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## Submission

# Commonwealth Pre-Budget 2021-22

## January 2021

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The Victorian Healthcare Association (VHA) is the peak body supporting Victoria's public and community health care system to deliver high quality care. Established in 1938, the VHA represents the Victorian \$20 billion public healthcare sector including public hospitals and community health services.

The VHA supports Victoria's healthcare providers to respond to system reform, shape policy and advocate on key issues; delivering vision, value and voice for the Victorian health sector. In addition, the VHA assists its members with the implementation of major system reform.

### Introduction

The Victorian public health, community and social care sectors have been transformed in the past year to respond to the COVID-19 pandemic. While we are all hopeful that the worst is over, the pandemic is still with us and its repercussions will continue to be felt for years to come. For this reason, health, community health and social services in Victoria which have been disproportionately affected by the pandemic, require unprecedented levels of support to recover and rebuild.

Refocusing on prevention, early intervention and the long-term legacies of Commonwealth investment today will enable us to embed learnings and build a strengthened, modern and resilient health system for the future. This pre-budget submission builds on the submission made by the VHA on behalf of its members in August 2020. It reflects on how we can implement the learnings from recent challenges to recover and build resilience simultaneously within the Victorian health sector and the communities it serves.

### Summary of pre-budget recommendations

#### Theme: Refocusing on prevention, early intervention and health maintenance activities

- Commit to increased spending on preventative health and fund the implementation of the National Preventive Health Strategy to support prevention, early intervention and health maintenance activities throughout the pandemic recovery phase.

#### Theme: Vaccination preparedness

- Allocate additional operating expenditure to support public health and community health services deliver the national vaccine program, including working collaboratively with the Victorian Government to support the delivery of clear, consistent and tailored messaging for local communities.

#### Theme: Responsive and strategic mental health reform

- Strengthen existing HeadtoHelp clinics and expand across the state as part of a long-term strategy to provide tailored and responsive mental health support to more Victorians.
- Provide immediate funding to support the rapid implementation of the recommendations and actions in the Productivity Commission Inquiry Report on Mental Health.

### Theme: Sustaining and building telehealth and telemedicine offerings

- Permanently extend MBS telehealth items across all professions to ensure continuity of care to existing telehealth clients, increase accessibility and service offerings for consumers and provide certainty to health care providers into the future.

### Theme: Preparing for the final report of the Royal Commission into Aged Care Quality and Safety

- Develop and fully fund an implementation roadmap around the final recommendations including investment in broad engagement and consultation to inform the direction and operationalisation of reform.
- Provide additional funding to support aged care providers respond to their requirements aligned to the implementation roadmap and the final recommendations adopted and implemented by Government.
- Abolish the Adjusted Subsidy Reduction for public sector residential aged care providers to redress the unjustified funding shortfall of approximately \$4,800 per bed per year.

### Refocusing on prevention, early intervention and health maintenance activities

We know that prevention is better than a cure. The importance of this approach has been reiterated throughout 2020 as the health sector worked to shift the focus from treatment to early identification and prevention to contain the spread of the virus, as traditional care settings risked being overwhelmed by the pandemic.

It is now more critical than ever to support the health and wellbeing of communities experiencing the lasting effects of the pandemic and to mitigate the potential long-term impacts on a system under strain. Efforts must be focused on the consequences stemming from the wider determinants of health to reduce future demand and reliance on the health system. This includes addressing the debilitating effects of an economic downturn, rising unemployment and housing insecurity on the health and mental health of communities.

The pandemic response is not the sum of the health system's current activity. The sector is adapting to scale up and meet suppressed demand for non-COVID related care while continuing to respond to regular health care needs and transitioning to a 'COVID-normal' environment.

The need to limit unnecessary presentations to hospitals and allocate hospital capacity to patients who require critical and urgent care has long been a feature of the health landscape. It is now time to take action to support prevention, early intervention and health maintenance activities and address chronic underfunding of these types of services.

The soon to be released National Preventive Health Strategy provides a framework for targeted investment in prevention interventions that will support these aims. These investments should also be informed by the public health reform work being led by many states including Victoria, and initiatives to respond to the COVID-19 pandemic to facilitate health, social and economic recovery.

**Recommendation: Commit to increased spending on preventative health and fund the implementation of the National Preventive Health Strategy to support prevention, early intervention and health maintenance activities throughout the pandemic recovery phase.**

### Vaccination preparedness

The public health system in Victoria is preparing for one of the most complex logistical exercises in history: the roll-out of the national vaccination program. While states and territories will be responsible for developing vaccination implementation plans in line with the national COVID-19 Vaccination Policy and Australian Government expectations,

Commonwealth funding to support the rollout should also consider the cost of workforce development and training to ensure an adequately skilled workforce is prepared to deliver the program.

Funding should also account for the additional costs of scaling services to deliver on the state implementation plan while also maintaining 'business as usual' activities. Ringfenced, needs-based funding must be directed to the states and territories to support the level of immunisation activity required in each jurisdiction, otherwise public health services may have to redirect funds for other vital clinical services to these activities.

