New South Wales

Special Commission of Inquiry into Healthcare Funding

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Name: Royal Australian and New Zealand College of Ophthalmologists

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RANZCO The Royal Australian and New Zealand College of Ophthalmologists
THE LEADERS IN COLLABORATIVE EYE CARE

31 October 2023

Mr Patrick Mullane
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Special Commission of Inquiry into Healthcare Funding
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Dear Mr Mullane,

The Royal Australian and New Zealand College of Ophthalmologists (RANZCO) is the medical college responsible for the training and professional development of ophthalmologists in Australia and New Zealand. We seek to enhance equitable service provision across Australia and develop and maintain a sustainable ophthalmology workforce with the ultimate goal of eliminating avoidable blindness.

Thank you for the opportunity to make a submission to the Special Commission of Inquiry into Healthcare Funding. We would like to share our views and put forward some recommendations from an ophthalmology service perspective, as follows:

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.*

Current funding arrangements create, and/or fail to address barriers to coordinated, clinically effective and efficient health care. A major barrier is the division of funding within health into silos. When increased service delivery in one silo results in positive investment returns, in another silo there is little or no scope for this to be recognised. For example, delivering timely eye healthcare yields investment returns in many other areas within health – decreasing falls, road traffic accidents, fractures, and dementia.

Additional funding is always welcome in health, however, the tap-on-tap-off approach to the funding of over-boundary surgical waitlists, which has occurred for many years, is an unhelpful approach that is commonly linked to political cycles. This approach is costly as it requires services to be outsourced, commonly at greater than National Efficient Price (NEP) and prevents the gradual growth in service capacity and training positions required to meet population needs and support a sustainable specialist ophthalmologist workforce for NSW's expanding population. As detailed in the Ophthalmology – Australia's Future Health Workforce report, this workforce is under threat in Australia.

Service plans funded over a four-to-five-year period present a high-value, long-term solution and help services prosper, increase training opportunities, and stabilise waitlists.

RANZCO asks NSW Health to undertake a systemic review of the funding arrangement to enable medium to long term planning with higher level of funding certainty to support effective planning and delivery of health service.

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B. The existing governance and accountability structure of NSW Health

Public eye healthcare services are currently sponsored and delivered within each Local Hospital Network (LHN) – known as Local Health Districts (LHDs) in NSW. The National Health Reform Agreement (NHRA) does not provide structured information to LHNs to define which services should be delivered by each specialty in each geographic region. Despite a key objective of the NHRA being the equitable delivery of services by jurisdictions, it is left up to each LHN to decide which services will be delivered within their area within the limited and reduced (in real terms) financial footprint available.

States and territories, including NSW Health, have Clinical Governance frameworks that emphasize the need for equity of access for patients throughout their jurisdiction, but they have not put in place mechanisms that ensure equitable service delivery and they are not held accountable for meeting these requirements.

Outpatient and procedural waitlist data is a key component of the performance of LHNs but is currently not included in the AIHW data set. The absence of outpatient and procedural waitlist data in the AIHW mandatory reporting data set signifies to LHNs and jurisdictions a lack of importance regarding timely access to public (ophthalmology) outpatient and procedural services which results in low visibility of and thus poor transparency regarding outpatient and procedural service delivery. This is particularly impactful for ophthalmology as outpatient services represent 80% of ophthalmological service delivery encompassing cost-effective, sight-saving treatments for highly prevalent, blinding conditions such as diabetic retinopathy, glaucoma, and age-related macular degeneration.

An Eye Health Services Delivery Plan for NSW would enable a state-wide overview of the delivery of eye healthcare services to the residents of NSW. This would facilitate NSW Health in working with the eye healthcare sector to design and equitably provision timely, cost-efficient, collaborative eye healthcare services across the state underpinned by the principles of the right care, at the right time and in the right place. This plan would link service delivery in primary and community care clinics, outer urban collaborative care clinics, the private sector, and public hospital ophthalmology departments.

RANZCO recommends the implementation of measures to improve Clinical Governance and accountability, including at least:

- The development of an Atlas of Healthcare Delivery Standards, calibrated by specialty, geographic area, and patient demographics for all healthcare, to address the inequity in access to and variation in healthcare services and health outcomes across Australia, particularly in regional and outer urban areas.

