in rural, regional and remote NSW. That submission noted that:

- 80% of Fellows provided services in metropolitan Sydney local health districts and a further 10% in the metropolitan local health districts adjacent to the greater Sydney area, Nepean Blue Mountains, Central Coast and Illawarra Shoalhaven. These regions are home to only 66% of the NSW/ACT residential population.
- The remaining 10% of the dermatology workforce, based in practices outside of these metropolitan areas (in the 8 regional and rural local health districts of NSW and in the ACT), were the main providers of specialised dermatology services to the 2,276,000 residents of regional, rural and remote NSW and the 418,000 residents of the ACT.
- With 40% of the regional workforce aged 60 or older, maldistribution is expected to increase by 2030.

This significant maldistribution of the workforce as reported in December 2020, is shown in the Appendix – see Figures One and Two.

Despite this, there is a small cohort of dedicated Fellows who continue to provide outreach services. However, this outreach is inconsistent, unsustainable, costly and poses concerns to them regarding continuity of care which is being further exacerbated by the declining GP workforce. Outreach services are at best a 'band-aid' solution, improving the perception of care.

Public hospital services

A majority of public hospitals in regional areas, and some in metropolitan areas, do not have dermatology departments. This means there are many LHDs without the opportunity for dermatologists to provide a public service (See Appendix, Table One). This prevents the establishment of public outpatient clinics across many regions, thwarts opportunities for the College to establish regional training pathways and grow the rural workforce, and severely limits the broader health workforce's exposure to and upskilling in dermatology. In many rapidly growing outer-metro regions, such as South Western Sydney, demand is also outstripping supply at an ever increasing rate.

Training

There are 32 training positions across 21 sites in NSW. Optimally a considerable portion of training rotations should be rostered within a public hospital setting to gain clinical exposure to diverse and complex cases within a multidisciplinary model of care. While increasing training in private practice settings can assist in expanding capacity of the program – and is something College seeks to optimise through use of our 29 Federally-funded Specialist Training Program (STP) training positions nationally – it is not directly substitutable for public hospital settings but rather as an adjunct. This is because even in the largest practices, some cases will still need to be referred to hospital clinics as their complexities are optimally managed in a multidisciplinary public setting. It also avoids the responsibility of supervision resting on a single rural dermatologist who has to balance the burden of training with delivery of a clinical service.

A lack of state investment in dermatology services in public hospitals severely constrains the training opportunities available, negatively impacting workforce growth and the ability to meet the needs of NSW communities.

RECOMMENDATIONS

Recommendation 1: Examine and address activity/cost-based decision-making frameworks that constrain workforce growth in specialties and areas of need

From our experience of trying to secure funding to introduce or grow dermatology services and training in identified areas of need and as a specialty in recognised undersupply, there appears to be a sizeable disconnect between community need and state government intent with regard to regional and rural planning, and LHD funding and priorities (See Case Study 1 below).

This underinvestment in public dermatology services, despite the clear recognition of dermatology workforce shortage is extremely concerning and, at the hospital level, it is our understanding that decisions are driven by current supply driven funding models.

Activity-based funding appears to significantly disadvantage outpatient services. To use dermatology as an example, dermatology is not always understood as being needed in the acute setting, with essential dermatology services introduced late in the patient care journey. Skin health is often the co-morbidity, complicating chronic presentations and hospital stay length but not reflected in the activity data. In this regard, dermatology departments may struggle to show evidence of efficiency and effectiveness in key performance indicators relative to other departments.

Activity-based funding does not optimise care for patients with chronic conditions. It is our impression that while activity-based funding can be a good model for acute services when the patient's full episode of care is relatively easy to define and observe within the acute setting and where it can incentivise efficient and productive care, it may work less well where care requirements are multifaceted and important parts of the episode could and should occur outside an acute setting. As dermatology is a primarily chronic disease specialty, we see this play out in practice.

These challenges are further compounded for underfunded specialities like dermatology that may not have a full-time head of department and thus the capacity to build the business case and advocate for funding. Indeed, a majority of public hospitals in regional areas, and some in metropolitan areas, do not have dermatology departments at all (see Appendix A) making advocacy at the hospital level incredibly challenging, even when there is a private sector workforce keen to provide a public service.