Alongside the technical and logistical considerations, funding to rollout a comprehensive communication strategy is a critical element to ensure community confidence in the vaccine. The public health and community health sectors in Victoria have played a crucial role in bolstering state-wide public messages with localised communication and engagement to reduce fear about the pandemic in the community and increase understanding of safety measures.

These sectors were able to leverage their community intelligence, trusted relationships, and civic leadership to develop specific engagement approaches to deliver COVID-19 information, infection prevention, health care and support services to priority groups and hard-to-reach populations. Engagement strategies went far beyond translating and interpreting information, to understanding cultural practices and preferences, and developing reading-level appropriate and effective messaging in collaboration with consumers, community and faith leaders and trusted partners. Often cultural champions or community representatives were employed by community health services in communications roles.

**Recommendation: Allocate additional operating expenditure to support public health and community health services deliver the national vaccine program, including working collaboratively with the Victorian Government to support the delivery of clear, consistent and tailored messaging for local communities.**

### Responsive and strategic mental health reform

The Commonwealth Government's mental health response has been welcomed including the establishment of the HeadtoHelp clinics across Victoria to assist the increased number of people seeking mental health support at this challenging time. In collaboration with the state government, there is an opportunity to strengthen this program, tailor the 15 Victorian HeadtoHelp hubs to address local needs, and expand these clinics across the state as part of a long-term strategy to improve access to mental health support in a COVID-normal environment.

The broader strategy to address the mental health needs of communities must also consolidate the recommendations in the Productivity Commission Inquiry Report on Mental Health. Rapid implementation of the recommendations is critical following widely reported increases in mental ill-health and family violence from prolonged lockdown measures. This will also support the Government to achieve its goal of delivering a person-centred mental health system that upholds prevention and early intervention.

**Recommendation: Strengthen existing HeadtoHelp clinics and expand across the state as part of a long-term strategy to provide tailored and responsive mental health support to more Victorians.**

**Recommendation: Provide immediate funding to support the rapid implementation of the recommendations and actions in the Productivity Commission Inquiry Report on Mental Health.**

### Sustaining and building telehealth and telemedicine offerings

The Commonwealth Government must ensure that the gains made to care delivery and access throughout the pandemic are not lost. Recent calls for the extension of MBS telehealth items had focused predominantly on the medical profession. However, it is essential that the breadth of essential services is available to achieve improved social, emotional, physical and mental health and wellbeing. This includes prioritising long-term investment in the telehealth MBS items for general practitioners, specialists, nurses and nurse practitioners, midwives, allied health professionals and mental health services.

While telehealth solutions are not a replacement for in-person care, they do provide an important adjunct to the current health system, particularly where existing failures reduce access to care that meets people's needs. This includes the significant opportunities to improve mental health care provision through virtual models of care delivery. However, more work is needed to promote and better integrate treatment options into primary and secondary care and consider the broader enablers of developing virtual mental health models of care.

**Recommendation: Permanently extend MBS telehealth items across all professions to ensure continuity of care to existing telehealth clients, increase accessibility and service offerings for consumers and provide certainty to health care providers into the future.**

### Preparing for the final report of the Royal Commission into Aged Care Quality and Safety

The final recommendations and submissions by Counsel Assisting foreshadow transformative reform to address the shortcomings of the aged care system and fundamentally change the way aged care is delivered across Australia.

If adopted and implemented by Government, the final recommendations are likely to require significant and long-term investment. Implementing the final recommendations will come at a cost not only to Government but also to providers and it is unclear how that cost is going to be met. In addition to funding certainty, the aged care sector also needs assurance about the road ahead and how the reform agenda will be operationalised, their responsibilities and the expectations of government including timelines. The development of a reform implementation roadmap also offers an important opportunity to align and prioritise initiatives, and provide visibility of the implementation, progress and outcomes of programs.

Further, collaboration will be fundamental to the success of the reform. The implementation of the recommendations must be underpinned by a renewed emphasis on broad engagement and consultation with a diverse range of voices and stakeholders. The lack of acknowledgement of the unique needs and opportunities presented by a strong public aged care sector in Counsel Assisting's submissions and recommendations, typifies the experience of the public aged care sector at a national level; this experience must change for meaningful reform across all sectors.

We know that these reforms will take time, which is why we strongly advocate to government for immediate measures to address the critical financial pressures facing public sector residential providers. This includes the immediate removal of the Adjusted Subsidy Reduction (ASR) for public sector residential aged care providers to redress the unjustified funding shortfall of approximately \$4,800 per bed per year for those residents who exercise their right to choose a publicly owned facility.

**Recommendation: Develop and fully fund an implementation roadmap around the final recommendations including investment in broad engagement and consultation to inform the direction and operationalisation of reform.**

**Recommendation: Provide additional funding to support aged care providers respond to their requirements aligned to the implementation roadmap and the final recommendations adopted and implemented by Government.**

**Recommendation: Abolish the Adjusted Subsidy Reduction for public sector residential aged care providers to redress the unjustified funding shortfall of approximately \$4,800 per bed per year.**



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