

6 December 2017



Legislative Assembly Public Accounts Committee
Parliament of New South Wales
Macquarie Street, Sydney NSW 2000

Re: Responses to Question on Notice and supplementary questions for the Inquiry into the Management of Health Care Delivery in NSW

Thank you for the opportunity to give evidence at the public hearing on 31 October 2017 for the Inquiry into the Management of Health Care Delivery in NSW. Please find NCOSS's responses to the question taken on notice during the hearing, and supplementary questions received on 3 November 2017.

Question on notice

Mr GREG PIPER: *Ms Cain, in the NSW Council of Social Service [NCOSS] submission, it refers to a bottom line being the cost or the funds that might be needed to address the shortfall. You have suggested an additional \$25 million be allocated to oral health services in New South Wales. How has that value been derived? Who has NCOSS worked with to identify this? Is it a proportion of the overall Commonwealth ask? A lot of this is often debated in that Federal arena, not just at the State level. What the States typically have argued is that they need more support there. Can you elaborate on how that \$25 million was identified and how it would then be applied under the scenario?*

Response: NCOSS worked with the Australian Dental Association (NSW) to develop this budgetary recommendation in NCOSS's 2017/18 Pre-Budget Submission, which was carried over into our submission to this Inquiry. Data held by ADA (NSW) at the time indicated that an estimated additional investment of \$25 million by the NSW Government was required to bring per capita spending on oral health services in NSW up to the average expenditure in other States and Territories.

Under the 2011 COAG National Health Reform Agreement, the Commonwealth and States have joint responsibility to fund public hospital services, and the States have lead responsibility to manage public health services. In the 2017/18 State Budget, the NSW Government committed only \$10 million in recurrent funding to increase access to dental services. Given the persistent evidence that people in NSW are not getting the dental treatment they need when they need it, we as a State have a responsibility to invest more in oral health services.

Supplementary questions

Effectiveness of existing frameworks

1) *How can the current performance reporting framework be improved to better monitor the effectiveness and efficiency of health care service delivery in New South Wales?*

Response: The NSW Health Performance Framework currently has a strong focus on performance indicators based on output and activity-based targets. This approach can be problematic in determining the effectiveness of healthcare service delivery, as a high volume of activity does not necessarily demonstrate improved health outcomes in the community. It also does not provide insight to the effectiveness of the health system at either a patient or population level.

For example, wait lists are an important measure to help determine whether services are meeting demand; yet a reduction in waiting lists and times does not demonstrate the effectiveness and quality of the treatment received, nor the impact on health outcomes for the patient.

Efficiency, and particularly effectiveness, in healthcare is best measured using health outcomes rather than health service outputs. The current framework could be improved by incorporating health outcome indicators across a range of service areas and target populations, with the necessary data collection processes to support assessment against this framework.

The use of outcome indicators is important to ensure understanding of the treatments and practices that are most effective, which ultimately leads to improved patient outcomes and to improved health for the population as a whole.

Work being undertaken by the NSW Agency for Clinical Innovation to trial patient-reported outcome measures could also be further developed with a view to incorporating this into the existing framework.

2) *How can the current performance reporting framework be improved to better identify, assess and respond in a timely and effective manner to systemic issues impacting health care service delivery in New South Wales?*

Response: From NCOSS's perspective, there are some key systemic issues associated with accessing healthcare services on a population level. For healthcare delivery to be effective, we need to measure and understand the health needs and experiences of key population groups, as well as the responsiveness of the system to these groups' specific needs. This is particularly important from a social determinants and equity perspective, when we consider that demand can be disproportionately high among certain groups.

Currently the performance reporting framework only includes indicators for Aboriginal and non-Aboriginal populations. This is an important measure, but should be expanded to include geographical, socio-economic and other relevant indicators to better identify needs and outcomes in regional remote areas, as well as among people experiencing poverty and disadvantage (including across different culturally and linguistically diverse (CALD) and age groups).

3) *How would you characterise the transparency of the NSW Health system in terms of being able to access performance information on specific services?*

- *How can this be improved?*

Response: As outlined in our submission, the availability and accessibility of performance information for patients needs improving, particularly in relation to wait times for public dental services.

NSW Health publishes some information on wait lists by local health district and by priority code. However, this information is not accessible in such a way as to enable a consumer to easily navigate the system and understand how long they might be expected to wait for a particular procedure.

There may also be scope for more performance information to be collected and published around community-based, outpatient and rehabilitation services. Further, consideration should also be given as to whether performance information about the public health system is an accurate representation of overall health care delivery if it does not include the delivery of private or community-controlled services, which can dominate some areas of service delivery. In this respect, the accessibility and availability of performance information across the human services sector needs to be recognised as a key tool and enabler for services to refine and improve their delivery.

