

Winners and losers in Rudd's health-care reform

Mental and indigenous health are among the neglected areas, **LESLEY RUSSELL** writes

The shape and extent of the Rudd Government's commitment to health-care reform has now been revealed. The approach is evolutionary rather than revolutionary, clearly designed to address short-term pressure points rather than needed long-term changes, involves substantial sums of money provided for both policy and political reasons, and pays scant attention to the recommendations of all those advisory groups and commissioned reports. Most initiatives are merely sketched out and appear to have been developed in a last-minute rush.

That said, the key issues of needed investments and reforms in the health-care system are now clearly on the table, increasing dramatically the possibility that these will be tackled and solved and not simply kicked forward into the future. The fact that many policies are barely formed may well turn out to be an advantage.

Regrettably, the real reform elements are critically lacking. While it's possible to envision that the Rudd proposals will ultimately lead to a single funder of all health-care services, thus ensuring an end to the cost and blame shifting, this is clearly a long way off. No attempt has been made to integrate public and private health care or even to clarify their relationship, and the Government seems wedded to fee-for-service when payment reforms are essential if the focus is to move from the volume of services delivered to the value of those services in improving patient outcomes.

The raft of proposals put forward has delivered some clear winners, especially in acute care, but there are also some losers and these are in areas that should not be missing out. It is shameful that despite all the

promises, the best that could be done for mental health was a grab bag of small proposals and a paltry \$178 million over four years.

That's just \$44.5 million a year, which includes \$13 million for mental health nurses that simply replaces what was ripped out of that program two years ago. The Commonwealth Heads of Government communiqué provides small comfort with promises of "further work on the scope for additional mental health service reform for report back in 2011."

There is a huge unmet need for more mental health services and better coordination of those services. One in five Australians have a mental health disorder, and only 35 per cent of those requiring assistance get it, the other 65 per cent go without. There is an investment of \$436 million to transform and personalise the way that the one million Australians with diabetes are cared for. But there are four million Australians with a mental illness who also need better care. There are commitments and funds to ensure that people get needed elective surgery without unnecessarily waiting lists, so why are cataracts, hip replacements and hernias viewed as more important, and more urgent, than mental health problems?

The other group of Australians who missed out in this package is indigenous Australians. Their health needs rate a mention in the COAG communiqué, but it's words about greater integration, local governance and recognising the needs of regional and remote areas.

In 2008 the Prime Minister guaranteed indigenous people will get health services equal to those enjoyed by the rest of the population within the next 10 years. Time is now ticking down on that guarantee with little progress evident.

The health reform package makes some real investments in the education and training of the health-care workforce, building on previous commitments in this area.

But there is little to deliver all the new specialist doctors that are needed now, and will be in greater demand in the future to provide more elective surgery, diabetes care, cancer treatments – especially radiology, and geriatric services. And when the focus finally turns to mental health, psychiatrists are in short supply. The Government's policy delivers just 68 additional specialists a year over the next decade. Many patients face severe problems getting timely and affordable access to specialist care, and the increasing out-of-pocket costs to see a specialist are a growing burden for individuals and the Medicare safety net. While improved primary care has the potential to reduce the demand for specialist services, this cannot be ignored, especially beyond the major cities.

A \$5.4 billion commitment to improved health care in Australia is a significant investment and it will make a difference. But it's not clear if it will really improve health outcomes because the money is not necessarily being spent in the right places for the best returns.

The consolation is that these concerns can be addressed and ameliorated in the implementation of the proposals.

This is not just about re-election, it's about the health-care system we will have in 20 years' time.

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