

Royal Australasian College of Medical Administrators (RACMA) 2024-25 Pre-Budget Submission

January 2024



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About RACMA

The Royal Australasian College of Medical Administrators (RACMA) is unique as a provider of medical management and leadership qualifications as it is the only specialist medical educator whose programs are recognised for the granting of Specialist Registration in Medical Administration. The Fellowship Training Program offered by RACMA is accredited by the Australian Medical Council and the New Zealand Medical Council. Fellows of our College are recognised as medical specialists.

Our education programs are aimed at equipping doctors with the leadership and management skills needed to influence and lead Australasian health care systems with the clear aim of improving health outcomes for Australians and New Zealanders.

The value of RACMA is its Members, who strive to lead for change and positive health outcomes for all Australians, New Zealanders, and peoples in all parts of the world in which their Members practice, demonstrating their skills in key areas such as system leadership, clinical governance, financial management, workforce management, and professional leadership. RACMA Members fill key roles in all aspects of health, including government, and the public, private and not-for-profit sectors. Their roles are diverse, including Chief Executives, Chief Medical Officers, Heads of Departments, Clinical Informaticians and Academics informing, influencing and making key decisions about system clinical governance and quality, including clinical informatics.

Executive Summary

Thank you for the opportunity to lodge a Pre-Budget Submission for the 2024-25 Federal Budget. The Royal Australasian College of Medical Administrators (RACMA) welcomes the Australian Government's commitment to addressing long-standing challenges in Australia's health system.

Recent efforts to strengthen Medicare, address workforce shortages, reform skilled migration and improve equity of access to quality health services are strongly supported by the nation's Specialist Medical Administrators. We note and welcome the Government's ongoing focus on health reform and delivering measurable improvements through the *Measuring What Matters Framework*.

Specialist Medical Administrators play a key role in improving outcomes across several of the Framework's key indicators, including equitable access to quality health services and care and support services, and improved life expectancy through decreased incidence and impact of mental health and chronic conditions. RACMA Members are the custodians of clinical quality and safety and health system governance and integrity.

Skilled medical leadership has a direct impact on quality patient care across the whole community and we seek to work collaboratively with the Australian Government to achieve this. While Australia's health system is one of the world's best, ensuring that continues requires rigorous and ongoing addressing of complexities, new knowledge, new technology, increasing costs and ever-changing community expectations.

Acknowledging this, RACMA wishes to take this opportunity to outline future areas of investment that the Australian Government should consider prioritising through the 2024-25 Federal Budget process.

Recommendations

The Australian Government should work collaboratively with RACMA to address long standing, emerging and anticipated health system issues to improve affordable and equitable access to population health and patient-centred services and outcomes.

The 2024-25 Federal Budget should support the delivery of reforms to:

- 1) Raise standards of clinical governance across Australia.
 - 2) Improve health workforce planning and associated regulatory settings to address workforce shortages and support the delivery of quality and safe healthcare.
 - 3) Increase investment in retention and adjustment services for overseas-trained healthcare practitioners.
 - 4) Support proactive industry-led initiatives to foster a better professional environment for health practitioners.
 - 5) Support the establishment of risk-based management approaches for the use of AI in health settings.
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Recommendations

1) Raise standards of clinical governance across Australia.

Improving clinical governance capability across the Australian healthcare workforce

Clinical governance lies at the heart of quality and safety in hospitals across Australia and in all healthcare delivery settings including sub-acute care, mental health, residential aged care, primary care and community care. For the delivery of quality health services, investment in clinical governance is essential to maintain high levels of accountability and performance in culturally safe workplaces with clear links to patient safety and population health outcomes.

More recently, with recognition of healthcare as a complex adaptive system, there is also recognition that clinical governance must ensure resilient thinking and alignment of work-as-imagined by managers and work-as-done at the frontline of patient care. A robust clinical governance approach is critical for quality and safety, which in turn is important for high performing hospitals.

Implementing effective clinical governance is core to the role of RACMA Members and the College has a program of work which underpins this and positions RACMA a leading voice on clinical governance practice.

This program of work was initiated following a meeting convened by RACMA with the Medical Board of Australia, the Australian Health Practitioner Regulation Agency (Ahpra), the Australian Commission on Safety and Quality in Health Care (ACSQHC) and the NSW Clinical Excellence Commission. These agencies invited RACMA to lead the development of practical tools and training in clinical governance. While the agencies recognised that each State and many organisations have developed robust frameworks for clinical governance, there was a dearth of practical resources on what clinical governance looks like at the coal face in healthcare delivery.

