



PRODUCTIVITY COMMISSION: 5-YEAR PRODUCTIVITY INQUIRY: THE KEY TO PROSPERITY.

<https://www.pc.gov.au/inquiries/current/productivity#draft>

1. The **Australian Council of Deans of Health Sciences (ACDHS)** welcomes the opportunity to provide a high-level response to the Interim Reports released by the Productivity Commission. ACDHS is the peak representative organisation for Australian universities engaged in education and research in health sciences. As the educators of allied health professionals, ACDHS sits at the nexus between health care and education sectors. Members are well placed to provide insights on the demands our future health workforce will face, and opportunities to improve the productivity of their practice and sustainability of systems they will work in. More information is available at <https://acdhs.edu.au/>
2. It is from this unique perspective that ACDHS provides the following comments against three key areas aligned to Interim Reports as follows:

Health system reforms and national workforce planning	Interim Report 3: Innovation for the 98%
Research and dissemination of innovation	Interim Report 3: Innovation for the 98%
Skills and education	Interim Report 5: From Learning to Growth

Health System Reforms

3. Australia’s health and care systems are under acute pressure: sustainability and reforms are high on the current agenda for Governments and stakeholder groups such as primary care and general practice, aged care, disability services, and emergency services. The COVID-19 pandemic has severely disrupted the health and care systems, with workforce shortages reaching a critical level as confirmed in the latest Skills Priority List¹. The health sector forms a substantive component of the economy, with total spending in 2022-23 estimated to be \$105.8 billion, representing 16.8% of the Australian Government’s total expenditure² and around 10% of GDP³. The potential for productivity gains in this sector is worthy of consideration in its own right.
4. ACDHS supports the fundamental role of primary health care as the foundation of Australia’s health and care sectors and encourages the Productivity Commission to consider more explicitly the importance of strengthening primary health care as a driver of health system productivity. There is a large body of evidence to demonstrate that a health system based on effective primary health care services deliver better health outcomes at a lower cost than hospital and specialist orientated health delivery⁴. A well-functioning primary health care sector can deliver a focus on preventive health, help avoid unnecessary hospitalisations, and deliver a productivity dividend to Australia. This has been recognised by the Productivity Commission in previous reporting⁵.

¹ 2022 Skills Priority List- Key Findings Report 6 October 2022. National Skills Commission.

² The Commonwealth of Australia. Budget Strategy and Outlook, Budget Paper no.1: 2022-23, pp 141

³ Australian Institute of Health and Welfare (2021) Health expenditure Australia 2019-20, Australian Government.

⁴ Rao, M Pilot, E. (2014) The missing link – the role of primary care in global health. Glob Health Action 2014, 7:2363

⁵ Shifting the Dial: 5 Year Productivity Review. Productivity Commission 2017. Accessed on 10 October 2022

<https://www.pc.gov.au/inquiries/completed/productivity-review/report/2-healthieraustralians#c29>

5. Australia's Primary Health Care 10-year Plan 2022-2032⁶ (Australia's PHC Plan) identifies multidisciplinary team-based care arrangements as a key plank of primary health care services, and notes that funding models for allied health professionals, nurse practitioners, nurses, midwives and others need to be better developed to promote access and support the delivery of effective, appropriate care in viable business models. In this 2023 report, the Productivity Commission has the opportunity to lever off Australia's PHC Plan to provide clear directions for future health system reforms to deliver health sector productivity gains.
6. Allied health professionals provide services across the lifecycle and are core to prevention and multidisciplinary management of chronic and complex conditions. Allied health professional services can reduce the need for medical interventions and extend independent living and reduce premature, costly institutionalisation for older Australians. Allied health professionals also partner with people with disabilities to support and intervene to ensure they can access school, vocational training or higher education and can function with as much independence as possible. Timely and easy access to allied health can prevent avoidable hospitalisation and maintain independence, physical, social and cognitive function, and reduce the costs associated with deteriorating function. Allied health professionals deliver specialised skills to allow Australians to lead healthy, long and productive lives.
7. While the full extent of the impact of Long COVID in Australia is yet to be determined, estimates indicate that there will be a significant number of people in the community affected. Those who are not permanently impaired and do not qualify for aged or disability services will require ongoing access to person-centred multidisciplinary rehabilitation services. This will put further strain on rehabilitation services, particularly in rural and remote areas where such services are limited⁷ Without access to services, these people will miss the opportunity to return to full functionality and to contribute to family, society and the economy. This is an important productivity consideration.