An under resourced, overstretched workforce also cannot increase its activity. Instead wait times, demands on consultant liaison services from within and outside the hospital and Emergency Department presentations, for dermatology indications for example, may better reflect the demands of the service.

The public hospitals charter is to provide health care to the community. Part of this care is to provide training of specialists who then proceed to provide that care. Cost-based decision making by public hospitals places constraints on both consultant dermatologists and trainee positions.

These frameworks need to be examined to ensure the future sustainability of the workforce and that people with chronic skin conditions an access the care they need, avoiding preventable hospital admissions and live healthy and productive lives no matter where they live in NSW. Funding should also be an agile model reviewed every 5 years and tailored to population growth, socioeconomic disadvantage (determining affordability) and changing demographics rather than historic models of funding.

Recommendation 2: Invest in state-wide governance and funding arrangements that can respond flexibly to opportunities to build public specialist services in areas of need

The sustainability of the specialist workforce and delivery of services to communities in need relies not only on adequate funding for outpatient services and training placements but on sufficient numbers of clinical supervisors being available and willing to train and support the next generation of doctors[6].

Scarcity of consultant workforce in regional, rural and other areas of need can make establishing quality training opportunities extremely challenging and it is critical that where we have a consultant(s) willing to provide a public service and training in an area of need that there is the flexibility and support to respond to this opportunity.

To use dermatology as the example, there are limited dermatology training positions in regional and rural areas as there are fewer dermatologists in these locations. A critical first step to growing the dermatology workforce in these regions is to build consultant supervisory capacity in areas of need. However, the skeletal dermatology workforce means we need to be flexible and opportunistic in doing so.

Yet current governance and funding mechanisms do not allow specialties to easily leverage opportunities that arise. The College has faced significant challenges in our efforts to establish and expand dermatology services and training positions within NSW public hospitals in areas of need even when we have a willing and able cohort of Fellows as clearly demonstrated in the Northern NSW case study provided below (Case Study 1).

Where health and service needs assessments identify a gap, there is equally a need for the NSW Department of Health and LHDs to work proactively with specialty colleges such as ACD as we have a strong understanding of where there is an opportunity to address this gap and can coordinate on the ground workforce. ACD's commitment to regional and rural workforce has in recent years seen the College demonstrate a strong track record in acting as an effective nexus between key stakeholders (federal, state and territory, LHDs, public hospitals and private practice) to leverage alternative sources of funding to build sustainable workforce and services in areas of unmet need (See Case Study 2).

State-wide governance and funding arrangements are urgently needed that can respond flexibly to opportunities to build public specialist services in areas of need. For dermatology, this should start with NSW Health and Northern NSW LHD establishing a public dermatology service in Northern NSW LHD.

Case study 1: Northern NSW

Despite Northern NSW LHD having the highest incidence of melanoma in NSW[7] and one of the highest rates of hospitalisations for skin infections in NSW in 2019-20[8], there are currently no public dermatology services in Northern NSW.

The private practice servicing the community currently based in Byron Bay/Ballina cites wait times for those who can afford private dermatology services at approximately 8 months. Northern NSW residents who require public services for chronic skin conditions and skin cancer have to travel across the Queensland border or travel to urban centres in NSW to access dermatology care and treatment. This is costly and impracticable for ongoing care, driving the likelihood of treatment lapses and emergency department presentations resulting in admission.

While the dermatology workforce resident in regional NSW is small, Northern NSW LHD is in an unusual position of strength in that it has a critical mass of three dermatologists well established in private practice in the region who are also keen to deliver a public service.

Continued overleaf

In the first half of 2023, ACD approached both Northern NSW LHD and NSW Health on the opportunity to establish a dermatology service at the new Tweed Heads Hospital or other sites within the Northern NSW LHD, as aligned with the NSW Regional Health Strategic Plan 2022-32.

