



Consumers Health
Forum OF Australia

Supplementary Submission to the Federal Treasurer for Federal Budget 2020-2021

August 2020

Consumers Health Forum of Australia (2020)
*Second Submission to the Federal Treasurer for
the Federal Budget 2020-2021.* Canberra,
Australia

p: 02 6273 5444

e: info@chf.org.au

w: www.chf.org.au

twitter.com/CHFofAustralia

facebook.com/CHFofAustralia

Office Address

7B/17 Napier Close

Deakin ACT 2600

Postal Address

PO Box 73

Deakin West ACT 2600

*Consumers Health Forum of Australia is funded
by the Australian Government as the peak
healthcare consumer organisation under the
Health Peak and Advisory Bodies Programme*

CONTENTS

Contents

| | |
|--|----------|
| Recommendations | 4 |
| Income Support | 4 |
| Aged Care | 4 |
| Primary Health Care..... | 4 |
| Mental Health..... | 4 |
| Pandemic Planning..... | 4 |
| Introduction | 5 |
| Approach to this Submission | 6 |
| Issues | 6 |
| Income Support | 6 |
| Aged Care | 7 |
| Primary Health Care..... | 8 |
| Mental Health..... | 8 |

Recommendations

Income Support

CHF calls on the Federal Government to deliver a permanent adequate increase to Jobseeker and other income supports in line with the level of support paid through the addition of the COVID-19 supplement.

CHF calls on the federal Government to make pandemic leave entitlements available to all Australians.

Aged Care

CHF calls on the Federal Government to commit to implementing in full the recommendations from the Interim Report of the Royal Commission into Aged Care Quality and Safety.

Primary Health Care

CHF calls upon the Federal Government to make the expansion of Medicare funded telehealth arrangements permanent and an integral part of the 10 Year Primary Health Plan.

Mental Health

CHF calls on the Federal Government to increase investment in mental health services and work collaboratively with the States and Territories to implement the recommendations from the Productivity Commission Inquiry into Mental Health.

Pandemic Planning

CHF calls on the Federal Government to ensure pandemic planning is undertaken collaboratively with the States and Territories, includes health, aged care and disability services and funding for consumer involvement in the planning process.

Introduction

Australia has a high-quality health care system, with universal access to publicly funded and provided services augmented by a private health care system. In international comparisons Australia consistently does well, being ranked second overall by the Commonwealth Fund in 2017 and top in terms of health care outcomes¹.

Since our first submission for the 2021 Budget process we have had the COVID-19 pandemic infect over 24 million people worldwide and result in over 800,000 deaths. Here in Australia we have had around 25,000 cases and 525 deaths.² We have seen an extraordinary effort across our health system, economy, and community to minimise the impact of the coronavirus, both on the health and wellbeing of the community but also the economy. Whilst for much of Australia the crisis has been dealt with, at least in the short-term, it is becoming clearer that we will be living with COVID-19 for some time to come.

The health system has responded well to the crisis, with innovation across many areas of health service delivery moving to new models of care supported by changes to Government policy to facilitate this. The expansion of telehealth services, introduction of new virtual care services, fast tracking of e-prescriptions and expanded mental health services are just some of the ways the health system has moved to ensure people still get the health care they need. We have also seen a more collaborative approach between levels of Government to work together on solutions.

The pandemic has revealed many cracks in our society and economy including: the extent of casualisation of the workforce; growing income inequality; an inadequate income support system; and a digital divide which is leaving many people behind. It is those cracks that the 2020 Budget needs to start to address as they will widen and result in poorer health outcomes and even greater cost burden on health and human service systems if immediate action is not taken.

We also need a longer-term vision for the health system and our society. The Federal Budget 2021 should lay out an agenda for the future including Government's full response to the Royal Commission into Aged Care, the Productivity Commission Inquiry into Mental Health and the long awaited 10 year Primary Health Care Plan and the National Preventive Strategy.

CHF has established a Consumer Commission to look at what the health system should look like beyond COVID-19. Thirty of the best consumer advocate minds in the country have been examining what reforms have been implemented through the pandemic that should be kept, where the fault lines are, and what the policy response should be. The final report and recommendations from the Consumer Commission will not be completed in time to include in this submission but will form the basis of key reform ideas CHF puts to Government in the future, particularly for the Federal Budget 2021.

¹ Eric C. Schneider, Dana O. Sarnak, David Squires, Arnav Shah, and Michelle M. Doty, 2017 *Mirror, Mirror 2017: International Comparison Reflects flaws and Opportunities for better US Health care*, Commonwealth fund.

² Department of Health website 26/08/2020

Approach to this submission

In our original submission for this Budget process CHF made 24 recommendations covering ten broad areas. The recommendations cover a range of issues with a focus on improving access to care and reducing inequities. We still want to see action in all those areas and, in the long-term, believe Government needs to address all of these if we are to have a health system that is fit-for-purpose and works towards reducing health inequities and gets the best possible health outcomes for all Australians.