National Health Care Workforce Planning

8. Dealing with productivity issues and outdated models of care in the health system could improve retention of the existing health workforce and appeal to new graduates. Unfortunately, Australia has lost ground in planning for the future health and care workforce and urgently needs an evidence based, state-of-the-art national health workforce strategy that is supported with adequate funding.
9. The COVID-19 pandemic has highlighted the health and care workforce and its fragility. There is a need to act on the lessons learnt and plan for a resilient and sustainable workforce⁸. A national effort to deliver an integrated approach is required across health, disability and aged care to avoid competition between sectors and jurisdictions for workers. There is also limited data to assist in workforce planning in Australia with respect to:
 - supply side factors (entry, exit, demographics, skill mix, areas of shortfall)
 - demand side factors (demographics, disease epidemiology, service utilisation, unmet need)
 - alternative scenarios (e.g. changing skill mix, novel models of care, emerging technological advancements)⁹.

⁶ Future focussed primary health care: Australia's Primary Health Care 10 Year Plan 2022-32. Commonwealth Department of Health 2022.

⁷ Cairns A, Geia L, Kris S, Armstrong E, O'Hara A, Rodda D, McDermott R, Barker R. (2022) Developing a community rehabilitation and lifestyle service for a remote indigenous community, *Disability and Rehabilitation*, 44:16, 4266-4274.

⁸Ranmuthugala G. (2022). *Australian Health Review* 46 (3), 383-384. Doi 10.1071/AH22125

⁹ Anderson M, O'Neill C, Macleod Clark J et al. *Lancet* 2021;397:1992-2011

10. The current trend towards sector and profession specific workforce plans may well serve to work against more robust multidisciplinary models of care and productivity gains. As noted in Australia's PHC Plan:

Better use could be made of the primary health care workforce, including nurses and nurse practitioners, allied health professionals and pharmacists, in working to full scope of practice and as part of multidisciplinary teams.

Research and Dissemination of Innovation

11. The COVID-19 pandemic demonstrated the health systems' capacity to rapidly innovate and adopt new ways of working, particularly through the use of telehealth in primary care and the virtual hospital, as noted in the Interim Report (3).
12. Allied health practitioners became engaged in COVID-19 vaccine delivery in some locations. This demonstrates that expanding the scope of practice of allied health practitioners can be safely achieved with appropriate training and credentialing. COVID-19 also provided the impetus for universities to develop new approaches to education and support for clinical placements for students (e.g. simulations to provide students with skills related to telehealth). While this innovation is promising, there is insufficient experience or technological advancement to develop virtual training models that would replace students' clinical practicum.
13. These new care models were (understandably at the time) introduced ahead of appropriately designed research trials or economic modelling about benefits. A rapid review of evidence reported prior to the COVID 19 pandemic has found the use of telehealth has broadly equivalent patient outcomes to in-person care but notes that there are many factors that need to be considered when considering telehealth efficacy.¹⁰
14. ACDHS supports better diffusion of research and innovation. However, given the size and complexity of the health and care sectors, ACDHS would caution against vesting responsibility in a single existing institution as it would require substantive broadening of their mandate. The Australian Commission on Quality and Safety as proposed in the Interim Report (3) has longevity on its side but may not have the broad outlook across health and care sectors to effectively carry out the proposed role.
15. The early implementation of the '*centralised repository of research and evaluation findings on primary health care system innovation, including lessons from Australian and relevant international experience*' as identified in Australia's Primary Health Care 10-year Plan 2022-2032¹¹ could help advance this issue.

Skills and Education

16. In its report *Investment in Australia's universities equals investment in a more productive future*, Universities Australia¹² quantifies the contributions that universities make to driving Australia's productivity, through both teaching and research.
17. ACDHS supports the Productivity Commission key finding that *specific skills in allied health will be increasingly needed due to a changing composition of the economy and an ageing population* (Interim Report 5). The recently released National Skills Commission 2022 Skills Priority List¹³

¹⁰ Shigekawa E, Fix M, Corbett G, Roby DH, Coffman J. The Current State of Telehealth Evidence: A Rapid Review. Health Affairs. December 2018; 37:12

¹¹ Future focussed primary health care: Australia's Primary Health Care 10 Year Plan 2022-32. Commonwealth Department of Health 2022.

¹² Universities Australia <https://www.universitiesaustralia.edu.au/wp-content/uploads/2022/04/220426-UAs-productivity-plan.pdf> accessed on 12 October 2022.

