

2012 Economic and Social Outlook Conference

Securing the Future

*Health Reforms – achievements and challenges; costs
and effects*

Thursday November 1st 2012

Stephen R Leeder

The Menzies Centre for Health Policy
The University of Sydney

Heathrow and Health Row – what's in a name?



An airport under constant reform



Terminal Five opens



Nice if you are QEII

Terminal Five struggles



Long elective waiting lists



The pressure of lots of cases



Not always happy places

Nurses walk off job at three hospitals





NSW
GOVERNMENT

Health

Not much
fun north
of the
border ...

16 NEWS

The Sydney Morning Herald | October 27-28

Westmead manager quits amid board, budget crisis

Anna Patty
STATE POLITICS

THE general manager of Westmead Hospital has stepped down from his role as the hospital faces a \$60 million budget blowout and the threatened sacking of its Local Health District board.

Minutes from a Westmead Hospital staff specialists' meeting obtained by the *Herald* reveal the hospital's general manager, Brad Astill, is retiring.

According to the minutes from the October 16 annual meeting, Mr Astill said "the financial situation of the hospital and LHD [Local Health District] was extreme, with the hospital being required to find savings of over \$20 million in the next few months".

"If these savings are not found to the satisfaction of the Ministry of Health by February 6, it is likely that the current administration will be removed and replaced with an administrator chosen by the Ministry of Health," the minutes say.

but a new approach is needed," Professor Leeder said. "We need to rethink the position of general manager. The situation has changed and we need someone with the skills set of the moment."

Professor Leeder said while it was true the hospital had "serious management issues", the staff specialists' account of the situation was exaggerated.

He said the hospital's budget was \$60 million in the red and it needed to be addressed by next June to avoid any threat of the board's dismissal.

"The local health district is facing serious financial difficulty... and much of that relates to Westmead Hospital," Professor Leeder said. "The record is not strictly accurate about the time in which we have to reduce the budget deficit."

"However, this is a major budgetary problem in western Sydney, correctly picked up, in the order of \$60 million. The Health Ministry has an expectation we will deal with about half of that this financial year."

Professor Leeder said it was no

Tongren Hospital outpatients – 6am

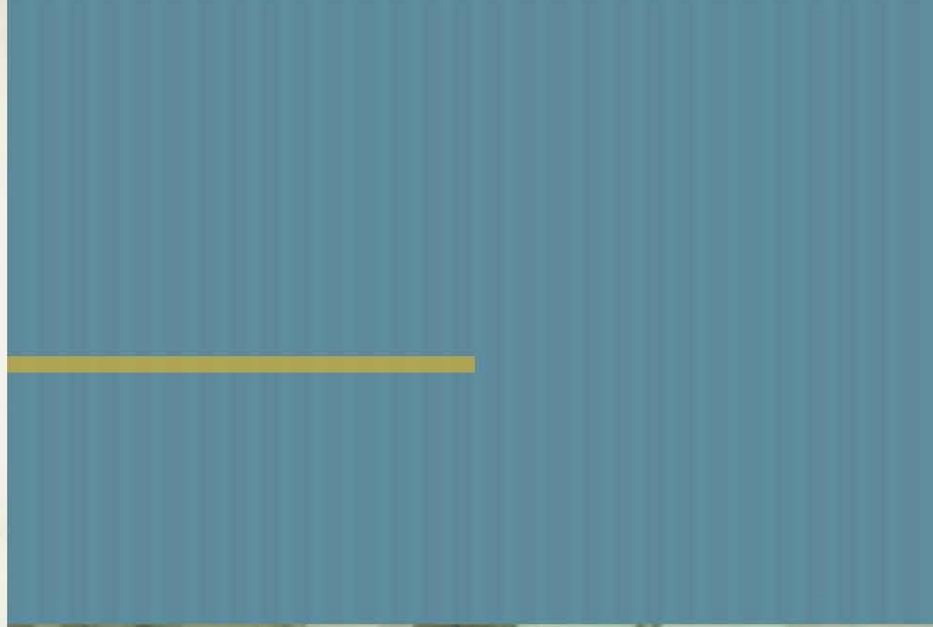


11月15日凌晨六点 北京同仁医院

Over-wait in China









Royal College
of Physicians

Setting higher standards



Hospitals on the edge? The time for action

A report by the Royal College of Physicians
September 2012

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Things can go wrong



Things can go seriously wrong



The elegance of new technology, but ...

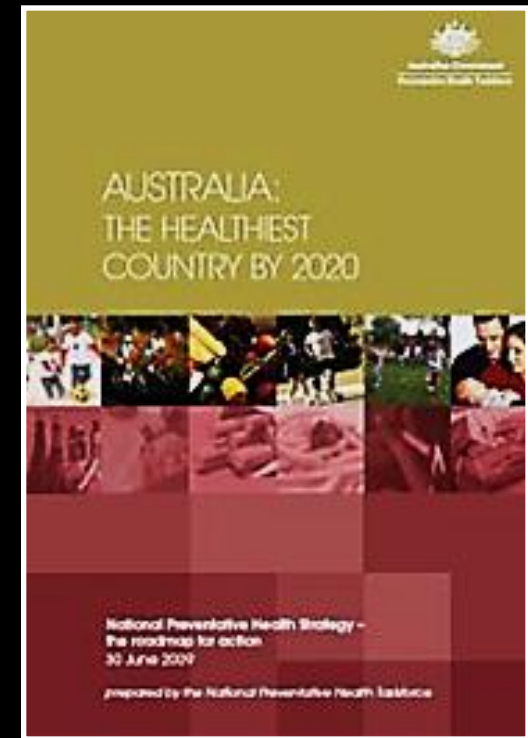
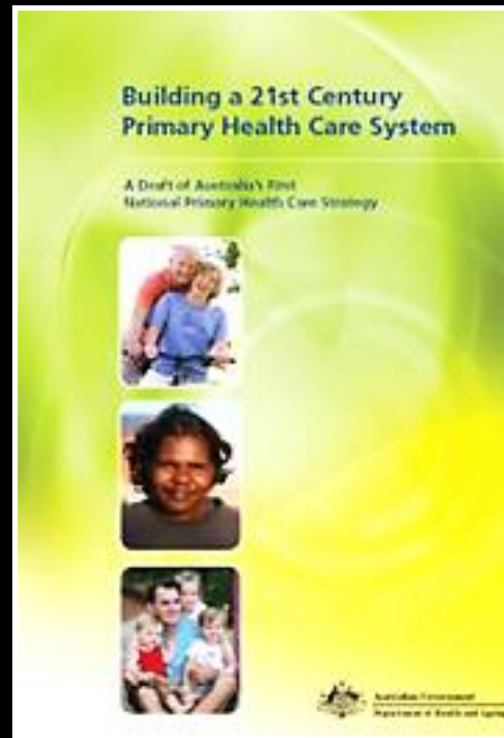