We would like to draw attention to our call in the original submission for the Federal Government to take a lead on implementing the National Obesity Strategy. The evidence is now clear that there is a strong link between obesity and adverse outcomes from contracting COVID-19. The UK Government has acknowledged this and is implementing a major campaign on obesity building on the work it already done on a “sugar” tax and some other measures. It is time for a strong response from all governments in Australia.

We know that the fiscal environment will be tight, with significant unexpected Government expenditure incurred through the pandemic. However, now is not the time to cut health spending. It is more important than ever that health is viewed as an investment for the future and we need to make sure that we have a healthy community going forward so we are well placed to rebuild our society and economy.

This submission is supplementary to our original one:

https://chf.org.au/sites/default/files/20200121_sub_federal_budget_2020-21-final.pdf. It focuses on five (5) key areas that have emerged through the pandemic as needing urgent action and responses somewhat different to those originally recommended. The areas covered are income support, aged care, primary health care, mental health, and pandemic planning. These are the beginning of a transformation and lay some foundations for the longer-term reforms to follow.

Issues

Income Support

Recommendations

CHF calls on the Federal Government to deliver a permanent adequate increase to Jobseeker and other income supports in line with the level of support paid through the addition of the COVID-19 supplement.

CHF calls on the Federal Government to make pandemic leave entitlements available to all Australians.

Why this matters

Australia has the lowest rate of unemployment payments in the OECD and the evidence shows that the payments are not adequate to meet the costs of housing, food, basic healthcare, and

transport. This means that people relying on these payments are living in poverty. In our original submission we called for an increase in Newstart (now Jobseeker) in line with the ACOSS *Raise the Rate* campaign.

Through the COVID-19 pandemic we have seen significant increases in the number of people unemployed and underemployed with over 1 million people unemployed giving a 7.4 per cent rate and 11.2 per cent of employed people seeking more hours³. There are currently 2.3 million people dependent on Jobseeker and other income support payments and this number is unlikely to come down significantly in the short-term as it may take Australia and the rest of the world many years to come out of recession and restore employment levels to what they were before. We need to make sure that income support does not make them live in poverty. There is substantial evidence that links poverty with lower health outcomes. Not only can people on low incomes not afford to pay for visits to doctors or for medicines that are prescribed but their general standard of living in terms of nutrition, poor housing and other factors contribute to lower levels of health.

The Government acknowledged the rate was too low when it introduced the COVID_19 supplement, effectively doubling the payments for unemployed people. Even the reduced level of supplement due to start in September would improve living standards of recipients although we would argue that the full supplement should continue and be rolled into the base rate of Jobseeker.

The pandemic has highlighted the casualisation of the workforce which has left thousands of workers with little or no sick leave entitlement. The need to keep working even when unwell has been shown to be the cause of some infections. It is imperative if we are to minimise such infection that people stay home and they need financial support to do so. CHF joined with the Public Health Association of Australia (PHAA) and others to advocate for paid pandemic leave, and welcomed the introduction of a two-week pandemic leave entitlement for people in Victoria and Tasmania. We would like to see this extended to a national scheme. Given that we are likely to be living with COVID for some time until an effective vaccine is available, and we know social distancing and isolation work to contain the spread of the virus and keep the community well. This is an urgent measure.

Aged Care

Recommendations

CHF calls on the Federal Government to commit to implementing in full the recommendations from the Interim Report of the Royal Commission into Aged Care Quality and Safety prior to the final report.

Why this matters

In response to community concerns about the quality of aged care the Government established the Royal Commission into Aged Care Quality and Safety. The Interim Report of the Royal Commission highlighted some areas which needed immediate attention from Government

³ ABS Labour Force, Australia July 2020; Catalogue 6202.

including more Home Care Packages and better medication management. The pandemic has shown serious deficiencies in the current aged care system, in both residential aged care and the lack of provision of adequate homebased care to help avoid inappropriate admission to residential aged care.

The final report from the Royal Commission will be released next year and will almost certainly address systemic and structural problems that arose through the pandemic. There have been many reports on the state of aged care and many recommendations. The need for change is immediate and we urge the Government not to wait for that final report but to act now to address some of the issues with a detailed implementation plan.

Primary Health Care

Recommendation

CHF calls upon the Federal Government to make the expansion of Medicare funded telehealth arrangements permanent and an integral part of the 10 Year Primary Health Plan.

Why this matters

Access to high quality primary health care is an essential foundation of a quality health care system. Access can be limited by geography with people living in rural and remote areas finding it more difficult to access services in a timely and affordable way. Access is also limited for people living in regional and metropolitan areas for several reasons, including mobility issues, caring responsibilities, and lack of access to public transport.

