The future of health care in Australia

Our plan is to provide long term, generational change that is evidence-based and able to make a real difference to people's lives

Editor's note: The *MJA* invited the federal health minister and shadow health minister to independently share with readers their visions for the future of health care in Australia. In this issue, Minister for Health the Honourable Greg Hunt MP sets out the government plan; in the next issue, Shadow Minister for Health and Medicare the Honourable Catherine King MP will outline the opposition plan.

There are few issues which Australians hold dearer than their health and the health of their families. Everyone has a view on health because everyone has a stake in it — as consumers and patients, as carers, as taxpayers, as voters.

One of every five dollars we pay in tax goes to health. It's a major component of the national economy, at around 10% of our gross domestic product.[1] In 2015–16, about 384 million Medicare Benefits Schedule (MBS) services received $21.1 billion in benefits paid.[2]

Health affects our work, play and daily lives — and our hip pockets. For all these reasons, Australians are very protective of health policies and programs, particularly in the public policy space. Australia's health system is world class[3] and the Australian Government is committed to ensuring that this continues. My vision, shared by Prime Minister Malcolm Turnbull, is for this country to have not just an outstanding system but the best health system in the world.

The Budget handed down in May 2017 reset the health agenda.[4] I believe the 2017–18 Budget will come to represent a foundational moment in building a health system for 21st century Australia, anchored on our commitment to universal health care, based on free public hospital care, affordable medical services and affordable medicines. The future of health and medical care — including precision medicine, genomics, data analytics, medical research, My Health Record, mental health and preventive health — will be defined by ensuring that Medicare, the MBS, the Pharmaceutical Benefits Scheme (PBS) and the hospital system (public and private) are working at their very best.

The health measures in the 2017–18 Budget guarantee Medicare and access to medicines by restoring Medicare rebate indexation, raising the Medicare levy, increasing hospital funding, prioritising mental health and preventive health, and releasing the first disbursements from the Medical Research Future Fund.

Our Long Term National Health Plan is built on four pillars: guaranteeing Medicare and the Pharmaceutical Benefits Scheme; supporting hospitals; prioritising mental and preventive health; and investment in medical research.

The plan asserts the integrity of health reform — that is, not change for short term political gain but long term, generational change that is evidence-based and able to make a real difference to people's lives. For example, by giving premature babies their best chance, providing children with cancer new hope, saving a woman's life through early detection of breast cancer, helping adolescents cope with the emotional challenges of life, giving people with mental illness the services and support they need, providing quality of life to people with chronic conditions.

Strengthening Medicare

The collaborative arrangements that I have negotiated with key stakeholders — the Australian Medical Association, the Royal Australian College of General Practitioners, the Pharmacy Guild, Medicines Australia and Generic and Biosimilar Medicines Australia — have allowed us to implement many positive measures in the Budget. Our commitment to Medicare will help keep GP bulk billing rates at all-time highs. Returning indexation of the Medicare rebate to GPs makes it easier to bulk bill and reduces patients' out-of-pocket expenses. When patients need to visit the optometrist or undergo a computed tomography scan, they will, over time, be able to access a higher rebate for these services, meaning fewer out-of-pocket expenses. Our ongoing review of the MBS has so far involved more than 440 clinicians across 65 clinical committees and working groups. Along with the ongoing work of the Medical Services Advisory Committee, improvements to the MBS mean that patients can access safe, effective and up-to-date medical services and medicines. Because of this clinician-led work, I believe the MBS will be in its best shape since it was introduced almost 70 years ago in terms of efficiency, cost-effectiveness and best practice health care.

Recent MBS Review recommendations will lead to more obstetric services for Australian women, and help ensure that colonoscopies and low back pain x-rays are based on the latest evidence. Recent Medical Services Advisory Committee recommendations include listing a new service to lower the risk of stroke for patients who are unable to take anticoagulant medication, and a new therapy to reduce the numbers of epileptic seizures in patients who suffer severe and frequent seizures.

As part of our Medicare commitment, our support of the PBS ensures that people will continue to have affordable

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access to the necessary medicines. Since coming into government, the Coalition has added about $7 billion of new medicines to the PBS — many of which would be prohibitively expensive without subsidy. For the first time, thanks to our agreement with Medicines Australia,[5] we have been able to reinvest in the sector and create a space for new listings into the future. Similarly, our agreement with the Pharmacy Guild,[6] which is predicated on the ability to make savings through pharmacists' dispensing processes, has also allowed us to reinvest in that sector.

Supporting hospitals

An additional $2.8 billion in public hospital funding in 2017 (and considerably more than $100 billion over the next 4 years) will enable states and territories to deliver more hospital services, improve access to emergency departments and reduce waiting times for elective surgery. Improved access to these vital parts of the hospital system will enable better flow through the entire health and aged care system.

We are also working with the states and territories to reduce avoidable demand for hospital services through initiatives such as Health Care Homes. We have listened to doctors on the right timing for introducing Health Care Homes and have received more than 400 applications from general practices for 200 places. Phasing in the start of the new chronic care model ensures that general practices are in the best possible position to get this right in terms of training, tools and resources — and drive a new way for dealing with the one in four Australians who have at least two chronic conditions.

Mental health and preventive health

I am determined to ensure that spending on mental health delivers what people need, when and where they need it. This includes telehealth for the bush, suicide prevention, psycho-social services that fall outside the National Disability Insurance Scheme, and research that explores and delivers care, relief and treatment to people battling mental health issues.

The links between physical activity and good mental health and wellbeing are well established.[7] We are now starting to draw on these links, with funding for new preventive health initiatives to improve people's physical activity levels and also support GPs to encourage their patients to adopt healthier lifestyles. Action in this area is vital if we are to build a physically, mentally and emotionally healthy Australia.

Medical research

Health and medical research is the best way to prepare Australia for the health care challenges of the future. With the 2017–18 Budget, we have made the first allocations from our Medical Research Future Fund — some $65.9 million — and these will be followed by a total of $1.4 billion in disbursements over the next 5 years.[8] Health and medical research translates great ideas and technologies into developments that become everyday realities of health care. It is today's investment in the health care of tomorrow.

Conclusion

We now have a clear sense of direction for reforming the health system over the coming years in a continuous and considered way. The May 2017 Budget funded the first wave of reform. In 2018, wave two will strengthen private health insurance, the health workforce, mental health care (particularly in rural Australia), sport and aged care. Wave three in 2019 and beyond will focus on primary care and hospitals.

As I have done to date, I will continue working with the health sector and the states and territories to implement the best policy outcomes. I cannot overstate the importance of the sector's engagement in this great endeavour. Since I was appointed Minister for Health, I have had the opportunity to see first-hand the incredible work of our health professionals — in intensive care units, neonatal wards, hospitals and mental health services around the country. It's their work that delivers best practice care, best-evidenced treatment and best health outcomes for all Australians.

I agree with Australian Medical Association President Dr Michael Gannon that the opportunity to achieve genuine and meaningful reform is unprecedented. Our goals are ambitious, but I firmly believe we can build the best health system in the world here in Australia. ■

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