  For eye healthcare in NSW this would take the form of an Eye Health Services Delivery Plan for NSW that would be developed in close consultation with the eye healthcare sector in NSW.
- NSW Health supports the inclusion of waitlist data for outpatient services in the mandatory datasets that jurisdictions supply regularly to the AIHW as this measure is required to meet their obligation under the NHRA to demonstrate the equitable delivery of these essential services.
- The implementation of measures to ensure responsible waitlist governance such as the introduction of mandatory, strategic, medium-term planning by NSW Health to match outpatient and elective surgery activity to community needs.

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.*

Currently public healthcare funding is largely directed at acute and elective inpatient services. Specialties that deliver a greater proportion of these services naturally have an advantage in competing for the limited financial resources.

Ophthalmology services are largely outpatient-based (80% of ophthalmology services) with most surgeries (20% of ophthalmology services) being done using a day surgery model. Therefore, it is in a disadvantaged position to attract public hospital funding.

Public ophthalmology services in NSW, where present, are under-resourced to meet the needs of the population they serve, with long waitlists to access outpatient and inpatient services. This includes the waiting time to access paediatric ophthalmology outpatient and elective surgery services which are well over boundary, due to chronic underfunding of these services. This chronic shortfall in public paediatric ophthalmology service capacity has resulted in insufficient paediatric ophthalmology training posts to meet RANZCO Vocational Training Program accreditation requirements under the new curriculum (revised in response to AMC requirements).

Presently, not all ophthalmic trainees in NSW can access a dedicated paediatric ophthalmology training rotation and when they do this rotation is for just 3 months. This is a key contributor to the worsening shortage of paediatric ophthalmologists in NSW. This has become a circular problem, which needs to be addressed urgently with additional funding of public hospital paediatric ophthalmology services. These services can then be organised, under an NSW Eye Services Delivery Plan, to better provision urban outreach to high needs community clinics, such as currently provided in Mt Druitt by the Westmead Children's Ophthalmology Department.

Stagnant public full-time equivalent (FTE) funding for specialist ophthalmologists results in services being pushed into the private sector, which results in only 13% of ophthalmology service delivery in Australia being publicly funded. Given the public sector is in large part where the ophthalmologists of the future are trained, the chronic underfunding of public hospital ophthalmology services resulting in a reduced capacity proportionate to the entire sector and the population, is a threat to sustainable ophthalmology workforce in NSW and indeed across Australia.

Ongoing investment in public hospital infrastructure and equipment to increase ophthalmology services is largely absent with new hospitals and outpatient departments being designed and constructed without consideration of including a public ophthalmology outpatient department.

Most regional and outer urban LHDs don't fund public outpatient services, this means that 37% or 3 million people need to access services elsewhere increasing the risk of prolonging visual impairment and blindness. The wait for cataract surgery is the longest in inner and outer regional NSW due to underinvestment in regional services.

Public Ophthalmology Departments are not covering the NSW population equitably, this is particularly devastating in terms of the Aboriginal and Torres Strait Island peoples, of whom one third of Australia's total Indigenous population live in NSW, and three quarters

of this population have no access within their LHD to public ophthalmology outpatient services.

RANZCO asks NSW Health to consider the following:

- Appropriately resourcing existing public hospital eye services in Sydney, especially paediatric ophthalmology service.
- Placing additional services where the population most reliant on them lives – in outer urban and inner regional NSW, and implementing high value collaborative care models of care, evidenced to be cost-effective, to provide these additional services.
- Working with community stakeholders to develop a novel approach to funding all healthcare services (not just ophthalmology) for Aboriginal and Torres Strait Islander peoples at a jurisdictional level within the current NHRA framework.

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.*

The overlapping roles and responsibilities of the State and the commonwealth have resulted in poor coordination of Australia's healthcare system. Siloed patient results and records across and within jurisdictions have resulted in increased risks to patients and substantial inefficiency in and increased costs of service delivery.

RANZCO sees the potential to increase access to and distribution of public hospital eye healthcare services by formalising and funding high-value multidisciplinary models of care involving ophthalmologists, optometrists, orthoptists, nurses, allied health assistants, GPs, and Rural Generalists. The lack of a cohesive ophthalmic electronic patient record is a barrier to this.

