Submission No 103

THE IMPLEMENTATION OF PORTFOLIO COMMITTEE NO. 2 RECOMMENDATIONS RELATING TO CROSS-JURISDICTIONAL HEALTH REFORM AND GOVERNMENT CONSULTATION WITH REMOTE, RURAL AND REGIONAL COMMUNITIES

Organisation: Royal Flying Doctor Service (Eastern Section)

Date Received: 15 November 2024

LEGISLATIVE ASSEMBLY

SELECT COMMITTEE ON REMOTE, RURAL AND REGIONAL HEALTH

INQUIRY INTO THE IMPLEMENTATION OF PORTFOLIO COMMITTEE NO.2 RECOMMENDATIONS RELATING TO CROSS-JURISDICTIONAL HEALTH REFORM AND GOVERNMENT CONSULTATION WITH REMOTE, RURAL AND REGIONAL COMMUNITIES

ROYAL FLYING DOCTOR SERVICE SOUTH EASTERN SECTION

SUBMISSION, NOVEMBER 2024

Executive Summary

The Royal Flying Doctor Service South Eastern Section (RFDS) thanks the Select Committee for the important work it is doing with respect to the current inquiry into further aspects of the implementation of Portfolio Committee No 2's (PC2) recommendations on rural health care.

We welcome the opportunity to contribute to the Committee's Inquiry on recommendations relating to cross-jurisdictional reform and government consultation with remote, rural and regional communities – particularly action to prioritise the health of regional communities in government decision making (Recommendations 36, 37 and 44).

The RFDS provides a wide range of healthcare services including aeromedical patient transport, both acute and non-acute, GP and nurse-led primary care, mental and dental health services, and much more. Over the past 5 years (2019–2024), the RFDSSE has flown over 21 million kms between more than 70 regional, rural and remote locations across NSW to provide critical emergency and healthcare services, delivering 400,000 occasions of care.

As the Committee itself has recently noted, far from improving, regional healthcare in NSW "is the worst it's been for many years", and general practice in particular is "in crisis". Western and Far Western NSW continue to be particularly disadvantaged in terms of the available healthcare workforce and access to care, and also in terms of the prevalence of chronic disease, premature deaths, and potentially avoidable hospitalisations, with clear indications this is getting worse rather than better.

Rural Australians receive a far lower share of healthcare spending, which sits at odds with the commitment by all Australian governments that access to health care is a basic right. A recent RFDS survey shows that rural NSW residents are overwhelmingly concerned about their ability to access health care and agree that more people would move to rural areas if healthcare access were better.

In previous submissions the RFDS has advocated that healthcare funding should be prioritised and distributed in the context of five key principles:

- Equity of access for not-for-profit providers to government programs and incentives
- Access – rural and remote communities should be able to access medical and health services. They should not be left behind. The services provided by NGOs should be properly funded
- Investment certainty for NGOs providing vital care and services to rural and remote communities through long-term contracts of say 10 years
- Actual reimbursement – funding models reflecting actual costs
- Strategic investment in priority healthcare capabilities to sustainably support and grow priority remote, rural and regional healthcare services. The RFDS notes domestic and international research clearly concludes that funding models that prioritise, incentivise, and target funding to disadvantaged remote populations and invest in early, preventative, holistic healthcare yield significant and sustainable benefits to the health system overall and importantly to patient outcomes.

In the context of this Inquiry's Terms of Reference, the RFDS strongly agrees that the health outcomes of regional rural and remote communities should be at the heart of Government policy and decision-making.

The RFDS respectfully notes that improved consultation, cooperation, collaboration, place-based planning, and genuine consultation between all stakeholders in the healthcare system is essential.

However, these aims by themselves have not, and will not, shift the dial to improve healthcare access and outcomes for regional rural and remote communities in NSW.

Domestic and international research clearly demonstrates that what is needed is funding models that prioritise, incentivise, and target disadvantaged populations and investing in early, preventative, holistic healthcare yield significant and sustainable benefits to the health system and importantly to patient outcomes.

Recommendations

1. The RFDS strongly encourages the adoption of a funding model that prioritises, incentivises, and targets disadvantaged remote, rural and regional populations and incorporates the principles outlined in paragraphs 3.8 and 3.9 of this submission.
2. The RFDS also recommends that a set of agreed Key Performance Indicators (KPIs) be adopted, established, measured annually and publicly reported to track the progress of improving health outcomes for remote, rural and regional communities in NSW.

1. The Royal Flying Doctor Service and this submission

1.1. The Royal Flying Doctor Service South Eastern Section (RFDS) operates in a unique space, filling essential gaps in healthcare service provision in the most remote parts of NSW as well as more regional areas. The RFDS delivers health care directly in scores of communities, and connect residents of these areas with specialist medical, allied health and metropolitan health services which they would otherwise struggle to access.

1.2. The RFDS provides a wide range of healthcare services including aeromedical patient transport, both acute and non-acute, on-site GP medical centres, outreach GP- and nurse-led remote clinics, dental care, mental health and wellbeing services, alcohol and other drugs counselling, school wellbeing programs, Aboriginal health services, telehealth support for diagnostic and management decisions by LHD nursing staff in remote hospitals, aged care, health education and promotion, and on-site emergency care using our 400 medical chests ensuring timely access to lifesaving medicines and equipment subject to remote expert medical supervision.

1.3. Over the past 5 years (2019–2024), the RFDS has flown over 21 million kms between more than 70 regional, rural and remote locations across NSW to provide critical emergency and healthcare services, delivering 400,000 occasions of care with key achievements including:

- Nearly 32,000 emergency retrievals and inter-hospital transfers
- Nearly 100,000 GP medical practice consultations (through 4 RFDS dedicated GP clinics since 2023, three saved from closure by the RFDS at community request)
- Nearly 50,000 primary health consultations at about 5,000 remote clinics
- Nearly 20,000 telehealth consultations
- Nearly 20,000 dental consultations.

