Significant issues

The *WA Health Strategic Intent 2015–2020* underpins the requirement for people in Western Australia to receive safe, high quality and accessible health services. The Strategic Intent outlines the key direction that the health system will undertake. It aims to support operational planning that will take into account necessary health service demand management, sustainability and improvement, with a key focus on:

1. Prevention and Community Care Services
2. Health Services
3. Chronic Disease Services
4. Aboriginal Health Services.

The *WA Health Reform Program 2015–2020* is an integrated program of work aligned to the Strategic Intent. It comprises a series of projects across four key areas of reform:

1. Governance
2. Performance
3. Support Services
4. Procurement.

The reform will enable decision-making and health service delivery that supports local community needs. It will also allow policy and standards to be aligned to national and international best practice. This will ensure the quality and safety of health services are maintained.

Demand and activity

Significant factors driving demand in regional WA include changes in population and population demographics, increased availability in the scope of local services and higher than average burden of disease in Aboriginal and rural populations. In 2015–16, there was a 3.4 per cent increase in weighted activity within the WA Country Health Service, primarily driven by increased inpatient and outpatient services.

There is an increasing emphasis on care closer to home, impacting on service requirements. This is particularly evident in mental health, renal medicine and specialist care, where increased demand placed pressure on waiting times for acute or specialist services. Demographic factors also continue to be a driver, with the ageing regional population affecting residential and community aged care places. Limitations to service capability and capacity leads to some consumers not being able to stay in their home towns, especially as their care needs increase or become more specialised.

Country populations carry a high burden of disease in areas where General Practitioners and other primary health care is insufficient. Initiatives aimed at improving access to these services have been implemented and are expected to improve detection of chronic and other health conditions. Long term, this will increase the requirement for hospital and specialist intervention and health expenditure.

The WA Country Health Service is undergoing considerable reforms and service expansion, particularly in areas of child health and development, chronic disease prevention, coordination and management, and acute mental health. There is a focus on expanding chronic disease programs and delivering cancer and renal services closer to home. Ongoing capital investment is aimed at facilitating higher levels of self-sufficiency within regions. In 2015–16, capital investment projects that directly meet objectives include:

- Southern Inland Health Initiative, involving infrastructure upgrades, and improved access and quality of emergency and primary care
- Esperance Health Campus Redevelopment, improving inpatient service
- design and development of Karratha Health Campus
- investment in renal dialysis infrastructure, allowing more patients to access care closer to home.

Several factors impeding progress towards addressing demand and activity issues, include:

- the Activity Based Funding model (based on the Independent Hospital Pricing Authority model) does not adequately incorporate costs specific to providing care in regional WA such as:
  - location based costs – staff accommodation, transport, allowances and turnover
  - costs of scale – related to providing services below the break-even activity threshold, such as where the minimum safe staffing level for a service has spare capacity
- longer term patient retention in acute settings rather than in alternative accommodation such as aged care placements, sub-acute services, or mental health step-down facilities. This increases the requirement for acute services resources
- the requirement to fill in service ‘gaps’ where there is a shortage of alternate service providers and/or continuity in service provision by other service providers.

Progress towards meeting patient requirements in 2015–16 included:

- commencement of the Karratha Hospital construction
- redevelopment of Emergency Departments at Broome, Carnarvon and Esperance
- redevelopment of the Wagin and Exmouth health services
- increased access to the Emergency Telehealth Service, providing patients and staff with state-of-the-art access to high quality emergency medical care.

Workforce challenges

Attraction and retention of clinical staff in the many WA Country Health Service sites continues to be a challenge. In 2015–16, key shortages existed in specific clinical roles, such as midwifery. Shortages are compounded by geographical isolation and difficulty attracting prospective staff to some regional and remote locations. The provision of housing and additional conditions to remotely located staff increases financial staff costs, impacting on cost effectiveness.

In regional WA, the requirement to provide round-the-clock care can present challenges to the supply of health professionals, especially at smaller sites. Where clinical staff cannot be engaged, regional patients may need to wait for treatment, be transported to larger facilities, or access other services outside of the WA Country Health Service. The shortfall of General Practitioners increases emergency care presentations, with more than half being non-urgent. Services may not be culturally appropriate or meet consumer needs if the workforce is not representative of the community. Alternative models of care need to be explored if staff supply cannot support service delivery.

During 2015–16, the WA Country Health Service developed innovative staffing models to address regional staff requirements, including:

- Improvements made to reporting and auditing of contracted medical staff.
- Community Residency Program consolidated to support development of General Practitioners.
- TeleMental Health projects implemented to enhance mental health services, with education and training for non-mental health service providers.
- A Nursing and Midwifery Strategic Plan developed to address key issues relating to nursing staff.
- An agency reduction strategy developed to reduce reliance on agency staff.
- New Allied Health graduates and those new to senior clinical roles supported through the Transition to Practice and Transition to Leadership Programs, respectively.
- Aboriginal Health Consultant roles and workforce reform initiatives developed.
- An Aboriginal Mentorship Program, with 25 Aboriginal staff currently involved, developed.
- Aboriginal Entry Level Employment Framework developed to support engagement of trainees, cadets and apprentices with on-the-job training.