Some regional LHDs may consider innovative funding models such as outsourced-to-private outpatient services using Activity Based Funding (ABF). This would reduce some of the cost burdens to regional private ophthalmology practices that are delivering a greater proportion of no-gap services than their city counterparts and be key in attracting and retaining specialist medical workforce in regional NSW. It would also enable more cost-efficient services delivery, at NEP, in regional NSW in LHDs where patients reside, thus reducing patients' need to travel for services, taking pressure off overburdened urban public hospital departments, and more equitably delivering services across the state. Given the workforce shortage of specialist ophthalmologists in regional NSW, this outsourced-to-private model of care for outpatient services would make the most efficient use of the limited regional specialist FTE resource.

Current management of inpatient and outpatient waitlists in NSW is variable and does not facilitate equitable access to patients across and within LHDs. Waitlists often sit with each hospital, rather than at the LHN or state level driving inequity in access to services within LHDs and across NSW. This results in a large variation in waiting times for the same services across, or example, greater metropolitan areas and between urban and regional areas. There are many individuals on multiple waitlists for the same service in multiple locations, waiting to see which waitlist gets them to the front of the queue first.

The fragmented approach to waitlist management also makes it difficult to see where there are gaps in available services and service delivery.

Another gap in the current NSW Health service delivery framework is the lack of a coordinated approach to discharge planning that integrates inpatient care seamlessly with primary care and other community services. There are opportunities to enhance patient-centred care, improve health outcomes, reduce costs, and limit wastage by investing in the development of a state-wide coordinated discharge planning policy.

RANZCO asks NSW Health to consider:

- Developing a State-wide electronic referral system specifically designed to collect the essential information needed to triage referrals for eye healthcare and to provide an entry portal for image file transfer could streamline eye healthcare referrals, interact seamlessly with electronic patient records, reduce costs by improving the efficiency of referral management, ensure referrals fit within referral guidelines and contain the necessary clinical information to reduce waste, enhance safety by ensuring streamlined red-flagging of referrals, and could provide an opportunity to measure the efficiency of the referral system.
- Centralising NSW Health inpatient (elective surgery) and outpatient waitlist management.
- Working with stakeholders in the community across the eye healthcare sector to develop collaborative models of care (MOCs) that consider the strengths of each workforce, enhance access to services for patients where they live, and streamline service delivery in line with patient-centred care.
- Facilitating the delivery of these cost-effective collaborative MOCs by funding and implementing a state-wide ophthalmic electronic medical record.
- Planning, coordinating, facilitating, and funding the growth of ophthalmology telemedicine services, both synchronous and asynchronous, which will increase access to services for regional communities where patients live, streamline access to necessary face-to-face services and reduce patient travel. This will reduce the cost-of-service delivery.
- Privatising outpatient services in both outer urban and regional areas using activity-based funding models. RANZCO would welcome the opportunity to work collaboratively with the NSW government to pilot such a model in workforce poor areas in NSW.
- Developing a state-wide coordinated discharge planning policy.

E. Opportunities to improve NSW Health procurement process and practice, to enhance support for operational decision-making, service planning and delivery of quality and timely health care, including consideration of supply chain disruptions.

In NSW, the funding for public hospital services is administered through short-duration service delivery plans. Uncertainty in the funding represents a financially insecure environment for service planning and places constraints on building sustainable service capacity to meet the community needs.

Financial uncertainty hampers the recruitment of the medical workforce, including specialist doctors, which often results in higher causal and locum award salaries being paid, and interferes with the procurement of equipment and the development of supporting infrastructure.

At least medium-term (four-to five year) financial certainty is required to adequately plan service delivery, secure and retain the skilled workforce needed in our public hospitals, and keep medical facilities adequately appointed to enable the delivery of safe, high-quality healthcare.

RANZCO recommends that medium-term financial planning should be introduced as standard practice in Local Health Networks (LHNs) with this expectation outlined in a set of compulsory governance requirements that would be detailed in the National Health Reform Agreement (NHRA).

F. The current capacity and capability of the NSW Health workforce to meet the current needs of patients and staff, and its sustainability to meet future demands and deliver efficient, equitable and effective health services.

