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# SUBMISSION

## 2017-18 Australian Government Pre-Budget

19 January 2017

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The Royal Australasian College of Medical Administrators (RACMA) thanks the Australian Government for the opportunity to contribute to discussions regarding the 2017-18 Budget.

RACMA agrees to this submission being treated as a public document and being cited in reports that may result from this consultation process.

### About RACMA

RACMA is a specialist medical college of more than 950 Fellows, Associate Fellows and trainees in public and private health settings across Australasia. The College sets standards and provides professional development and specialist qualifications in medical management and leadership to registered medical practitioners.

RACMA's Fellows are registered medical practitioners trained in the recognised specialty of medical administration. The specialist role of medical administration includes expertise in clinical governance, balancing competing demands of a health system, and driving change through effective clinical and stakeholder engagement.

The integration of medical and management expertise enables the medical administrator to work through others to accomplish complex outcomes while simultaneously being accountable and accepting responsibility for a medical services' outcomes. While medical management is not directly involved in the diagnosis and treatment of patients, the clinical skills and knowledge inherent in medical training separate medical managers from other health service executives. Medical administrators work across procedural specialties – as a consequence they have no agenda other than for the health system to work effectively, and for it to deliver optimally to the many people with a stake in the system.

RACMA's Fellows occupy positions in medical management across different settings – from large metropolitan to small rural health services, and outside the hospital setting. RACMA's Fellows are active participants in health system reform, and work at the helm of agencies and task forces driving change, including the Medicare Benefits Schedule Review Taskforce, the Australian Digital Health Agency, IHPA, NHMRC, National Medical Training Advisory Network, and others.

## Priority Areas for Investment

Australia's health system is faced with increasing demand for health care, increasing incidence of chronic disease, the application of new diagnostic and treatment technologies, and tightening national budgets.

Responding to this pressure requires a strategic approach that extends beyond the traditional notion of health care delivery. It requires a paradigm shift in terms of where and how care is delivered so it is accessible, equitable, the care delivered is appropriate and safe, and it is sustainable.

Providing a health system that can respond to these pressures will require investing in the capabilities for providing a sustainable health system for the future, and for ensuring that a standard of care that is both safe and appropriate is consistently achieved across providers, settings and geographies.

### 1. Build for sustainability

As demands and pressures on Australia's health system increase, it will be critical that the system is configured to be sustainable for future years. Numerous studies<sup>12</sup> have identified waste and opportunities for containing costs in the health system. RACMA is strongly supportive of initiatives that identify interventions that in many cases don't deliver optimal health outcomes, including Choosing Wisely, the MBS Review, and reforms in private health. RACMA is also strongly supportive of initiatives, such as the Medical Research Future Fund, and its role in embedding research evidence in health care, and driving collaboration and innovation across research and health care.

However, the drive to reduce waste cannot be at the expense of appropriate and safe care. As it is, providing appropriate care can be challenged by factors such as where a person lives, socio-economic factors, and language and cultural barriers. Further, changing disease patterns and emerging technologies are challenging traditional models for effective care delivery.

It is RACMA's view that continued growth in health care expenditure is unsustainable, and increased investment needs to be offset by current or future savings. However, these changes need to be made by harnessing innovative developments in care, and driving change that continues to support access to appropriate care and does not compromise patient safety.

RACMA Fellows possess both the medical and management expertise to balance competing demands of the health system, and the ability to effectively engage and work through stakeholders in order to enact health system change. RACMA volunteers to be actively involved in the discourse with government and its agencies in reform that will build the sustainable health system for the future.

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<sup>1</sup> Duckett S.J., Breadon, P., Weidmann, B. and Nicola, I., 2014, *Controlling costly care: a billion-dollar hospital opportunity*, Grattan Institute, Melbourne

<sup>2</sup> Productivity Commission 2015, *Efficiency in Health*, Commission Research Paper, Canberra

#### Recommendation:

- 2.1 Further engagement and participation of RACMA in Commonwealth agencies, task forces and reviews for building sustainability within the health sector.

## 2. Build medical workforce capability to deliver safe and appropriate care

### *Specialist training - Medical administration and leadership*

The specialist field of medical administration combines medical and management expertise to accomplish complex outcomes, including a health system that delivers safe and appropriate care.

RACMA sets standards and provides professional development and specialist qualifications in medical management. However, to date this is an area where there are many doctors working in medical management roles who have not received specialist training and are not affiliated with the College, and so they fall outside the College's training and review systems.

The consequence is there are instances where the systems, processes and culture to deliver safe and effective care either don't exist or are poorly implemented. This is supported by studies and reviews<sup>345</sup> in recent times that have identified poor clinical engagement and ineffective clinical governance systems as a factor underpinning ineffective and unsafe delivery of health services.

In rural and remote areas, health services are smaller and care is provided to a more dispersed population. These services are often delivered by multi skilled generalists. This makes it even more important that there are effective leadership and management capabilities, and robust systems are in place to deliver safe and effective care.

RACMA is supportive of recent initiatives to encourage specialist training in rural and regional centres through the Integrated Rural Training Pipeline program. However, as there has been an underinvestment in specialist training for medical administration in the past, further investment is required to train specialist medical administrators in both metropolitan and rural settings.

### *Specialist training – other specialties*

Broadly, in specialist training, there is a need to ensure there are sufficient training places. Our hospitals are absorbing an increased amount of activity, and medical staff continue to work either long hours or have large numbers of patients under their care, so there is ample opportunity to

<sup>3</sup> Duckett S, Cuddihy M, Newnham H. (2016), *Targeting zero - Supporting the Victorian hospital system to eliminate avoidable harm and strengthen quality of care: Report of the Review of Hospital Safety and Quality Assurance in Victoria*, Victorian Government

<sup>4</sup> Garling, P. (2008), *Final Report of the Special Commission of Inquiry 2008, Acute Care Services in NSW Public Hospitals*, Office of the Governor, Sydney.

<sup>5</sup> Forster, P. (2005), *Queensland Health Systems Review*, Final Report, Department of Premier and Cabinet, Queensland

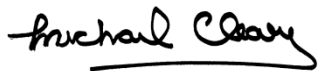
increase training places while improving the hospital care of patients. Community training places and innovative training in private locations also have ample scope for an increased number of training positions.

**Recommendations:**

- 2.1 Invest in workforce programs to equip doctors in the systems and processes for improving health system quality and safety as part of their clinician management roles
- 2.2 Increase investment in specialist training posts, particularly in rural areas (as part of the Integrated Rural Training Program), to ensure there is an adequate supply of medical practitioners broadly, as well as those with specialist management expertise to support and drive the safe and effective delivery of care
- 2.3 Invest in national skills building of boards to undertake effective clinical governance.

## CONTACTS

Prof Michael Cleary PSM  
President  
Royal Australasian College of Medical  
Administrators  
email: [president@racma.edu.au](mailto:president@racma.edu.au)



Dr Karen Owen  
Chief Executive  
Royal Australasian College of Medical  
Administrators  
email: [kowen@racma.edu.au](mailto:kowen@racma.edu.au)

