



## Special Commission of Inquiry into Healthcare Funding

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# The Special Commission of Inquiry into Healthcare Funding

The Heart Foundation welcomes the opportunity to respond to the Special Commission of Inquiry into Healthcare Funding. In 2021, more than 14,200 people in New South Wales died from cardiovascular disease, accounting for more than a quarter of all deaths in the state<sup>1</sup>. Out of the national ten hotspots with the highest cardiovascular disease death rates, four of them are in New South Wales, each with a mortality rate at least 20% higher than the national average. Cardiovascular disease is the most expensive chronic health condition in Australia, costing almost \$12 billion each year, and there are more people living with cardiovascular disease in New South Wales than any other state in the country<sup>2</sup>.

The Heart Foundation wishes to respond the below point in the terms of reference:

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.

The Heart Foundation is advocating with all levels of government across Australia for an increased focus on preventative healthcare. Australia currently ranks 20<sup>th</sup> in the world for per capita spending on preventative health<sup>3</sup> and the rising prevalence of chronic conditions will require increased attention paid to minimise the burden that this places on our healthcare system. The government of New South Wales has the opportunity to increase investments in community driven primary and secondary prevention programs that can drastically reduce the incidence and prevalence of cardiovascular disease in New South Wales.

The Heart Foundation is calling on the Government of New South Wales to take strong steps in order to reduce the burden that cardiovascular disease has on the people and economy of our state by:

- 1. Increasing investment in preventative healthcare.**
- 2. Increasing the uptake of cardiac rehabilitation.**
- 3. Restricting the advertising of unhealthy food.**
- 4. Implementing a positive licensing scheme for tobacco retailers.**
- 5. Funding a targeted advertising campaign to promote Heart Health Checks.**

## Current Situation

In New South Wales there are currently more than 700,000 people at risk of having a heart attack or stroke in the next 5 years<sup>5</sup>. More than half of the adult population and 1 in 5 children are above a healthy weight<sup>6</sup>, 39% of adults are insufficiently physically active<sup>7</sup>, more than 600,000 people are current smokers<sup>8</sup>, only 4.4% of adults are eating the recommended number of serves of vegetables daily<sup>7</sup> and more than 1.3 million people have high blood pressure<sup>7</sup>. These are all modifiable risk factors for cardiovascular and other chronic diseases that place a significant toll on the population and economy of New South Wales. It is estimated that 54% of all Australian chronic disease deaths are driven by these key modifiable risk factors<sup>9</sup>.

The growing incidence of chronic diseases has been one of the most significant changes in health care demand in recent years. If not tackled, it will continue to influence both expenses and needs within the health system. The Government of New South Wales has the opportunity to increase the focus on the prevention of chronic diseases and the reduction of risk factors and make a substantive difference to the health and wellbeing of the people of New South Wales. Recent estimates show that

as much as 38% of the chronic disease burden in Australia could be avoided if modifiable risk factors are reduced throughout the country<sup>9</sup>. Modelling suggests that hospital admissions associated with chronic diseases will continue to rise and account for almost 50% of all hospital presentations in the next 40 years<sup>10</sup>.

Patients with existing cardiovascular disease also need to be better supported to prevent further disease progression and their readmission to acute care. Cardiac Rehabilitation programs have been proven to reduce mortality, strengthen adherence to medication regimens, improve clinical and behavioural outcomes and importantly, reduce repeat cardiac events and readmission to hospital<sup>10</sup>.

The current focus on funding for healthcare prioritises a fee for service payment that pays a rebate each time a service is provided, and hospital activity-based payments reward treatment episodes as opposed to keeping people healthy and out of hospital<sup>11</sup>. We need to fundamentally shift the focus of healthcare funding from hospital-based services to community driven programs that are designed to reduce risk factors and prevent people from developing chronic diseases.

## Benefits of Preventative Healthcare

There is significant evidence that demonstrates the effectiveness of primordial, primary and secondary prevention programs and their ability to reduce modifiable risk factors and prevent chronic diseases<sup>12</sup>.

The Heart Foundation's Blueprint for an Active Australia identifies a number of health, mental wellbeing, social and economic benefits to strategies that aim to increase levels of physical activity within the community. For example, correlations between enhanced physical activity levels and reduced instances of cardiovascular diseases and type 2 diabetes in neighbourhoods that prioritize walkability, green spaces, and active transport. Additionally, financial incentives and mass media campaigns have proven effective in boosting physical activity levels. Walkable neighbourhoods also yield environmental benefits, including decreased air pollution, while active transportation fosters social cohesion and community safety<sup>13</sup>.