Improving retention rates in certain regional locations continues to be the key to many initiatives in 2015–16. Many WA Country Health Service sites require staff with broad generalist skills and experience, adding to the difficulty in employing appropriate staff. Workforce supply models do not adequately account for willingness of staff to work in some regional and remote locations. Generic recruitment approaches and templates do not allow for attraction strategies that promote the unique WA Country Health Service environment to prospective candidates.

Attainment of Primary Employing Health Service status by the WA Country Health Service has supported recruitment and training of junior doctors. Junior doctor rotations have commenced in the Midwest region by partnering with private health providers. WA Country Health Service Mental Health has achieved statewide targets relating to education and training of operational staff required for successful implementation of the *Mental Health Act 2014*. Development of Nursing and Midwifery and Allied Health practice frameworks has standardised competency assessment and scope of practice for individual health professions. It has also created a targeted approach to learning and development. Aboriginal Health Consultant positions have been endorsed for some regions. An in-house Management Development Program has been provided for new and aspiring managers.

Managing funding reform and cost efficiencies

Higher costs associated with staff accommodation, goods and services, and transport affect the implementation strategies within the WA Country Health Service. These are significantly impacted by other market sectors such as mining, and the small scale of operation in some sites.

Strategies to improve the revenue and cost profile of services have been developed. These include business process strategies that increase efficiency through improved business management, and cost savings and procurement/contract strategies that reduce expenditure. Considerable work is being undertaken to fully understand the costs of delivering services in a rural and remote environment and the key cost drivers. This will support negotiations and discussions with funding authorities around future budget requirements. The inability of the Activity Based Funding model to recognise location and scale based costs of care in regional WA make achievement of initiatives more difficult.

In 2015–16, the new Patient Administration and Billing system was implemented in the Pilbara and Wheatbelt regions. Implementation commenced in the Goldfields and Midwest, with the Kimberley region to follow in 2016–17. The systems were implemented in the Great Southern and South West prior to 2015–16. Business Intelligence tools have been operationalised through the WA Country Health Service Business Intelligence Portal, providing service managers with ready access to relevant and timely information on activity and financial performance. The Enabling Performance Improvement Project was completed at four larger hospitals, focusing on:

- articulation of the types of services provided in operating hospitals and health services in rural and remote locations
- identification and correct allocation of costs to specific services
- identification and quantification of uniquely rural and remote costs of delivering health services
- reviewing the quality, completeness and timeliness of activity data.

Health inequalities

Individuals who reside in country areas often experience poorer health and an increased burden of disease compared to people in the Metropolitan area. This is more pronounced in areas where primary care services are lacking and communities experience socio-economic disadvantage. Environment, housing, education, employment, workforce challenges and access to healthy lifestyles also contribute to health outcomes. The significant and persistent disparity between the health status of Aboriginal and non-Aboriginal people adds to inequalities.

The health outcomes for country WA includes reduced life expectancies – about two years less than the metropolitan population. For Aboriginal people, this is significantly greater – around 10.5 years less than non-Aboriginal people. More than one-third of the country population is obese, compared with one quarter of the metropolitan population. This places the country population at greater risk of major health issues. Mortality rates are higher, particularly for heart disease, diabetes, some cancers, long-term respiratory diseases and transport accidents. The number of mental health admissions per capita is also greater.

Potentially preventable health conditions such as vaccine preventable infections and lifestyle related conditions cost at least $93 million per year in country hospital admissions. Aboriginal children in country WA are two to three times more likely to die before 12 months of age, be born prematurely and have a low birth weight. Aboriginal children are nearly 30 times more likely to suffer nutritional anaemia and malnutrition in the first four years of life and suffer infectious and parasitic diseases, compared with non-Aboriginal children.

Strategies aimed at reducing health inequalities include:

- Royalties for Regions Program, which continues to fund a range of health services such as the Southern Inland Health Initiative. This includes:
  - a capital investment program to upgrade hospital and health service infrastructure
  - Emergency Telehealth Service
  - Improving Ear, Eye and Oral Health Initiative, which screens for ear, eye and oral conditions in children in rural and remote Aboriginal communities
- extensive capital works program
- Dialysis Services Closer to Home project.

Implementation of some of these strategies has already begun, and benefits realised. Examples include:

- Emergency Telehealth Service which has
  - delivered more than 33,000 consults to 75 sites since it began in 2012
  - provided opportunities for improved clinical governance, best practice and clinical leadership
  - facilitated real-time education specific to emergency medicine, normally only achieved in metropolitan tertiary hospitals.
- continued implementation of the Southern Inland Health Initiative, delivering
  - a 50 per cent increase in General Practitioners in funded towns since 2011. This provides medical services in both the community and local emergency department
  - better outcomes in aged care and dementia services provided in small regional communities.
- development of planning and service models for the Youth Mental Health Program
- improved access to culturally secure services for Aboriginal people in country WA through the Statewide Specialist Aboriginal Mental Health Program.