CPMC AUGUST 2015 NEWS

1. **Introduction**

Welcome to the August edition of CPMC News. Parliament House experienced a full moon recently with crises at the very top level with the Speaker, the Hon. Bronwyn Bishop facing a travel expense scandal having a ripple effect on all frequent flyers in the House, and mumblings about a re-shuffle if not a leadership spill. It has truly been a full moon effect in Canberra. This edition of CPMC news features updates on issues of major importance across the Colleges and a member profile featuring Dr Debra Graves.

2. **Parliamentary**

- **Legislation**

The Minister for Health administers over 70 laws relating to health. On 12 August 2015 the Medical Research Future fund successfully passed the lower House. You can read about the Bill here: http://www.health.gov.au/internet/ministers/publishing.nsf/Content/health-mediarel-yr2015-ley101.htm

- **Health Minister changes Chief of Staff**

The Health Minister, Sussan Ley has a new Chief of Staff with Craig Bosworth taking the helm, replacing Cath Patterson. Craig has been involved in Victorian state politics and was an Adviser to Senator Patterson before working in the private sector, but most recently was an Adviser to Senator Mitch Fifield. CPMC has sent a welcoming note to Craig and in late September the Chair will meet with him and the Minister in late September. It is understood that Ms Patterson has moved to the Prime Ministers' Office to advise on health at that level replacing the well-respected Benny Ng.

- **Leader of the Opposition also to change CoS**

It is understood that the Leader of the Opposition will appoint a new Chief of Staff in Cameron Miller who may is currently lobbying for a coalmining company.

3. Lunch with Health Secretary 4th September

The Secretary of the Department of Health, Martin Bowles, has invited each College President (or a senior office bearer) and each College CEO to meet with him at a lunchtime meeting from midday to 2pm in Sydney on Friday 4 September.

This meeting has come about because of the interaction at the recent CPMC meeting where participants raised matters of concern such as future workforce demands and strategies, the MBS review, primary care initiatives and other health reforms and I moved to lodge these more strenuously with them to see how best to make a serious engagement occur with government. The opportunity to meet with the Secretary of Health is a valuable one and we are the only peak body who has been able to get such a decent amount of time.

The issues affecting the membership do in fact connect with some of the aims and objectives of the Health Minister. The Minister's vision for health is guided by 4 principles:

1. Protection of Medicare for the long term;
2. Maintenance of bulk billing for the vulnerable and concessional patients;
3. Maintenance of high quality care and treatment for all Australians; and,
4. Finding a price signal of a modest co-payment to insert into the health system for those who have the capacity to pay.

Universal health care is put at risk if there are reforms occurring around the edges which are not aimed at maintaining the entitlement. The freeze on MBS rebates and the wholesale review combined with private health insurers changing the rules around payments are all pointing to cost saving measures, which while occurring at different aspects of the system need to be monitored. The role of government is to ensure the system operates effectively as a whole to deliver the Medicare entitlement. Specialist Medical Colleges along with other medical groups have been reminding government of the quality of the education and training that delivers the excellent health services all Australians expect.

4. AMA forum on MBS Review

The Australian Medical Association convened a forum on Wednesday 19 August at AMA House in Canberra to share information across the profession on the MBS Reviews. I attended this forum and was impressed with the turnout from across the Colleges and from special interest groups. There were a lot of procedural based groups which were very interesting to hear from. The key points were:

- Professor Brian Owler stressed the importance of keeping a close watching brief on this government review because while it could be considered a cost saving exercise by government, there is merit in giving consideration to reviewing a schedule which has been in place for 30 years and has become difficult to navigate and control.
- The Colleges and societies must be involved in order to ensure reality checks. To this end between 80- and 100 specific review teams are expected, and as such it will not only generate a lot of information about what currently occurs to what might occur into the future and then what is in fact obsolete but the question is whether this process is in the best interests of those who provide the services.
- Cost of the MBS is driven by volume not price.

Professor Bruce Robinson, Chair of the MBS Taskforce addressed the group and indicated the **key reasons for the review** were:

- Items not consistent with best practice.
- Poor value/superseded.
- Inappropriate frequency/intensity.
- Rebate inappropriate over time.
- Need to create space for new items.

The **Terms of Reference** for the Review:

In Scope

- All current MBS items and the services they describe.
- Increasing the value derived from services.
- Concerns about safety, clinically unnecessary service provision and concurrence with guidelines.
- Evidence for services, appropriateness, best practice options, levels and frequency of support.
- Description and rules that underpin the item.

Out of Scope

- Division of responsibilities between Governments….Federation White Paper
- Innovative funding models for chronic and complex – Primary Health Care Advisory Group will examine that under Chair Dr Steve Hambleton.
- Introduction of new MBS services- Medical Services Advisory Committee role.
- No savings target- scope for reinvestment.

Professor Robinson explained some examples of **macros issues** for review citing sources of review items as follows:

- Commission for Safety & Quality in Healthcare.
- Academic research.
- MBS data analysis for example unexplained variation by geography, provider.
- Stakeholder input.
- Clinical committee input.