The RACMA clinical governance program aims to:

- Define the breadth of elements and components of clinical governance
- Understand the current state of engagement of doctors in clinical governance
- Develop resources to enhance understanding and engagement of medical and other clinical staff.

The program aims to reach a wide range of stakeholders including clinicians working in hospitals, hospital management, hospital governance, regulators and patients. RACMA is initially focusing on clinical governance in the acute hospital setting as that is where the majority of our members are based, with plans to extend to clinical governance in other healthcare delivery settings including sub-acute care, mental health, residential aged care, primary care and community care.

An advisory group was established after an expression of interest process earlier last year and includes 50 members from all membership categories. This group has provided valuable input into the development of the components of clinical governance.

As a result, the RACMA approach to clinical governance has expanded to a health system approach to include the design and delivery of healthcare.

Health system design components within the umbrella of clinical governance include legislation, leadership, culture, funding, service planning, facility location, licensing, health records, information systems and insurance, and will continue to develop.

Health system delivery components for clinical governance include workforce, credentialling, certification, risk identification and prediction, consent, privacy, incident management, death review and reflective practice, monitoring and reporting, patient experience, consumer engagement, accreditation, audit, regulatory compliance and research and ethics.

This work has contributed to moving clinical governance from a compliance focus to a health system and organisation-wide focus for continuous quality improvement.

There is considerable scope for the Australian Government to partner with RACMA on this work. In particular, we invite the Australian Government to support initiatives that enable clinicians to strengthen their clinical governance expertise.

RACMA is seeking collaboration and partnership with the Australian Government to help deliver the following program of work to improve clinical governance capability across the country.

The Clinical Governance program of work involves:

- Developing a more nuanced definition of the components of clinical governance
- Creating a clinical governance self-assessment tool which can be used to determine the maturity of clinical governance in Australian hospitals
- Reporting on the current perception amongst clinicians of clinical leadership and governance
- Creating a repository of tools to deliver effective clinical governance
- Developing and delivering an integrated series of training programs for various target audiences involved in healthcare governance, leadership and delivery and
- Developing monitoring and evaluation processes for progress and impact.

Mandating FRACMAs and AFRACMAs in all healthcare settings

Skilled medical leadership has a direct impact on quality patient care, with too many reviews of systemic failures in clinical governance and increased risk and poor patient outcomes linked to a failure of medical leadership. Justice Peter Garling, in his 2009 report on the NSW public health system, emphasised that senior clinical leaders who can speak on behalf of doctors and other clinicians, are essential to ensure the enforcement of appropriate standards of safety and quality¹. Since then, several investigations have shown that greater

¹ Garling, PR 2009, 'Final report of the Special Commission of Inquiry into Acute Care Services in NSW public hospitals'. *Australia: Department of Police and Justice (NSW)*, <<https://apo.org.au/node/4575>>

inclusion and participation of medical leaders in decision making is linked to improved service quality and safety² and organisational performance³.

This is why it is critical to Australia having a safe, effective, and efficacious health system that appropriately qualified, experienced and credentialed Specialist Medical Administrators are appointed as leaders in our health system throughout Australia and that the accreditation of health services should be dependent on having suitably qualified Specialist Medical Administrators in key leadership roles. This is true whether for national or state policies for population health (such as the recent and foreshadowed pandemics, the TGA etc.) or at service level (from sentinel events to clinical governance system failure system failure such as at Bundaberg).

Skilled Specialist Medical Leaders are critical to quantify and mitigate risks and to provide rigorous advice on health strategies and service planning. Their role as chief health or medical officers, or medical directors at national, state, or organisation level is central to continuous quality improvement across our health system at all levels.

There is also a wider appreciation and understanding than in previous eras that the work of managing the health system is complex and with much ambiguity, which requires the right training, knowledge and insight to lead, manage and navigate successfully.

It is critical to maintaining and continuously improving our health system that Specialist Medical Administration roles should only be filled by credentialed specialists with the relevant skillsets and qualifications, as is mandated for other medical specialties such as surgery.

RACMA advocates that the College's training programs for Fellows (FRACMA) and Associate Fellows (AFRACMA) are an absolute necessity for medical leaders in healthcare services, departments and agencies. RACMA is invested to work with the Australian Government towards adopting best practice in the appointment of qualified RACMA Fellows and Associate Fellows to leadership positions in all healthcare settings.

