
Pre-Budget Submission Commonwealth 2020-21

The Victorian Healthcare Association is the peak body supporting Victoria's public 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.

In parallel with health systems across the world, the COVID-19 pandemic is testing the Victorian health system. Back-to-back crises in 2020, from devastating bushfires to the COVID-19 pandemic, have exposed the weaknesses of our current system but have also shone a light on its strengths. This pre-Budget submission builds on that of the submission made by the VHA, on behalf of its members in February 2020, to reflect the impacts of COVID-19 across key sector priority areas.

This budget offers the opportunity to build on initiatives across the sector that are supporting the COVID-19 response and safeguard service delivery across the healthcare continuum.

Policy area: Health

Telehealth Medicare Benefits Schedule

As part of the COVID-19 response, the Medicare Benefits Schedule (MBS) was extended to support the wide-scale provision of health care by telehealth, with subsequent amendments to restrict arrangements in general practice to providers who have an existing and continuous relationship with the patient.

The pandemic has rapidly shifted the paradigm of where healthcare is being delivered, with over 14 million telehealth consultations billed to Medicare since March 2020. Telemedicine has long been a

significant opportunity to contain increasing healthcare costs and improve access to care. However, funding models and other systemic barriers have meant its widespread adoption has been slow. Out of necessity, and practically overnight, telemedicine adoption has been accelerated, as traditional care settings are overwhelmed by the pandemic and efforts are made to limit unnecessary presentations to hospitals, allocate hospital capacity to patients who need critical care, and contain the spread of the virus.

While virtual health care can offer more equitable access, disparities in health care access may be increased for vulnerable populations with limited digital literacy and access to technology. For these reasons, health services and community health services support post-pandemic application of telemedicine as part of a hybrid model alongside in-person engagement to ensure that it is complimentary to existing services without compromising quality of care.

Designing a successful and sustainable, long-term approach to telehealth requires addressing broader system challenges and implementing systemic changes to ensure wide-spread uptake and equity of access. These challenges relate to the need to address interoperability and integration issues, build workforce capacity and capability, invest in infrastructure and develop governance frameworks.

While we acknowledge these broader barriers to implementation, in the short-term, the VHA is calling on the Federal Government to continue the current telehealth consultation arrangements beyond September, when the current arrangements expire.

We also call on government to reverse its decision to 'wind back' Medicare-subsidised telehealth services, introduced as part of the COVID-19 response, to provide access in most cases only when providers 'have an existing and continuous relationship with a patient'. COVID-19 has emerged universally as a virus that exacerbates existing inequalities. This change narrows access to vital health services and potentially disadvantages some of Australia's most vulnerable groups such as those living with a disability and those living in rural and remote communities. In a time where the risks associated with the COVID-19 pandemic continue to play out across the country, we are seeking a reversal of this decision until such time

as a thorough evaluation of the uptake and experience of patients can be assessed.

Recommendation: Continue telehealth MBS items across the health care team by extending the time-limited period to allow enough time to review impact, demonstrate effectiveness of the changes and implement the required changes to build the foundation for future focused reform.

Recommendation: Remove the requirement for patients to have an 'existing and continuous relationship' with a provider to safeguard access to health services for some of our most vulnerable communities.

Recommendation: Commission an evaluation and work with State authorities, health services and community health services and the education sector, which is already involved in various evaluations, to understand the consumer and provider experience of telehealth to inform future policy decisions.

Policy area: Mental Health

Dedicated mental health clinics across Victoria

Registered community health services are local experts in identifying and caring for at-risk populations and hold trusted reputations and relationships with their communities. Many of these services are supported by GPs and provide access to multidisciplinary teams of mental health workers, psychologists, mental health nurses, social workers, and alcohol and drug workers, peer support workers, nursing and allied health staff.

These services are well positioned to meet the requirements of the dedicated mental health clinics in Victoria across both metropolitan and regional areas.

Registered community health services also hold strong relationships with local health services to facilitate referrals to more intensive mental health care or social supports if needed. This could include referral into emergency care or into an in-patient facility in a private hospital.

Recommendation: Identify registered community health services in Victoria as key delivery partners of the new mental health clinics.

Policy area: Residential aged care

Infrastructure

For public sector aged care providers, the outdated facilities and inflexible layout of some sites inhibits physical distancing and isolation to safeguard residents during the pandemic. The lack of infrastructure to adapt the physical environment is a major concern for public sector aged care providers.