Pressures on health care in Australia

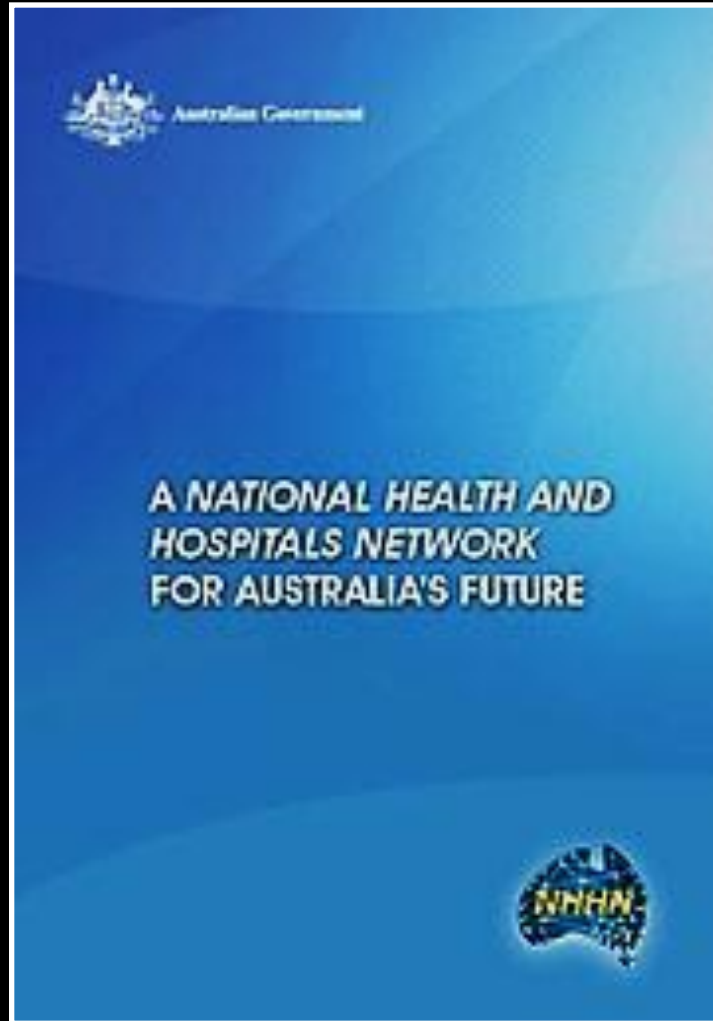
- Rising expectations
- The need for better integration of service elements
- The exponential growth of technology and science
- Costs and the search for efficiency
- The maintenance of humane concern.



Health reform documents - 2009



Government response



<http://www.yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/home>

Six elements of reform *process* in the past three years

- Formation of local hospital networks
- Activity-based funding, increased quality and safety initiatives
- The creation of aggregates of general practice
- An institutional response for prevention
- A slow, but real, growth in Commonwealth-state co-operation for publicly-funded care
- Growing perception for the need for research translation and application in health services.

Reforms

- **Primary care** – Medicare Locals, formed out of the Divisions of General Practice
- **National Preventive Health Agency**
- **Public Hospitals** – Improve access to care, particularly in emergency departments and access to planned surgical and medical care, activity-based funding
- **E-health** – Every Australian should own and control a personal electronic health record

Reforms

- **Indigenous health** – a new National Indigenous Health Authority established
- **Mental health** – care for very ill: sub-acute services in community expanded and rapid response outreach teams 24/7
- **Rural and remote** – top up funding for local service provision and new networks of primary health services established in regional areas.



Challenges for the future

- Capital development – new technology (genome, neuroscience)
- Workplace and workforce reforms
- Developing relations with private sector – development and service
- Contending with changing demography
- Achieving sustainability.



In 20 years...

- Assuming the absence of major war, massive international financial chaos, an unknown global pestilence or another unforeseeable catastrophe, Australia will still be a **prosperous** country and will retain a **strong commitment to treating illness and sustaining health**.
- Technological advances will presumably be affecting the way we treat a wide variety of conditions today, including the degenerative disorders.



In 20 years...

- The **communication of information**, both personal and technical, will be revolutionized and that will affect the way we practice, as we can foresee in parts of the US that are fully connected even now.
- These **technologies** will change our lifestyles as practitioners.
- We will be part of an ageing population in which the experience of the senior years will be redefined and, we hope, more satisfying and purposeful than at present.



All aboard ...