2) Improve health workforce planning and associated regulatory settings to address workforce shortages and support the delivery of quality and safe healthcare.

RACMA acknowledges the Australian Government's recent efforts to address long-standing workforce challenges in the health sector, including through programs to address acute shortages in regional, rural and remote areas and to streamline processes for overseas trained healthcare practitioners.

² Kirkpatrick, I, Altanlar, A & Veronesi, G 2023, 'Doctors in leadership roles: consequences for quality and safety'. *Public Money & Management* pp. 1-8, <<https://doi.org/10.1080/09540962.2023.2217344>>

Daly, J, Jackson, D, Mannix, J, Davidson, PM & Hutchinson, M 2014, 'The importance of clinical leadership in the hospital setting'. *Journal of Healthcare Leadership*, pp. 75-83, <<https://doi.org/10.2147/JHL.S46161>>

³ Clay-Williams, R, Ludlow, K, Testa, L, Li, Z., & Braithwaite, J 2017, 'Medical leadership, a systematic narrative review: do hospitals and healthcare organisations perform better when led by doctors?' *BJM Journal*, vol. 7, no. 9, <<https://doi.org/10.1136%2Fbmjopen-2016-014474>>

As Specialist Medical Administrators, RACMA Members see further scope to improve overall health workforce planning. This should be prioritised to ensure leaders and decision makers are equipped to make well-informed decisions and must include strategies for balancing supply and demand for administrative and operational roles as well as for clinical staff.

Medical workforce planning is “having the right people with the right skills in the right place at the right time” - a major imperative for clinical safety and appropriately overseen by specialist clinicians who are RACMA Fellows and Associates.

The demand for healthcare practitioners varies across different regions and specialties. While there may be shortages in some areas, other regions or specialties may already have a surplus. Balancing the supply and demand of healthcare practitioners, both locally and overseas, is pivotal to ensuring equitable distribution and specific needs/gaps are addressed first so the right people are recruited where needed.

RACMA and its members are committed to working with the Australian Government to facilitate improved health workforce planning and regulation and would welcome opportunities to continue to participate in relevant forums, committees and taskforces.

RACMA has a dedicated committee focused on medical workforce strategies for Colleges and the broader health sector and is currently represented on the Australian Government’s National Medical Workforce Strategy, Distribution Working Group and Scope of Practice working parties amongst others.

It is vital that RACMA, with its unique expertise in Medical Leadership, Clinical Governance and comprehensive understanding and experience of the broader workforce environments across Australia, continues to work closely and in consultation with the Australian

Government to address the current and future issues of workforce deficits facing our health services, particularly in regional rural and remote communities.

Improved supervision and protections for overseas-trained practitioners

Skilled migration plays an essential role in addressing Australia’s healthcare workforce challenges in the short term. However, it must be accompanied by regulatory settings that support the delivery of quality and safe healthcare, which is rightly identified as a priority in the *Measuring What Matters Framework*.

RACMA has identified an issue with GP practices recruiting overseas practitioners when they have little experience of assessing work suitability, which can result in the undesirable outcome of low-quality practitioners in remote settings. Our recommendation is to set up initial placements in hospitals for all overseas practitioners so that they can be assessed in better resourced settings to ensure they have the skills to work independently.

There then needs to be some recognition of strengthening processes and/or resources available for overseas practitioners who are not meeting required standards after their supervisory period ends. This can be an issue in centres with workforce shortages, where the practitioner is not readily replaceable, but it emerges over time that their performance is at or below the lower end of what is required to satisfactorily work in the role.

There is great concern about the level and quality of supervision overseas practitioners receive after they arrive. Structured additional support for supervisors is essential. This is

particularly amplified in areas with medical workforce shortages where the additional demand on supervisors, or their ability to provide additional support, is limited.

There also needs to be consideration of implementing regulation to monitor and audit overseas practitioner complaints regarding, for example, pay and conditions. There have been cases where overseas practitioners are being asked to complete observation placements or work-based assessments for 3-6 months without pay and with no guarantee of a job at the end. This puts them at risk of exploitation, and RACMA is calling for appropriate regulation and practices for employers to prevent exploitation of a vulnerable workforce.

3) Increase investment in retention and adjustment services for overseas-trained medical practitioners.

Current health workforce reform efforts provide insufficient focus on retention and adjustment support services. Overseas practitioners may face difficulties adjusting to a new healthcare system, culture, and work environment. Relocation challenges, social integration, and professional adaptation can impact their job satisfaction and long-term retention.