The economic benefits of increased physical activity are also significant. Each additional kilometre walked has been estimated to result in health-related benefits that range in value from \$1.04 to \$2.08. Each additional kilometre cycled results in health-related benefits that range in value from less than \$0.02 to \$1.12<sup>14</sup>. It is in the long-term financial interests for all levels of government to prioritise community walkability and make it easier for the public to engage in active forms of transport.

The benefits of prevention extend beyond reducing chronic conditions and living longer, healthier lives. Prevention generates benefits not only by reducing pressure on the health budget, but by also increasing workforce participation and productivity, and improving the health of future generations. Research suggests that the prevention of chronic conditions leads to increased attendance at work, more productive years in the workforce and improvements in gross domestic product as a result of less income loss to disease and premature death<sup>15</sup>.

## Priorities for Reform

The Government of New South Wales has the opportunity to prioritise policies and funding arrangements that are aimed at the reduction of risk factors and the prevention of chronic disease.

The Heart Foundation is calling on the Government of New South Wales to:

### **1. Increase investment in community lead prevention to at least 5% of total health expenditure.**

The New South Wales Government should increase the focus within the health system on prevention of chronic disease across all levels of the system. In line with the National Preventive Health Strategy, investment in preventive health should rise to at least 5% of health expenditure. Prevention programs should be designed and implemented at the local level by communities to ensure that programs are relevant to local needs. These programs should have a focus on activities that are designed to reduce risk factors for chronic disease and promote active, healthy lifestyles.

### **2. Increase uptake of cardiac rehab services.**

Cardiac rehabilitation can reduce hospital readmissions and death within the first year after a coronary event by as much as 56% and 30%, respectively. Cardiac rehab uptake in New South Wales is unacceptably low, with fewer than 30% of eligible patients participating in cardiac rehabilitation programs<sup>16</sup>. There are many reasons for the low uptake of cardiac rehab, including lack of transport, work/social commitments, and a perceived lack of need. Accessibility is particularly an issue in remote parts of New South Wales, and for Aboriginal and/or Torres Strait Islander Peoples and people from culturally and linguistically diverse communities, in terms of access to culturally appropriate services. The New South Wales Government should ensure that those who are referred to cardiac rehabilitation programs are able to complete the program and that they are easily accessible and in culturally appropriate formats.

### **3. Restrict the advertising of unhealthy food.**

Australians, particularly children, are inundated with extremely effective marketing techniques that are used to promote the sale and desire of unhealthy food. The advertising of unhealthy foods on public transport reaches a significant number of people every day, substantially influencing their food choices and eating habits. Restrictions on advertising of unhealthy food is effective, with existing restrictions in place elsewhere showing a reduction in cardiovascular disease<sup>17</sup>. According to a study published in the International Journal of Behavioural Nutrition and Physical Activity, restrictions on the advertising of high fat, salt, and sugar products across the Transport for London network in 2019 resulted in 1,915 fewer cases of cardiovascular disease within three years of the advertising restriction than would be expected<sup>17</sup>.

### **4. Implement a positive licensing scheme for tobacco retailers.**

New South Wales has a strong and proud record on tobacco control, including smoke-free areas, public education campaigns and retail display bans. Currently, New South Wales is out of step with other jurisdictions in Australia that have implemented a positive licensing scheme for tobacco retailers of both tobacco products and e-cigarettes. The Australian Capital Territory, Northern Territory, Tasmania, Western Australia and South Australia, all have positive licensing schemes. The Heart Foundation supports the introductions of a positive tobacco retail licensing scheme with a high licensing fee like Tasmania, where the fee is currently set at \$1161 per annum (includes e-cigarettes).

#### **5. Fund a targeted advertising campaign to promote Heart Health Checks.**

Heart Health Checks are a Medicare funded 20-minute check up with a General Practitioner (GP) that help patients to understand their chance of having a heart attack or stroke in the next 5 years. GPs use current guidelines for assessing and managing cardiovascular disease risk and work with patients to lower their risk of a heart attack or stroke. These can include lifestyle changes and the use of pharmaceuticals where indicated. New South Wales has more than 700,000 people who are at risk of having a heart attack or stroke in the next 5 years. Ensuring that those at risk of acute cardiovascular disease are encouraged to visit their GP and take active steps to reduce their risk of heart attack or stroke will keep people out of hospital in New South Wales and help to reduce the burden that cardiovascular disease has on the community and economy. The Heart Foundation is calling on the Government of New South Wales to fund a targeted advertising campaign in high risk communities to promote the uptake of Medicare funded Heart Health Checks.

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