



Private Healthcare Australia
Better Cover. Better Access. Better Care.



Draft National Strategy for the Care and Support Economy - submission

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About Private Healthcare Australia

Private Healthcare Australia (PHA) is the Australian private health insurance industry's peak representative body. We have 24 registered health funds throughout Australia as members and collectively represent 98% of people covered by private health insurance. PHA member funds provide healthcare benefits for over 14 million Australians.

Introduction

PHA welcomes the government's focus on the care and support workforce and the opportunity to comment on the Draft National Strategy for the Care and Support Economy (the Draft Strategy). The people providing care to Australians when they need it are undervalued and underappreciated. There are not enough people in this workforce, and we need to do a better job preparing and supporting workers providing this care.

While noting that the current consultation focuses on parts of this workforce that are not directly relevant to private health insurance, this submission offers some further context for the future needs of the community, based on our consumer research, examinations of future policy directions, and research into overseas health, care and support systems.

The central point is that the necessary expansion of health care will not be predominantly in hospitals or within existing practices. It will be predominantly in home-based care. Health systems around the globe are realising that reducing the burden of treatment on patients requires more home-based care. There is increasing evidence that many patients get better results with out of hospital care, and the burden of chronic disease is best tackled in context of how and where people live, rather than relying on removing patients from their own environment for traditional health care.

Hospitals will continue to exist and to grow, but the rate of growth will be significantly higher in home-based and community-based care.

PHA has recently released a report [There's no place like home: reforming out of hospital care](#), which highlights the opportunities to improve care outcomes, increase productivity, and reduce consumer costs for health care.

This trend is important for all areas of the care and support workforce, as rapid increases in demand in one part of the sector will put pressure on supply, wages and conditions, and skills and training needs across the care and support workforce. It is counterproductive for the care sectors to be competing for workforce. We need to think strategically about how productivity can be improved across the whole care ecosystem through a focus on the best use of available skills.

Linking support services will also be key. Finding, assessing and accessing available supports is currently daunting, and it will become more complex. Our workforce and systems will need to adapt. No issue exists in a vacuum; all Australians deserve the opportunity to receive the best possible care and support.

Goal 1: Quality care and support

PHA supports the objectives of quality care and support. Health funds are struggling to build sustainable models of out of hospital care due to thin markets and will be cognisant of the benefits of integrating commissioning of services with other funders. Our report, [There's no place like home:](#)

[reforming out of hospital care](#), highlights many of the same issues as the Draft Strategy. In particular, PHA has recommended that the government adjust the regulatory settings to allow health funds to pay for the services of peer support workers for chronic disease management programs, which is currently prohibited by legislation.

We welcome the focus on digital platforms and the importance of informal carers. Health funds currently support several services provided through digital platforms, and many funds provide support to informal carers. However, more can be done, and health funds are investing heavily in exploring options to better serve their customers. This includes hospital avoidance and hospital substitution.

Goal 2: Decent jobs

Health funds generally rely on community and commercial providers of out of hospital care services to support their customers, within a strong clinical governance framework. The objectives listed under this goal are useful guides for health funds' contracting services.

Goal 3: Productive and sustainable

A productive and sustainable care and support workforce provides substantial benefits to the Australian community and economy.

Health care is dominated by regulation suiting providers' interests. The Draft Strategy notes that where "regulation mandates what type of organisation can deliver care and support and the specific way workers must achieve this, the result can be lost opportunities for new and different approaches to service delivery." The current regulatory framework supporting mandatory payments for regulated hospitals has certainly been a barrier to more consumer-centred health care.

However, guardrails for out of hospital care governance and common metrics would assist consumers, providers and health funds. PHA has committed to work with clinical leaders to help develop these processes to promote better health outcomes. This will clearly have an impact on the care and support workforce, who will need to work to guidelines and within clinical governance frameworks. The Australian Government, as market steward, will be required to provide oversight to the market developing these frameworks. In particular, the Australian Government may be called upon to reduce regulatory barriers to better health care to allow clinical guidelines and best practice to be supported by health funds on behalf of their customers.

The Draft Strategy notes "Productivity growth in care and support has been close to zero for the last two decades." In many areas of health care, productivity has gone backwards as more money is spent on less care. This productivity decline can be reversed with a strong focus on out of hospital care. While the financial costs may only be slightly lower than hospital-based care (or even higher), the reduction in the overall burden of treatment for consumers will be significant.

The report, [There's no place like home: reforming out of hospital care](#), outlines many of the enablers of higher productivity in the sector, including the use of home-based monitoring technology, reducing the costs of travel and time, and ensuring the best use of capital.