Finally, any improvements to the accessibility and availability of performance information should be undertaken through a co-design process, in collaboration with patients as consumers, their representatives and the services sector.

4) *How responsive do you believe NSW Health performance frameworks are in terms of under-performing services?*

- *How can this be improved?*

Response: Performance frameworks should be designed as useful mechanisms to support the quality, transparency and accountability across the human services sector as a whole. They should also provide adequate benchmarking to ensure that services are being resourced appropriately.

The move towards commissioning in recent years means that there is now greater emphasis on services self-evaluating and reporting on outcomes for government funding and procurement processes. However, the sector has consistently told NCOSS that while they want more transparency and accountability in their service delivery, they have not been adequately supported and resourced to do this effectively.

In 2015, NCOSS consulted with over 200 health and community sector organisations across NSW to understand how the relationship between services and government impacts on the sector's capacity to deliver quality services. As a result of these consultations, NCOSS launched a *Fair Deal for our Community Services*¹ which outlined key recommendations to build stronger partnerships between the sector and government, including through procurement and commissioning processes.

This work laid the foundation for key sector reforms over the past year through the Social Innovation Council, which have included the introduction of a standard NSW Human Services

¹ <https://www.ncoss.org.au/fair-deal-for-our-community-services>

Agreement across government and a Benchmarking Model to build capability in the sector.² These reforms are a significant development in the way government agencies will procure and track the performance of services going forward. In particular, the Benchmarking Model is a step towards helping the sector to embed robust, customer-centred principles into their operations to deliver efficient, high quality and innovative programs and services.

5) *To what extent does the current framework drive improvements to the delivery of health care in New South Wales and achieve broader health system objectives?*

Response: Please refer to responses to Questions 1 and 2. We also refer to our submission to this Inquiry, which emphasised that the current framework is insufficient to drive the improvements we particularly need to see in oral health NSW.

The lack of comparable data on disease prevalence and trends in communities restricts the development of cost-effective strategies to improve oral health and eliminate health disparities. Further investment in oral health services, and in the data systems that would facilitate improvements in the effectiveness of these services, would have flow-on results to the broader health system, with dental conditions the third highest reason for acute preventable hospital admissions in Australia.

More broadly, the recently introduced Human Services Outcomes Framework³ recognises the importance of measuring outcomes rather than outputs and comprises seven key domains:

- Education & Skills – All people in NSW are able to learn, contribute and achieve
- Economic – All people in NSW are able to contribute to, and benefit from, our economy
- Health – All people in NSW are able to live a healthy life
- Home – All people in NSW are able to have a safe and affordable place to live
- Safety – All people in NSW are able to be safe
- Empowerment – All people and communities in NSW are able to contribute to decision-making that affects them and live fulfilling lives
- Social & Community – All people in NSW are able to participate and feel culturally and socially connected

NCOSS would encourage the current performance reporting framework to incorporate the above to drive improvement in health service delivery and more effectively measure health outcomes.

Use and collection of data

6) *Do you think that the data currently collected by NSW Health is analysed and used in a way that is both transparent and productive?*

Response: As outlined in the response to Question 3, there needs to be a greater focus on data that is transparent, made available and used in a way that drives consumer choice and understanding, as well as improvements in service delivery. Improving the analysis and use of data should be informed through a co-design process, in collaboration with patients as consumers, their representatives and the services sector.

² <https://www.innovation.nsw.gov.au/social-innovation/social-innovation-council>

³ <https://www.innovation.nsw.gov.au/social-innovation/human-services-outcomes-framework>

7) *What data regarding health services do you think is most important to collect, examine and make publicly available?*

Response: As outlined in the response to Question 3, a key enabler to appropriately resourcing and improving health service delivery would be data indicators to build measurements and reporting around the social determinants of health and the health outcomes of specific population groups.

In addition, the new Benchmarking Model for human services presents an opportunity for benchmarking data to become a useful tool with which to drive service quality and consumer choice, with an appropriate level of transparency.

Accurate and Transparent Performance Information

8) *How would you characterise the transparency of the NSW Health system in terms of being able to access performance information on specific services?*

- *How could this be improved?*

Response: Please refer to response to Question 3.

If you would like to discuss any of the issues raised in more detail, or require any further information or input, please do not hesitate to contact Elyse Cain, NCOSS Policy Lead, on 02

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Yours sincerely

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Tracy McLeod Howe
Chief Executive Officer