Establishing a public dermatology service would open up the opportunity to look at complementary strategies such as telehealth-enabled triage, assessment and advice services; to introduce dermatology training supporting sustainability of a Northern NSW specialist workforce long term; and to support upskilling of the broader health workforce by providing medical students, junior doctors and GPs valuable exposure to dermatology and dermatologists.

Despite multiple approaches through various channels, the College was unable to gain any traction, and the people of Northern NSW remain without a public dermatology service. This was disappointing for College and unacceptable for the people of the region.

Case study 2: Building sustainable dermatology services for Regional Queensland

In contrast, ACD has been able to work with hospitals, health services and departments of health in other states and territories to bring together alternate sources of funding to build a sustainable medical workforce in areas where there was almost non-existent private or public dermatology services addressing significant unmet need and maldistribution.

In Queensland, the College has been able to bring together state and federal funding over the past 5 years to establish what is now a robust dermatology service in Townsville, and more recently, through a networked model linking Townsville University Hospital with the Melanoma Institute in Sydney, a world class high-risk melanoma skin cancer service and highly desirable training hub for the region.

More recently, the College was able to secure $1.8 million in funding from the QLD government under the Medical Practitioner Workforce Plan for Queensland funding opportunity. Our Regional QLD Project increases current trainee supervision and support by adding consultant capacity to the region across the Sunshine Coast University Hospital, Cairns Hospital, Townsville University Hospital and Torres and Care Hospital and Health Service. This will ensure that our new dedicated rural training position and pathway for North Queensland – which enables candidates with an established connection to the region to undertake the majority of their training there, thus supporting a homegrown workforce – is well supported and sustainable thus increasing service delivery capacity to areas of unmet need for the longer term.

Recommendation 3: Implement a scheme for NSW-funded training positions in significant areas of need that enable selection and training from the area, in the area, for the area.

End-to-end, place-based medical training has been clearly identified as an enabler to addressing maldistribution of the specialist workforce. Rural medical students and junior medical officers report positive education and early career experiences in their local rural and regional area. However, the lack of consultant and training positions in these areas of need means those wishing to enter a specialist training program have to relocate to undertake their training, losing community connections with many never returning to practice in their home region.

In addition to the critical first step of adequately funding public specialist services in areas of need (see Recommendations 1 and 2), there is an urgent need to establish well-supported clinical and professional training and selection pathways that provide the opportunity for trainees from areas of need to undertake end-to-end training and practice where they reside, be that a regional, rural or outer-metropolitan area of need. This is critical to building a sustainable homegrown specialist workforce for the future that truly understands and can meet the unique needs of their own community.

While ACD has been able to optimise use of our federally funded STP training positions to support rural training rotations, these are capped and there is also no stipulation in these funding arrangements that requires a trainee to be from the region where the position is located nor indeed from a regional area generally.

We recommend that the NSW Government invest in a scheme that would see state-funded area of need training positions with requirements for their own dedicated selection pathways to enable selection *from* the area, for training *in* the area aimed at building a sustainable workforce *for* the area.

With these training positions available, medical colleges will be able to work with local stakeholders to put in place appropriate supports to foster the interest and skills of local medical students and JMOs interested in pursuing a career in dermatology such that they can successfully meet the requirements for entry onto the specialty training program.

As outlined in Case Study 3 below, this could commence by funding two new registrar positions at Liverpool / Campbelltown Hospitals contingent on trainees being selected having been educated at school and university in South Western Sydney, living in the area and committed to working in the area.

Case study 3: South Western Sydney

South Western Sydney Local Health District (SWSLHD) has one of the largest urban Aboriginal populations and culturally and linguistically diverse (CALD), non-English speaking background (NESB) and refugee populations in NSW, with high levels of socio-economic disadvantage.

From a service delivery perspective, this translates into more complex disease and greater need for interpreters and for skills and experience in diagnosing and managing skin conditions in people with skin of colour. A declining GP workforce in disadvantaged suburbs, lack of skills in treating the diverse range of skin colour, and reduced affordability all result in delayed presentations, associated co-morbidities, complex management needs, leading to the patient being retained in the public hospital and inability to be returned to GP care.