¹³ 2022 Skills Priority List Key Findings Report 6 October 2022. Accessed on 7 October 2022 at: https://www.nationalskillscommission.gov.au/sites/default/files/2022-10/2022%20SPL%20Key%20Findings%20Report%20-%206%20October%202022_0.pdf

confirms the central role of universities in addressing the current and increasing skills shortages, with health professionals driving the rapid increase in professional occupation shortages. These are particularly apparent in services for vulnerable groups such as aged care, disability and rural and remote locations.

18. Although there can be significant variation across allied health disciplines, addressing matters such as the cost of delivering health courses, caps on allied health student numbers imposed by some course accrediting bodies, and limits on access to required clinical places (both in terms of volume and practice areas) could streamline the delivery of the allied health workforce pipeline. Some potential solutions include: preventing accrediting bodies from imposing caps on student numbers by involving the Australian Health Practitioner Regulation Agency; streamlining university course accreditation processes for new courses or delivery of existing courses at new location; increasing Commonwealth Supported Places funding for 'expensive' health courses that historically have lower numbers of students; and incentivising post graduate professional entry study in health courses to support people to change career paths and enter the health workforce.
19. Scholarships and HELP subsidies are established mechanisms to incentivise students to work in areas of workforce shortage, yet allied health professionals are frequently overlooked as demonstrated by the 7 December 2021 Higher Education Loan Program (HELP) debt reduction announcement by the then Minister for Regional Health that failed to include allied health professionals¹⁴.
20. Almost all allied health disciplines require a clinical practicum component as part of the entry-level education to achieve registration to practice. There are several obstacles to universities securing placements for students. While there is considerable variability between universities in the way clinical placements are organised, administrative requirements are increasing and becoming more costly and onerous (exacerbated by COVID-19 requirements). Universities are also up against negative attitudes towards student placements even though there is a considerable body of research to support the value of clinical placements to the workplace and in influencing graduates' careers of choice. A systematic review of the evidence quantifying student impact on allied health patient activity, clinician time and productivity supports the productive value of students in the workplace¹⁵.
21. The availability of suitably qualified supervisors and financial impediments can prevent services from offering clinical training places. Initiatives such as allowing student delivered health services (under supervision) to be claimed on Medicare, private health funds and the NDIS, and introducing incentives for allied health practitioners in private practice to have students on placement (similar to those provided to GPs to have medical students on placement) could help overcome some of these barriers. In some cases a shift in the attitude of employers to recognise the benefits of providing student clinical training placements to the health system, the workplace, and to patients is also required.
22. Universities have developed a range of industry partnerships to deliver suitable clinical practicums, including in the aged care setting. In addition to the financial barriers above, experience to date indicates clinical placement models in aged care need to include:
 - a well-structured learning program that includes funding for skilled clinical facilitation and supervision
 - partnerships between aged care and education providers
 - dedicated teaching and learning spaces and equipment in aged care facilities; and

¹⁴ <https://www.abc.net.au/news/2021-12-08/government-to-slash-university-debt-for-remote-health-workers/100681094>

¹⁵ Bourne E, Short K, McAllister L, and Nagarajan S (2019) The quantitative impact of placement on allied health time use and productivity in health care facilities: a systematic review with meta-analysis. Focus on Health Professional Education Vol 20, No 2.

- the presence of a core workforce that includes allied health and other disciplines to support interdisciplinary learning¹⁶.

23. The intersection between allied health professionals and the allied health/personal care assistant workforce is gaining importance. Cost constraints and workforce shortages are driving substitution of allied health assistants or other lifestyle coordinators to provide services that are within the scope of practice for an allied health professional¹⁷. This presents significant risk to patient safety. Allied health assistants are not qualified to make decisions regarding patient care and require supervision by allied health professionals. Embedding training competencies and best practice arrangements for delegation and supervision by allied health professionals into systems is required.¹⁸

Thank you for the opportunity to respond to the Inquiry. If you have any questions on the ACDHS response, then please do not hesitate to contact ACDHS at secretariat@acdhs.edu.au.

¹⁶ Loffler, H et al (2018) Student participation at Helping Hand Aged Care: taking clinical placement to the next level. *Journal of Nursing Research*. 2018; 239(2-3) 290-305.

¹⁷ Proposed Allied health Aged Care solutions for Jobs Summit. Allied Health Professions Australia August 2022. accessed at <https://ahpa.com.au/wp-content/uploads/2022/08/AHPA-Proposed-Allied-Health-Aged-Care-Solutions-for-Jobs-Summit-300822.pdf>

¹⁸ *ibid*