The chronic lack of investment in public ophthalmology services across Australia, brought about by chronic shortfalls in funding and governance, has driven a substantial and increasing imbalance in the ophthalmology workforce between the public and private sectors, with most specialist ophthalmology full-time equivalents (FTE) in the private sector.

The ophthalmology workforce in NSW is maldistributed, being mainly urban based, has no Fellows who identify as Indigenous, and is facing an imminent overall workforce shortage, and a critical shortage of subspecialist paediatric ophthalmologists. There are insufficient funded training positions in the public sector to deliver a sustainable ophthalmology workforce.

There are significant barriers to increasing overall trainee numbers in NSW as is required to avoid the impending shortage of ophthalmologists. State funding for registrar FTE and supervisor FTE (FTE in public publics for VMOs and SMOs) continues to be stagnant in urban areas.

As well as enough workforce, we need a workforce composition that can deliver the broad scope of comprehensive ophthalmology, including paediatric ophthalmology.

The subspecialty of paediatric ophthalmology has not been able to attract enough 5th-year trainees and newly graduated Fellows to train in this subspecialty. Consequently, the paediatric subspecialty workforce is ageing and is not sustainable and there are insufficient subspecialists to meet the population’s requirements for these services.

There is also a critical shortage of ophthalmologists who are skilled in the screening and treatment of retinopathy of prematurity (ROP) and available to regularly engage in delivering the essential services that screen at-risk infants for ROP and treat neonates when indicated to prevent permanent blindness.

RANZCO asks NSW Government to:

- Provide sufficient investment in the growth of public ophthalmology services to meet community demand, which will result in the necessary growth in specialist training positions.

- Set population informed KPIs for the optimal public hospital specialist ophthalmologist FTE for all LHDs and require LHDs to develop plans to meet these targets.

G. *Current education and training programs for specialist clinicians and their sustainability to meet future needs.*

Two of RANZCO's six Vocational Training Networks in Australia are in NSW and have been in place for many years. These are the Sydney Eye Hospital and Prince of Wales Hospital Networks. Both are urban-based models with some regional terms. There is difficulty adding additional terms, even in urban areas, onto these existing networks due largely to the stagnant funding of registrar and supervisor FTE by NSW Health at the district level and an ongoing lack of additional investment in facility and equipment.

The regional terms currently incorporated in these networks have unfortunately not resulted in a high enough percentage of Fellows choosing to work in MM2-7 after obtaining Fellowship to address workforce maldistribution.

In response to the ongoing maldistribution of the ophthalmic workforce, the RANZCO Workforce Taskforce has designed a Regionally Enhanced Training Network (RETN), in which trainees spend 60% or more of their training in regional Australia. The program's major aim is to graduate excellent comprehensive ophthalmologists well-equipped to work in regional locations and highly likely to undertake longer-term regional practice. RETN pathway design ensures trainees develop the connection-to-place that the evidence tells as will increase the likelihood of longer-term regional practice after graduation as a specialist.

Two rurally enhanced training pathways have already been inaugurated in NSW, targeting the workforce-poor areas of Tamworth and Orange. To fully realise these pathways, RANZCO requires additional support from NSW Health to fund additional specialist and support staff FTE at Westmead Children's Ophthalmology Department and Liverpool Ophthalmology Department. With an ageing regional workforce, and therefore an ageing pool of potential supervisors, there is an urgent need to act with support from NSW Health.

RANZCO has been advocating for creation of additional training positions in each public hospital. The key limitation has been a lack of funding in public hospitals for the additional space, clinics and operating lists required to support new trainees.

RANZCO sees value in increasing trainees' exposure to paediatric ophthalmology during training to 6 months as another measure that would support increased confidence and competence in practising paediatric ophthalmology as part of comprehensive ophthalmology. Currently, the number of paediatric ophthalmology training posts available would not support this initiative and is a barrier to increasing training numbers

across the board. The funding of additional supervised training places in paediatric ophthalmology is crucial.

Ophthalmology service has a higher-than-average reliance on specialist international medical graduates (SIMGs), who play an integral role in providing eye health service particularly in rural and regional, and workforce poor areas. It is acknowledged that it is difficult for SIMGs to train and upskill when under workforce pressure, and they are facing more barriers to develop professionally and to integrate into the community.