This lack of access and affordability also leads to inappropriate presentations to the Emergency Departments and public hospitals placing further strain on the public hospitals in SWSLHD. SWSLHD has some of the poorest melanoma outcomes in the state[9], likely due to cumulative sun exposure from outdoor work, but also due to delayed presentations due to access and affordability issues.

Continued overleaf

At the same time, SWSLHD is significantly underserviced for specialist dermatology resulting in an average wait list of 4-6 months in private and 18 months on the public list. With the highest birthrate in the state, the district now requires not only an increased service but a designated public paediatric dermatology service.

A business plan and model of care for a district-wide service for Dermatology was submitted, approved by the Clinical and Quality Council (CQC), and listed amongst the top 3 priorities for SWSLHD. Three years on and there has been no funding for growth. *Allocation of funds specific for this would be the first step towards commitment to dermatology by NSW Health.*

Chronic diseases in dermatology, for example eczema, psoriasis and hidradenitis suppurativa, often require lifelong specialist care. As per AIHW data, patients in areas of socio-economic disadvantage are likely to have co-morbidities related to lifestyle choices (smoking, excessive alcohol consumption, poor diet, sedentary lifestyles) so people in these suburbs need healthcare beyond the state/national average ratios.

A recent workforce survey/study undertaken by ACD Fellows[10] estimated 7.4 FTE specialist dermatologists working in private practice and 2.1 FTE in the public sector equating to a total of 0.86 FTE per 100,000 population, well below the national average of 2.3 FTE (noting 2.3 FTE is already reflective of significant national shortage).

If just this national average was to be achieved in SWSLHD, there would need to be 22 FTE dermatologists for SWS LHD's 1.1 million population in 2023, and 26 FTE for its 1.3 million population in 2030. The study, which also looked at future intentions regarding working hours and retirement over a 3-5 year period, found there is an insufficient and declining cohort of dermatologists despite the rapidly increasing population of SWSLHD.

Due to challenges in attracting full-time workforce to the district, the 2.1 FTE public service and supervision of 4.5 training positions across Liverpool and Campbelltown hospitals is serviced by 11 dermatologists. In South Western Sydney, as in many other geographical areas of need across Australia, we see both an urgent need for investment in consultant and training positions, but also for tailored solutions to building local and homegrown specialist workforce that can provide the continuity of care needed to meet the district's unique needs.

CONCLUSION

All residents of NSW should be able to access timely, safe, affordable and geographically convenient specialist and multifaceted care that keeps them well and reduces downstream costs to the health system.

As outlined in our submission, it is critical that current funding models are reviewed to be outcomes-focused to better support people with chronic conditions and that state-wide healthcare funding governance arrangements drive investment at the LHD and local hospital level that is aligned to community and workforce areas of need.

APPENDIX

Relevant excerpts from ACD's 2020 submission to the Inquiry into health outcomes and access to health and hospital services in rural, regional and remote NSW, November 2020

Figure One: Number of dermatologists by NSW Local Health District (primary place of practice, either public or private)