The impact of this has already played out across private aged care providers in Metropolitan Melbourne where 360 residents, as at 10 August 2020, had been transferred to a public or private hospital in Victoria for non-clinical reasons; one of these reasons included the inability to isolate or cohort residents.

There is considerable literature on best-practice approaches to reduce the spread of infections in residential aged care facilities. Many of these approaches relate to the physical environment and require considerable investment in capital redesign, expertise in engineering and compliance with laws and regulations concerning ventilation, air conditioning and heating.

Prior to the pandemic outbreak, many public sector residential aged care services were struggling to obtain the capital improvement funds to upgrade their facilities. Under the current framework, it is the responsibility of aged care providers to fund construction, maintenance and upgrade works to aged care facilities through grants, operating revenues or Commonwealth subsidies and resident charges.

However, state and territory aged care providers are not eligible for these Commonwealth capital grants, creating a significant disadvantage when compared with the non-government sector. This funding inequity has limited the ability of public sector providers to upgrade and modernise facilities aligned with community expectations.

Under pandemic conditions, the suitability of the physical environment is essential; not only as an infection control measure, but also for the psychological, emotional and social wellbeing of residents.

Recommendation: Extend the eligibility criteria so all public sector residential aged care services can apply for Commonwealth capital grants.

Workforce

The workforce challenges being experienced across the aged care sector in response to COVID-19 are well documented. Coupled with existing reported workforce skill shortages, efforts must be made to rapidly upskill the workforce to better meet the clinical care needs of residents in a pandemic.

Investment is needed to address skill gaps across the workforce and ensure the learnings from current outbreaks across metropolitan Melbourne and other services such as Newmarch House in NSW inform risk reduction and outbreak prevention across the rest of the sector.

Staff across the sector including personal care attendants and support staff such as lifestyle and recreation workers, cleaning staff and meals staff require a minimum level of training on the correct use of PPE, hand hygiene, social distancing within residential aged care facilities and infection prevention. Further, specific training is required to support staff to undertake early identification of COVID-19 positive residents as well as education regarding assessment, management, transfer options and infection control safety.

Recommendation: Conduct a rapid evaluation of existing COVID-19 infection control training and its effectiveness, implement any changes required to strengthen training and broaden sector uptake.

Further, there is a need for recruitment and rapid training of new staff to work in residential aged care settings. New staff entering the sector will need training prior to commencement to gain the basic skills and knowledge relevant to the needs of aged care residents, with or without COVID-19. The experience in metropolitan Melbourne highlights the challenges associated with furloughing staff, the instability of a highly casualised workforce, and need to balance workforce requirements across aged care and health settings to ensure safe, high-quality care.

Responses such as bringing in workers from interstate and using public health service staff in private aged care services, are reactively driven with no overarching plan to address the long-term workforce needs, including how to rapidly onboard new staff and attract 'non-traditional' employees to the sector.

Given this, there is an opportunity for the Federal Government to work with State and Territory

Governments through mechanisms such as the Victorian Aged Care Response Centre (VACRC), to explore holistic and sustainable approaches to these issues and develop clear strategies and plans.

Recommendation: Undertake a rapid review of current and projected workforce gaps and develop a plan to strategically respond to the cross-sector workforce needs.

Information technology

The sector has welcomed the shift toward telehealth, electronic prescriptions and remote medicine reviews. However, limited access to contemporary systems and infrastructure and poor functionality of information technology, particularly in the rural context, has impacted the ability of public sector residential aged care providers to access these services.

Unfortunately, public sector aged care providers and multi-purpose services are not eligible for the \$48 million Business Improvement Fund. Of the measures announced by the federal government to support aged care providers' response to the pandemic, this is the only funding stream available to support residential aged care providers to improve their business, for example by restructuring and upgrading their IT systems.

Recommendation: Expand eligibility for the Business Improvement Fund to support public sector residential aged care services upgrade their ICT infrastructure and ensure access to health services required by residents.

Policy area: Community-based aged care

Commonwealth Home Support Program and personal monitoring technology

Many aged care providers have adapted services to new delivery mechanisms, including rapid scaling of digital health. Registered community health services and health services have been supporting community aged care clients by funding and accessing personal monitoring technology to help connect older people to their families, carers and social groups as well as to increase access to health care.

While the sector welcomes the Government's decision to enable services to utilise retained 2019-20 unspent funds to purchase up to \$1,000 worth of personal

monitoring technology for clients at home, there are additional costs and resourcing challenges associated with the transition. This includes the need to deliver education, training and ongoing support to clients to be able to effectively utilise the technology.