RACMA and its members are committed to continuing to work with the Australian Government to achieve urgently needed health workforce reforms.

RACMA recommends implementation of standardised orientation processes by employers with distinction between core elements (such as language and cultural supports) and elements that are specific/relate to the location/setting where the practitioner is practising.

Providing comprehensive language and cultural support programs, as well as mentorship opportunities, can assist overseas health practitioners in improving their English language skills, understanding medical terminology, and adapting to the Australian healthcare system.

RACMA also recommends more equitable access to career development and progression opportunities for overseas trained doctors who want to enter specialist training. This contributes to helping retain overseas practitioners, in turn making them a more sustainable and viable option to address workforce shortages.

4) Support proactive industry-led initiatives to foster a better professional environment for health practitioners.

In RACMA's view, there is a significant opportunity for the Australian Government to further support industry-led initiatives to address health system/organisation culture issues and foster a better professional environment for health practitioners.

To provide high quality health services and care and support services for Australia's growing communities, there is an urgent need to drive systematic and sustained behavioural change across the healthcare sector to address bullying, harassment, racism and discrimination.

As a College of Specialist Medical Leaders, RACMA takes the issue of doctors' wellbeing very seriously. Staff wellbeing is an absolute essential for patient safety and quality of care. Having psychological safety for all staff is key to building resilient health teams and improving the services we deliver to our communities.

The College ensures Specialist Medical Leaders have the required knowledge and skills to support, encourage and sustain a safe working environment for all doctors. RACMA imbues these principles through its various education and training programs.

Health care can be confronting with significant cultural challenges that adversely affect the psychological safety of the health workforce. These challenges include pervasive issues such as bullying, harassment of junior doctors by senior staff and conflict with patients and their families⁴. The consequences of these challenges such as worker burnout are leading to an alarming proportion of doctors contemplating leaving the workforce altogether, an issue which has been highlighted by the Australian media⁵.

The impact of these adverse experiences is particularly evident among doctors who identify as First Nations peoples, highlighting the need for targeted interventions to address systemic issues and improve the experiences of underrepresented groups in medicine⁶.

More than 23,000 doctors in training took part in the *2022 Medical Training Survey* by the Medical Board of Australia and Ahpra.

Alarming, the report found:

- 30 per cent of respondents (all doctors-in-training) reported having witnessed bullying, harassment, discrimination, or racism in their workplace in the preceding 12 months.
- Of those who experienced bullying themselves, the most common nominated perpetrators were senior medical staff, with 38 per cent of incidents related to

⁴ Samsudin, EZ, Isahak, M & Rampal, S 2018, 'The prevalence, risk factors and outcomes of workplace bullying among junior doctors: a systematic review'. *European Journal of Work and Organizational Psychology*, vol, 27, no. 6, pp. 700-718, <<https://doi.org/10.1080/1359432X.2018.1502171>>

Clough, BA, Ireland, MJ, Leane, S & March, S 2020, 'Stressors and protective factors among regional and metropolitan Australian medical doctors: A mixed methods investigation'. *Journal of clinical psychology*, vol. 76, no. 7, pp. 1362-1389, <<https://doi.org/10.1002/jclp.22940>>

⁵ Ireland, MJ, Engel, ML, March, S, Parmar, S, Clough, BA, Sharp, A & Moses, L 2022, 'Doctor workplace attrition: An examination of pathways from work demands to organisational commitment'. *Asia Pacific Journal of Health Management*, vol. 17, no. 2, pp. 1-15, <<https://doi.org/10.24083/apjhm.v17i2.1541>>

Tran, J, Willis, K, Kay, M, Hutt, K & Smallwood, N 2022, 'The workplace and psychosocial experiences of Australian senior doctors during the Covid-19 pandemic: a qualitative study.' *International Journal of Environmental Research and Public Health*, vol. 19, no.5, pp. 3079, <<https://doi.org/10.3390/ijerph19053079>>

⁶ Lai, GC, Taylor, EV, Haigh, MM, & Thompson, SC 2018, 'Factors affecting the retention of indigenous Australians in the health workforce: a systematic review'. *International journal of environmental research and public health*, vol. 15, no. 5, pp 914, <<https://doi.org/10.3390/ijerph15050914>>

Villanueva, C, Cain, J, Greenhill, J & Nestel, D 2021, "'The odds were stacked against me": a qualitative study of underrepresented minorities in surgical training'. *ANZ journal of surgery*, vol. 91, no. 10, pp. 2026-2031, <<https://doi.org/10.1111/ans.17168>>

bullying by someone within their own team and 39 per cent in their department but not their direct team.

