



Australian Health Care Reform Alliance

Media release: 31 July 2007

Need for health reform and new directions

The Australian Health Care Reform Alliance (AHCRA) today outlined new directions for the health system with the focus on patient welfare and the need for a national body to distance it from government.

In a strongly worded communiqué issued at the end of a two-day Summit, AHCRA called for the establishment of a National Health Commission and the pooling of Commonwealth and State health dollars to ensure flexible and multi-disciplinary care at the community level.

AHCRA chair Kerren Clark said the health system isn't working as well as the country deserves.

"While there is an appalling gap in health outcomes between Indigenous and non-Indigenous Australians, there are also large health gaps for other groups like those with an intellectual disability or a mental illness," Ms Clark said.

Australia conservatively wastes \$14 billion in tax each year due to the combined effects of perverse incentives for private health insurance, Commonwealth/State duplication, poor workforce productivity, and avoidable mistakes and accidents in the health system.

She said too many people are missing out on the health care they need – because of where they live, the ability to pay and whether they are disabled or have a mental illness.

Only one in five people who need rehabilitation services receive them, Ms Clark said.

Professor Jeff Richardson, from Monash University, has estimated that at least 200 people die each week as a result of avoidable mistakes in the current health system. Consultations with health consumers found that almost 50 per cent of Australians report that the cost of health care is a barrier to being able to access the service.

"There is no question about the need for leadership at the highest level to drive these reforms," Ms Clark said.

"This needs to happen at arms-length to the day to day political pressures facing the health system. We are therefore calling on the next government to establish a National Health Reform Council to undertake a national review of the health system, as the first step to establish a national health policy."

This Council would be responsible for overseeing the implementation of health reform and monitoring progress towards agreed targets and outcomes.

Gordon Gregory, Executive Director of the National Rural Health Alliance (NRHA), said a key element of a reformed system is that health funding would follow the health needs of patients rather than the location of health professionals. This will involve a radical rethink on workforce skills and current payment systems for medical and non-medical providers of services.

"A reformed system will balance the maintenance of health and wellbeing for all Australians with the need to support people when they are sick," Mr Gregory said.