He went on to explain some examples of macro issues with regards to rules, processes and systems, such as:

- The inappropriateness of billing a follow-up specialist consultation with a scheduled operation or procedure;
- Whether the rebates should be lower for GPs performing the same surgical procedure as a specialist;
- Referrals between medical professionals;
- Claiming of assistance at surgery items;
- The appropriate funding of capital costs – whether and how they should be incorporated into an MBS schedule.

Professor Robinson said that early clinical committees and review working groups chosen by the Taskforce include:

- Diagnostic imaging (Bone densiometry, PE and acute DVT, Imaging of the knee)
- Obstetrics
- Ear, Nose and Throat

- Haematology
- Respiratory
- Endoscopy / Colonoscopy
- Macro Issues / Rules

The AMA has devised a doctor input system which individual doctors may wish to contribute to and you can find out more about that by going to the AMA directly.

Specialist Training Program - review
An STP discussion paper is slated for release by the end of August- early September and the Department has confirmed it will conduct consultation sessions on the recommendations arising from the review in the paper. First one is likely on 4th September after lunch.

Workforce
The recent CPMC meeting minutes have been circulated, and you will note that the issue of workforce featured prominently in the discussion with Professor Chris Baggoley (and Departmental representative Dr Andrew Singer) along with the Deans.

CPMC Directors warned the Department that Australia is perceived as over-producing medical graduates. In 2005-06 there were 291 doctors per 100,000 population compared to 424 in 2013-14. There are approximately 16,000 medical students in Australian medical schools and in 2014 there were 3,204 graduates plus 558 international medical graduates. Access to clinical training is tight and while the internship is guaranteed for CSP it is not for IMGs. Post-graduate training is becoming a challenge due to the demand for applications outstripping supply. CPMC asked the Department what their plan was to address over-supply however they argued the numbers would eventually be required in 2025.

CPMC is concerned about the perceived over-supply of medical graduates, blocks in the training pipeline and pressure on specialist Medical Colleges to manage demand. In addition, the fact the Department of Immigration and Border Protection currently lists medicine as a priority for immigration purposes is a matter for the Department of Health to advise on and change in order to better manage the supply of medical graduates in Australia. It should be noted that Australian universities have been allowed to determine the number of students they enrol in bachelor levels courses since 2012, with the exception of medicine. The universities received Commonwealth funding for these places and because it is a demand-driven system, new courses have been introduced with different entry requirements for a number of non-medical but health related disciplines. The Department controls the number of domestic undergraduate medical students in universities. Universities control the number of international students.

A request for Workforce Training data was released to Chief Executives recently. The information will be used in discussion with the Department, amongst other issues.

Transitional arrangements for RHCE
A meeting with the Departmental officials responsible for leading the transitional arrangements for RHCE program into Primary Health Networks to be held on Wednesday 26th August after which an email will be circulated to all concerned.

MEMBER PROFILE: Dr DEBRA GRAVES, Chief Executive, RCPA

Q: What do you do when you are not at work?

I enjoy spending time with family and friends, love travelling and dining out and enjoy live theatre and Opera.

Q: How long have you been the Chief Executive of Royal Australasian College of Pathologists?

Since February 1999 so 16 and a half years.

Q: What made you decide to join the RCPA?

After having worked as CEO and Medical Director of public and private hospitals I was looking for a change in direction. I was attracted to the College because of the importance of pathology to the practice of medicine and also the educational and quality professional practice elements of the role.

Q: What achievements / highlights are you most proud of?

Transforming the College into an organisation responsive to the needs of its Fellows and Trainees.

Q: What is the key issue facing your College?

The biggest challenge relates to how to implement and integrate genomics into pathology practice and thus also healthcare delivery in general in Australia. This is from multiple perspectives including and education and training, professional practice, quality and accreditation and workforce.

Other News

New Chief Executive for ANZCA

ANZCA announced that Mr John Ilott will be ANZCA's new chief executive officer commencing 28 September.

Mr Ilott is an experienced CEO and senior executive who was a key player in the establishment of the Australian Health Practitioner Regulation Agency formally established in 2010 where he was the Director of Finance and Corporate (2009-2014). He has headed several other organisations including the Victorian branch of the Pharmaceutical Society of Australia, the Victorian division of St John of God Pathology, and hospital management company Healthcare Management Services.

He also has vast experience in public and private hospitals as chief executive or general manager at Wangaratta District Base Hospital, St Andrew's Private Hospital (Ipswich) and the Mater Hospital (Rockhampton). More recently he has been a consultant in business development.

General Update from CPMC Chief Executive

- I have begun a review of the IT system for a capital upgrade plus service agreement.
- The 2014-15 audit is complete and without qualification, to proceed through the authorisation pathway for lodgement with the AGM papers for November.
- Dr Debra Graves and I have managed the first stage of the membership subscription fees review. It is anticipated that the process will receive consultation through a small working group then discussion in November.
- I will meet with the national corporate sales director for Qantas in late August to discuss the agreement and receive general update.
- Kate Thomann and I have begun the preparation for the AIDA conference growing our fellows workshop plus Indigenous Health subcommittee meeting to be held on 17th September, in Adelaide.
- RHCE Steering Committee will meet for the last time face-to-face on 24th September in Cairns coinciding with the RACS acute neurotrauma site visit at James Cook University.

Angela Magarry