

Submission

No 90

INQUIRY INTO THE ROYAL NORTH SHORE HOSPITAL

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Reverend the Honourable Frederick J. Nile
Member of the Legislative Council
NSW Parliament
Chairman of the Enquiry into the Royal North Shore Hospital of Sydney (RNSH)

Dear Reverend Nile

Hopefully helpful suggestions with respect to the RNSH and the health system of NSW

My past colleagues have asked that I take some action during this time of great difficulty for the RNSH. This is because during the 10 year period 1974 to 1983 I was the Regional Director of Health for the Northern region of Sydney plus the Gosford Wyong area. I was responsible for the management and funding of all public hospitals and health services within that region including the RNSH. This was a most exciting and rewarding period. RNSH was the jewel in a very proud crown.

Together with colleagues, and with the support of the then Minister for Health, the late Kevin Stewart, I initiated what became known as Area Health Services. The purpose was to integrate and co-ordinate the historically fragmented provision of competing hospitals and health services. Without any additional cost, existing hospital boards and executive staff became responsible for the provision of services for local and in the case of RNSH, regional services. This became a model and was adopted in various forms in all Australian States and in many Asian and Pacific countries where the term District was used rather than Area. In addition, many awards were given by independent bodies, such as the Australian Hospital Association, in recognition of these successful initiatives. In 1983, legislation by the NSW parliament gave statutory authority to the concepts.

Of particular relevance to your enquiry is the role played by the Board and senior staff of the RNSH and local Area health services during this period. Lead by Dr Roger Vanderfield, and ably supported by Dr Barry Catchlove and Dr Stuart Spring, the RNSH was central to these endeavours. With the financial support of successive State Governments, they developed RNSH from a small suburban hospital to a major centre of clinical kindness and excellence. In addition and most importantly, they were willing to share their then substantial resources with others. They allowed us to shift literally millions of dollars from the RNSH to the Gosford Hospital to meet the urgent needs of that growing population. When the money ran out for the support of

infant welfare nursing staff, they willingly transferred their own staff to keep the services going. When problems arose in the difficult fields of mental health and geriatrics, they offered crucial practical help. The good will and expensive practical support of the Board and senior staff of RNSH towards the greater community was just amazing.

Since I left the role of Regional Director, now nearly 25 years ago, my health service colleagues and I have met for lunch each year. Every year, participants have all expressed enormous regret at the sad and distressing deterioration of the RNSH and other hospitals and health services in the public sector.

Why has this deterioration happened?

There appear to be several inter-related reasons. Perhaps the most important is the technology driven and labour intensive, escalating cost of hospital and health services. I am informed (but do not have documentation) that the financial resources allocated by State Governments to the RNSH have been consistently reduced over many years at the same time as the work load has increased.

But of almost equal importance is successive State government driven mismanagement. Area Health Services based on populations of 250,000 to 300,000 have been amalgamated into huge million sized populations with distant bureaucracies. Citizen involvement in hospital and area health boards have been dissolved. Freedom of speech by employees has been stifled. Security of employment by executive staff has been removed (Roger Vanderfield was CEO of RNSH for over 20 years, there have been apparently multiple new CEOs of North Sydney Area over the past 6 or so years!). Professional careers of both managers and clinicians have been wrecked by arbitrary dismissals (by Ministers of both the major political parties). Clinicians have become an enemy to State governments. Amateur managers run the system. Practical education for student nurses has been removed from hospitals to the university sector. It has become like a bunch of accountants running a battleship instead of professional sailors.

The solutions are not easy, and will take time, but I suggest the following for your consideration.

Finance

The costs of running hospitals and health services are enormous and will continue to escalate. Only the Commonwealth government has the resources to support these costs. Accordingly, the Commonwealth should become involved in both the management and financial support of hospitals and health services at a more local level (the small Area or District level). Such involvement by the Commonwealth should involve careful co-ordination and equitable provision of the full range of taxpayer subsidised private and public hospital, nursing home, medical and dental services.

Management

Area or District Hospital and Health Service Boards should be recreated to serve appropriately sized communities (from approx 250,000 to 300,000 in urban areas and smaller numbers in rural areas, and approx. 1,000,000 for regional specialist services). The members of these Boards should be well meaning persons appointed by both Commonwealth and State governments and include representatives of the medical, nursing and other health professions as well as citizens. Participation as members of these Boards should be in a voluntary capacity. Such Area Boards should be responsible for the provision and co-ordination of the full range of taxpayer subsidised private and public hospital, nursing home, medical and dental services. These Area Boards should be responsible and accountable to the State and Commonwealth Parliaments through the relevant Ministers.

If it would be helpful, I would be pleased offer more detail and the reasons behind these suggestions.

With best wishes for your very important work

James Lawson