For many years there have been calls for the more widespread use of digital health, particularly telehealth and virtual care consultations to augment the more traditional in-person model. The broadening of telehealth services under Medicare during the COVID-19 pandemic has rapidly changed the healthcare landscape and transformed consumer access to care. Consumers have welcomed these changes and are now more aware and empowered in the use of digital tools to self-manage and gain access to healthcare than ever before. The CHF Consumer Commissioners identified the expansion of telehealth as the most significant health service gain to come out of COVID-19 and are very keen for it to be maintained and strengthened.

Telehealth and virtual care can be deployed across the entire health ecosystem if the right enablers are in place such as workforce readiness, funding models and consumer health literacy. To the extent that it will bolster accessibility of primary and preventative health services, the development of ten-year plans for both primary care and prevention are opportunities to transform health care and meet consumer expectations of 21st century care.

Mental Health

Recommendations

CHF calls on the Federal Government to increase investment in mental health services and work collaboratively with the States and Territories to implement the recommendations from the Productivity Commission's Inquiry into Mental Health.

Why this matters

Australia has a universal mental health system in principle but not in practice, and we need to begin a process of significant investment and reform to change this. Multiple reports and the experiences of consumers and carers in the system over many decades highlight many problems and possible solutions to the challenges of mental health. The COVID-19 pandemic has led to a significant increase in the demand for mental health services, as people deal with isolation, anxiety and the impact on their lives. The supply and configuration of services has not kept pace with that increased demand. This is the outcome of long-term under-resourcing for mental health services not just the spike in demand due to the pandemic.

CHF has welcomed the additional funding for mental health services in Victoria from both the Federal and Victorian governments. What appeared to be issuing from those responses was true collaboration with some apparent duplication of effort which is wasteful of valuable resources and causes confusion for consumers. What we now need is a well-funded national plan that can meet current demand and has the capacity to scale up as required.

The draft report⁴ from the Productivity Commission's inquiry gives us the basis for such a plan. It shows that the scale of the problem, finding that those who seek help are not getting the necessary level of care and that many people are not accessing care due to stigma, cost and the complexity of the system. This highlights the need for substantial, long-term reform, which requires a significant investment of time, resources, and effort. The recent experience in Victoria has highlighted the need to allocate more resources to "the missing middle" level of care and the Productivity Commission's approach to a stepped model where services respond to increasing levels of need would help to address this.

CHF supports the call in the draft report for a more responsive, person-centred, and better coordinated system of care for people with mental ill-health and believes the recommendations within that report, if fully implemented would create such a system in Australia. CHF calls upon the Government to release the final report and include in the Budget a commitment to implement its recommendations with detailed implementation to be delivered through the 2021 Budget next May.

Pandemic Planning

Recommendation

CHF calls on the Federal Government to ensure pandemic planning is undertaken collaboratively with the States and Territories, includes health, aged care and disability services and funding for consumer engagement in the planning process.

Why this matters

We need to start planning for the next pandemic whilst dealing with the current one. We have taken the view that we need to look at what we need to have in place for another pandemic in five years drawing on the experience of the current one. Three key issues have emerged: the

⁴The final report has been delivered to Government but had not been made public at the time of writing this submission.

need closer collaboration with States and Territories; the need to include aged care and disability services in any planning; and the need for consumers to be involved in the planning and implementation of the pandemic plan.

The National Cabinet process and the processes of the Australian Health Protection Principal Committee has improved collaboration and ensured all had access to similar information and advice on how to deal with the pandemic. The problems with things like the national stockpile of PPE and its distribution show there is still room for improvement.

CHF has long advocated for a more integrated health system that not only links primary care with hospitals and other specialist services but links aged care and disability services. These three sectors share a workforce and people access services across them but unfortunately there appears to be little integration or even collaboration when dealing with a crisis like the current pandemic. The National pandemic plan needs to look to build those connections.

We have slowly been moving to a more consumer-centred health care system in Australia with a growing acceptance that consumers need to be involved in the design and implementation of the health system. Only consumers and their families and carers see and experience the whole health care system. Different clinicians and providers only interact with the system at various windows across the course of their patient's diagnosis, management, and treatment. Consumers' observations and lived experience can shed a powerful light on how we can improve and reform health care. However, during the pandemic, the inclusion of consumers has been patchy as the need for urgent and decisive action reduced consultation and pushed consumers into being seen only as recipients of care rather than partners in the response.

The CHF Consumer Commissioners raised this as a problem with us. They felt that in many cases they had been locked out of the planning for the response. There have been some good examples with Queensland the standout in terms of fully engaging consumers through Health Consumers Queensland with identifying problems, communications with consumers and providing feedback from consumers with lived experience of COVID. There needs to be formal involvement of consumers in any national pandemic planning and this need to be adequately resourced to ensure the consumers are available and able to be responsive to rapidly changing demands.