Recommendation: Provide additional funding to support community-based aged care providers deliver training to vulnerable clients at home to support access to health and social care. Expansion of funding flexibility beyond 2020-21 for the CHSP.

The flexibility provisions to use any and all unspent funds in 2019-20 and 2020-21 between the different CHSP service types has been critical in supporting community-based aged care providers to meet emerging and changing client needs throughout the pandemic.

The impact of the pandemic on the community are far-reaching and the full effect of the pandemic will not be known for some time. Further, it is anticipated that the current demand for services is not reflective of actual need. There is significant unmet need across the system, largely driven by reduced access and deferral of care due to fear of contracting the virus in health and aged care settings

Recommendation: Maintain the expansion of funding flexibility beyond the 2020-21 financial year to offer services the opportunity to continue to respond flexibly to support vulnerable clients in the community.

Residential and home care viability supplement increases

It is recognised that regional and rural providers of aged care face additional costs in the delivery of high-quality, accessible aged care services. Analyses completed by the Aged Care Financing Authority¹ and StewartBrown² demonstrate just how dire the financial situation is for providers in these areas.

In the residential aged care setting, there is considerable uncertainty about the future funding arrangements as a result of delays in responding to the Resource Utilisation and Classification Study report, and the implementation of an alternate funding model such as the Australian National Aged Care Classification.

Given the existing viability and sustainability challenges coupled with the immediate challenges posed by COVID-19, the VHA encourages the government to maintain the 30 per cent increase in the residential and home care viability supplements and the homeless supplement.

Recommendation: Maintain the viability and homeless supplement across residential aged care and home care to support rural providers to continue to respond to COVID-19 and safeguard access to high-quality care in rural areas for older Australians.

Policy areas: Disability

Expediting hospital discharge

Even prior to the emergence of the pandemic, coordination between the disability and health sectors has been fragmented. As the pandemic progresses, it is likely that hospitals will be faced with increasing numbers of acutely unwell COVID-19 patients. To ensure that hospitals can be as responsive as possible, it is critical that they safely and efficiently discharge patients who no longer require hospital care.

Ministers at the Disability Reform COAG in June 2020 acknowledged the success of the NDIA and states and territories in expediting safe hospital discharge for NDIS participants. This was achieved through expanding the role of Hospital Liaison Officers, temporary and flexible provision of funding for assistive technology and home modifications, and direct outreach and support for participants at high risk of entering hospital.

Recommendation: Maintain the expanded Hospital Liaison Officer role and flexibility to be able to support expedited discharge from hospital for people living with a disability.

Further, older Australians may be admitted to hospital for a variety of reasons from the community setting or a residential aged care facility during the pandemic, for both COVID and non-COVID related reasons, which influences the requirements surrounding discharge.

Beyond COVID-19, discharge planning has become increasingly difficult and complex. This is due to inefficient and ineffective referral and assessment pathways; a lack of transparency related to

¹ <https://www.health.gov.au/resources/publications/eighth-report-on-the-funding-and-financing-of-the-aged-care-industry-july-2020>

² https://www.stewartbrown.com.au/images/documents/StewartBrown_-_Aged_Care_Financial_Performance_Survey_Sector_March_2020.pdf

assessment wait times; and access delays for longer-term aged care supports.

The Hospital Liaison model offers an opportunity to address the need for expedited referral and discharge pathways for older people, either with or without COVID-19, back into the community or a residential aged care facility.

Recommendation: Develop COVID and non-COVID referral pathways to support expedited discharge from hospital for older Australians in collaboration with relevant state and territory departments and the health and aged care sectors.

Recommendation: Invest in aged care specific Hospital Liaison Officers to support discharge planning throughout the COVID-19 pandemic.

Assistive technology (AT) funding flexibility

The initiative to enable participants to flexibly use existing NDIS plan funding to purchase low cost AT has been well received by participants and service providers alike. Via this initiative, many services have supported eligible participants to rapidly acquire smart devices to enable continued access to disability supports through telehealth and telepractice.

Given the success of this initiative to keep participants connected with their services and disability supports, families, carers and informal supports, as well as the cost neutral nature of the initiative, the VHA encourages the Government to maintain this flexibility and consider opportunities to expand flexibility across service types beyond the pandemic.

Recommendation: Maintain flexibility arrangements for AT beyond September 2020 and consider opportunities to expand flexibility provisions across other service types.

For more information contact:

Ali Georgalas
Lead, Health System Reform
ali.georgalas@vha.org.au
0437 520 289

Tom Symondson
Chief Executive Officer
tom.symondson@vha.org.au
0429 937 997