- 70 per cent of those who experienced bullying, harassment, discrimination, or racism did not report the behaviour.
- 55 per cent cited concern for possible repercussions as their reason for not reporting.
- Only 47 per cent of those who reported adverse behaviour saw evidence of follow-up to their complaint.

In response to this, RACMA partnered with the Australian Government-funded *A Better Culture* initiative to explore the challenges and experiences of healthcare leaders, particularly Chief Executive Officers (CEOs) and Chief Medical Officers (CMOs) in relation to organisational cultural challenges and how to foster a better professional environment for health practitioners.

The recommendations of its report published in August 2023, [Qualitative Research for Culture Change: A Better Culture](#) are below.

Recommendations to foster a better professional environment for health practitioners:

1. Ensure training measures reach all entrants into the system, and reinforce it throughout career progression.
2. Prioritise buy-in from the professional colleges.
3. Align culture change initiatives to a unifying purpose.
4. Shift towards a proactive approach.
5. Effective culture change is best supported by a broader effort to improve the safety and sustainability of the healthcare workforce.

Meaningful and lasting change requires a sustained approach that prioritises culture change as an ongoing process. Building a positive culture will take time and effort, requiring continuous evaluation, adaptation, and improvement. There is a need to prioritise long-term strategies that embed cultural change within the fabric of healthcare organisations.

The Australian Government is responsible for leading the development of national health policy (and administering funds to enable the system to function). Therefore, it has an overarching role to play in driving cultural reform.

While RACMA acknowledges that cultural reform must be industry-led, the education and training of health professionals, regulation of health workforces and improvements in safety and quality of health care are within the remit of the Australian Government and directly impact the operation of the health system.

A positive culture directly contributes to enhancing patient safety and improving clinical outcomes.

RACMA and its members are committed to continuing to work with the Australian Government to achieve a health system that is safe and supportive to staff and patients, and directly contributes to enhancing patient safety and improving clinical outcomes.

RACMA recommends that the Australian Government recognise the development and maintenance of a positive culture across the health system as a foundation for excellence in health care and outcomes and consider how it can advocate and support cultural change at an institutional level through funding and reform initiatives.

5) Support the establishment of risk-based management approaches for the use of AI in health settings.

AI development is occurring in a relatively unregulated environment, and at a rate greater than regulation can be developed, in the public, not-for-profit and private sectors. Even if the development environment could be regulated, the use and impact of AI technologies cannot necessarily be predicted or controlled by the developer.

This leads to our view that a principles-based risk management framework, that can be readily applied, rather than specific legislation over specific technologies or uses, may be more likely to be effective.

Collaborative risk-based frameworks for assessing AI risks for individuals, organisations and society, such as those noted in the [United Nations 2023 report on Governing AI for Humanity](#) include the US National Institute of Standards and Technology AI Risk Management Framework, which has been adopted by several countries worldwide and could be applied in Australia.

This is particularly important in high-risk environments such as healthcare where a first *do no harm* approach needs to be assured. Just like in other areas of healthcare, the primacy of ethical principles including beneficence, non-maleficence, autonomy and justice, are critical particularly where other considerations such as cost-reduction and profitability might be prioritised due to perceived cost-benefits of implementing AI-based technology. As such, the importance of context-specific risk assessment is critical. Criteria around risk level needs to be rigorous with more transparent parameters than currently.

In healthcare, higher-risk settings for AI should be applied, especially with algorithm-assisted decision making. For example, the recent media coverage of AI-based products to generate patient records in healthcare settings has been classified as medium risk by developers, despite the fact that Specialist Medical Leaders are concerned that this could lead to safety and quality risks and adverse events. Triggering the use of such risk assessment frameworks is contingent on transparent disclosure and labelling of the use of AI in a product or service.

The use of risk management-based approaches to the use of AI should be supported by the Australian Government, recognising the rapid rate of growth in the development of AI techniques and the known, known unknown and unknown unknown risks and outcomes.

RACMA and its members are committed to working with the Australian Government to develop and implement appropriate risk management frameworks to ensure safe adoption of AI in healthcare. RACMA recommends that existing AI risk management frameworks be reviewed with a view to developing a single national framework for consistent standards and approaches nation-wide.

Contact details

For more information or to discuss any of the recommendations in his Pre-Budget Submission, please contact Cris Massis, Chief Executive via cmassis@racma.edu.au or 0411 745 074.

Yours sincerely



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