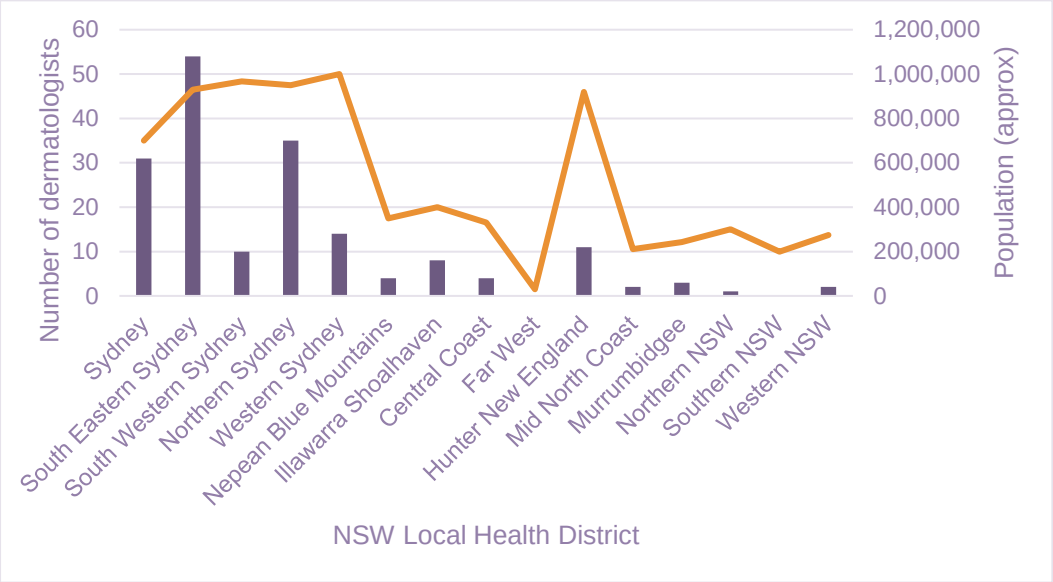

Figure Two: FTE/100,000 by NSW Local Health District

***** Full Time Equivalent (FTE) = 40.0h/week. FTE/100,000 calculated using average total specialist hours for NSW (39.0h/week) and ACT (40.2h), from Department of Health (2017) Australia's Future Health Workforce – Dermatology

Table One : NSW/ACT Public Dermatology Services (as at October 2020)

LHD	Public Dermatology Department	Outreach and Visiting
REGIONAL		
Far West	**No**	Annual outreach dermatology services Broken Hill HS (Federally funded) Ivanhoe HS, Menindee HS, Tibooburra HS, White Cliffs HS, Wilcannia MPS (RFDS funded)
Hunter New England	**Yes**. Inpatient/outpatient dermatology (John Hunter Hospital); VMO (Calvary).	Monthly outreach/visiting – Armidale (Federally funded)
Mid North Coast	**No**	Monthly outreach dermatology service (Coffs Harbour (Federally funded)
Murrumbidgee	**No**	
Northern NSW	**No**	
Southern NSW	**No**	Cooma, Merimbula [Federally funded)
Western NSW	**No**	Walgett AMC and Coonamble AHS (Federally funded) Brewarrina Hospital, Bourke Hospital
ACT	**Yes** (Canberra Hospital)	Monthly outreach/visiting services to Winnunga (Federally funded)
METROPOLITAN		
Central Coast	**No**	
Illawarra Shoalhaven	**No**	
Nepean Blue Mountains	**No**	
Northern Sydney LHD	**Yes.** Public Dermatology Department (Royal North Shore Hospital)	
South Eastern Sydney	**Yes.** Dermatology Departments (Prince of Wales Hospital Randwick). Inpatient/outpatient dermatology (St George Hospital Kogarah)	
South Western Sydney	**Yes** Dermatology Department (Liverpool), Dermatology Service (Campbelltown Hospital). Inpatient dermatology provided from Liverpool Hospital (Fairfield Hospital; Bankstown-Lidcombe Hospital, Bowral and Braeside facilities).	Outreach provided to Tharawal Aboriginal Corporation in Airds as part of Campbelltown Hospital outreach and Redfern.
Sydney	**Yes.** Dermatology Department (Concord Repatriation General Hospital, Royal Prince Alfred Hospital).	
Western Sydney	**Yes.** Dermatology Department (Westmead Hospital)	
HEALTH NETWORKS		
St Vincent's Health Network	**Yes.** Dermatology service (St Vincent's Public Hospital)	
Sydney Children's Hospital Network	**Yes.** Dermatology Department (The Children's Hospital at Westmead, Sydney Children's Hospital Randwick)	

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2 Australian Government Department of Health (DoH), *Australia's Future Health Workforce: Dermatology* May 2017.

3 Australian Government Department of Health, *National Medical Workforce Strategy*, January 2022; pp 34

4 Figure is based on the current number of practicing fellows of the College and the ABS Population Clock, accessed on 6 Oct 2021 via: https://www.abs.gov.au/AUSSTATS/abs%40.nsf/Web%2BPages/Population%2BClock?opendocument=&ref=HPKI

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10 ACD data on file