



# Australian Health Care Reform Alliance

## Media Release

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### Time to move beyond the “tail wagging the dog”

“It is time for the Australian Health Care Agreements to go beyond hospital care,” Australian Health Care Reform Alliance (AHCRA) Chair, Fiona Armstrong, said today.

“The fragmentation and cost shifting that has plagued our system must be replaced with a funding process that allows for more effective integration of services and a focus on illness prevention, health promotion and primary health care,” Ms Armstrong said.

The Alliance of more than 40 national key health care stakeholders met today at the National Museum in Canberra to develop recommendations for consideration by the Health Minister and the recently appointed National Health and Hospitals Reform Commission (NHHRC).

The focus was specifically on improving the national hospital funding agreements, known as the Australian Health Care Agreements. Ms Armstrong said stakeholders had reached consensus on key steps to reform the funding agreement process.

This should be done in stages to include:

- broadening the agreements beyond hospitals to include out-of-hospital services
- improving accountability by focussing on health outcomes, developing indicators for measuring the contributions of things such as workforce, staffing, and skills mix, as well as cost benefit analyses of all health services at both provider and institutional level.”

“Improving this funding mechanism is only a short term reform, however, and should be the Commission’s first step in the process of developing considered proposals for long term reform,” Ms Armstrong said.

“In the long term it may be that this funding agreement might provide the framework for pooling of all Federal and State/Territory health funding for the delivery of publicly funded health care. However, what must drive the reform proposal is the urgent need to restore equity and fairness to our health system.

“With the establishment of the reform commission, we have a unique opportunity to develop a truly sustainable health system to meet the future health care needs of the community. The delivery of health care has changed much since our current system of funding was developed. At present the system is back to front in that it is the “tail wagging the dog”; it is time for a health system designed around health needs; not one in which the services delivered are dictated by the funding system.”

A communiqué with AHCRA’s proposals in more detail will be released tomorrow.

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AHCRA

Allied Health Professions Australia, Audiology Australia, Australian College of Midwives, Australian Council of Social Service, Australian Healthcare Association, Australian Health Promotion Association, Australian Nursing Federation, Australian Physiotherapy Association, Australian Rural Health Education Network, Australian Salaried Medical Officers Federation, Australians for Native Title and Reconciliation, Catholic Health Australia, Centre for Clinical Governance Research (UNSW), Centre for Health Services Research: USYD, Chiropractors’ Association of Australia, CHOICE, Chronic Illness Alliance, Combined Pensioners and Superannuants Association, Continence Foundation of Australia, Council of Remote Area Nurses of Australia, Country Women’s Association of Australia, Doctors Reform Society, Frontier Services of the Uniting Church, Health Consumers’ Council WA, Health Consumers Network, Health Issues Centre, Health Reform SA, Maternity Coalition, National Aboriginal Community Controlled Health Organisation, National Council for Intellectual Disability, National Public Hospitals Clinicians’ Taskforce, National Rural Health Alliance, NSW Nurses Association, OT Australia, Public Health Association of Australia, Public Hospitals Health and Medicare Alliance, RBC Division of General Practice, Royal Australian College of General Practitioners, Royal Australasian College of Physicians, Rural Doctors Association of Australia, Services for Australian Rural and Remote Allied Health, South Australian Salaried Medical Officers Association, Tasmanian Medicare Action Group, Victorian Medicare Action Group.