RANZCO asks NSW Health to:

- Investigate solutions to increase training positions in public hospitals and consider measures to optimise ophthalmology training in NSW.
- Fund the growth of public paediatric ophthalmology services to support additional training requirements and set reportable KPIs for paediatric ophthalmology subspecialty training FTE at the LHD level.
- Develop measures to support SIMGs that bolster inclusion and integration into the community, certainty that they can keep training in the area, and access to services for them and their family.

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.

Ophthalmologists lead a multidisciplinary eye health care team to deliver care to patients in both public hospital and private outpatient settings. In the outpatient setting, patients are typically screened and undergo several ancillary tests performed by nurses, orthoptists, visual screeners, allied health assistants and/or optometrists.

To meet the increasing demand for healthcare services, particularly in poorly serviced areas, there needs to be an increase in collaborative care arrangements with general practitioners, optometrists, orthoptists, and other health professionals. The scope of practice for each health professional group must be clearly defined to ensure that a high standard of care is maintained, and all service delivery is safe and appropriate for patients.

Collaborative models of care (MOCs) can alleviate the strain on both public clinics, which are often overburdened, as well as private clinics, by reducing the duplication of testing, unnecessary provider visits, and inappropriate or unnecessary treatments. These MOCs are evidenced to reduce demand on limited and costly specialist services by redirecting some aspects of care to other appropriately trained practitioners. This results in more efficient utilisation of health resources, reduced healthcare system costs, improved access to specialist services, and increased patient attendance and convenience.

RANZCO has inaugurated working groups to look at the evidence for best practice along the lines of the right care, at the right place, at the right time. Each working group is tasked with keeping the patient's journey central and will document, for the Australian setting, the best preventative, screening, chronic and acute MOCs for common conditions.

RANZCO asks NSW Health, in collaboration with governments, employers, regulators and other stakeholders, to support the implementation of Collaborative models of care and enable eye health practitioners to work to their full scope of practice.

I. Make recommendations to address the issues raised including in relation to National structures or settings, including the National public hospital funding model and/or National Health Reform Agreement and the impact of aged and disability care in NSW public hospitals, where such recommendations would support or enhance any changes recommended by the Special Commission.

RANZCO would like to put forward the following recommendations that requires Australian Governments implementation:

- Sufficient investment in and growth of public ophthalmology services to meet community demand, which will result in the necessary growth in specialist training positions.

- Investment in collaborative models of care that consider the strengths of each workforce, enhance access to services for patients where they live, and streamline service delivery in line with patient-centred care.

- Fund asynchronous and increase funding for synchronous telehealth services. These services are cost-effective, safe, increase service availability, decrease wait times, and are well-accepted by patients and referrers.

- Facilitate equity of access to public ophthalmology services in regions with population catchments of less than 200,000, and/or those LHNs without public hospital outpatient and/or inpatient ophthalmology services, by requiring LHNs to deliver public services via outsourced to private outpatient and inpatient services.

- The National Medical Workforce Strategy Committee works with the Colleges to set at the LHN level, per capita Key Performance Indicators (KPIs) for optimal public hospital specialist and specialist training FTE for all specialties. These KPIs must then be embedded in the National Health Reform Agreement given specialist medical workforce is a key resource in service delivery.

- Providing the Medical Colleges with medium- to long-term (8 to 10-year) FTE funding certainly, by inclusion in the forward estimates the amount of STP funding that will be available to Medical Colleges within the STP funding framework, particularly for the funding of regionally enhanced IRTP FTE.

- Working with stakeholders to develop incentives to make regional practice more attractive. Consider measures such as rental subsidies/allowances, motor vehicle allowances as rural/regional doctors would travel greater distances, a rural loading on top of the salary package being offered, additional annual leave, etc.

- Incentivise and implement measures to support SIMGs working and staying in workforce-poor areas, and to introduce AoN processes that are uniform across

Australia, transparent, and calibrated to bolster the local workforce and training requirements and planning into the future.

RANZCO looks forward to receiving the outcome of the NSW Special Commission of Inquiry into Healthcare Funding and collaborating with NSW Health to improve eye health service delivery.

Should you have any questions or need further information, please contact Ms Legend Lee, Senior Manager, Policy and Advocacy [redacted]

Yours sincerely

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