1.4. The RFDS supports the aims of the Select Committee's inquiry, including:

- Greater collaboration and cooperation between all governments
- Long-term strategic planning to improve health services and outcomes in remote, rural and regional NSW
- Improving communications between all stakeholders
- Developing place-based health plans
- Prioritising the health of regional communities in government decision-making.

1.5. In this submission, the RFDS focuses on the need to have rural health at the heart of government decision-making, and to seek new ways to prioritise and incentivise health service delivery to address the challenges of distance, disparity in access to care, and above all improve rural patient outcomes.

2. The challenge in rural health

2.1. The health disadvantage faced by rural Australians is well known. Official reports and statistics clearly show that people in the bush are sicker, have much poorer access to health services, and suffer significantly worse health outcomes.

2.2. Less well known is that the health landscape across rural communities is worsening. The RFDS concurs with the assessment by the Committee Chair in his Foreword to the Committee's previous report, namely:

"In a number of ways, regional healthcare in NSW is the worst it's been for many years. In particular, primary health care and rural general practice are in crisis... The Committee heard of overstretched health workers, towns with no GPs and overwhelmed emergency departments, and even closures of birthing services in some areas. In some cases, health staff are being pushed to breaking point by poor working conditions, inadequate pay and toxic work environments. Rural and remote residents may still have to undertake lengthy and expensive travel to access much needed health care or choose not to get the health care they need."[1]

2.3. The original NSW Inquiry report *Health outcomes and access to health and hospital services in rural, regional and remote NSW* found that as well as facing worse access and outcomes, rural NSW residents often face significant financial barriers to care. There continues to be a critical shortage of healthcare professionals, with a "historic failure by various NSW and Australian governments to attract, support and retain health professionals especially doctors and nurses in rural, regional and remote areas".[2]

2.4. In addition to the fact that the rural health landscape continues to deteriorate, the precise scale of the disparity in health outcomes in rural and remote NSW, including in areas the RFDS operates such as Western and Far Western NSW, is less widely appreciated.

2.5. We know that social and economic disadvantage is closely linked to healthcare outcomes. The vast majority (85%) of LGAs in the Western NSW Primary Health Network (PHN) area are below average in terms of socio-economic disadvantage, with more than one-third (37%) in the bottom fifth of all NSW LGAs.[3]

2.6. Chronic disease, a key driver of healthcare demand, is a much more significant burden in Western NSW compared with the state average. The annual average death rate for patients with chronic lung disease (COPD) in Western NSW is the highest of any NSW PHN. The annual average

[1] Select Committee on Remote, Rural and Regional Health. Report 1 – The implementation of recommendations relating to workforce, workplace culture and funding for remote, rural and regional health. Parliament of NSW, August 2024

[2] Finding 11, https://www.parliament.nsw.gov.au/lcdocs/inquiries/2615/Report%20no%2057%20-%20PC%202%20-%20Health%20outcomes%20and%20access%20to%20services.pdf

[3] *Health of the Population. Western NSW Health Needs Assessment. Health Intelligence Unit, Western NSW Local Health District, December 2017*

diabetes-related death rate is 35% higher in Western NSW than in the rest of NSW, while the rate of diabetes-related hospitalisations is 51% higher.[4]

2.7. Patient outcomes, including premature death, are demonstrably much worse in Western NSW with just some illustrative figures as follows:

- The rate of potentially avoidable deaths is 49% higher for Western NSW PHN residents[5]
- Suicide rates are 53% higher in Western NSW than nationally[6]
- The five-year average rate of potentially preventable hospitalisations (PPH) is 20.3% higher in Western NSW than the rest of NSW.[7]

2.8. Further data indicates that far from getting better, this situation is about to get worse. GPs are vital for delivering preventive and ongoing healthcare, yet the exodus of GPs from rural NSW towns continues unabated. More than 40 towns across rural NSW remain on track to lose their doctor by the end of the decade.[8] Government figures show that by 2028, just four years from now, we will need an extra 800 full-time GPs in NSW – four times as many as we need today.[9]

2.9. Attempts to address this situation are hampered by the complexity of Australia's health system, multiple and overlapping funders and shared governance.

2.10. This complexity creates difficulties for patients and carers in navigating the system effectively, as well as for those operating within the health system who rely on numerous levels of government for funding. It also suffers from cost-shifting and other inefficiencies, ultimately impacting health professionals and patient outcomes.

2.11. In a recent report, the Australian Medical Association found the health system provides "little incentive for governments to collectively prioritise preventative measures and invest in resources that could potentially reduce hospitalisations and acute episodes of care, which is likely contributing to the increased burden of chronic disease in Australia".[10]

2.12. Over the past 40 years, successive governments have sought advice on how to deal with Australia's healthcare challenges, and successive reviews have also found "that current funding arrangements contribute to creating, or failing to address, barriers to coordinated, patient centred, and effective healthcare that is delivered in the most cost-effective setting".[11]

2.13. The RFDS notes two specific recommendations from the original PC2 Inquiry report, namely:

- *Recommendation 8 – That the NSW Government investigate ways to support the growth and development of the primary health sector in rural, regional and remote areas, and support*

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[4] *Health of the Population. Western NSW Health Needs Assessment. Health Intelligence Unit, Western NSW Local Health District, 2020*

[5] *Centre for Epidemiology and Evidence, NSW Ministry of Health :http://www.healthstats.nsw.gov.au (2022)*

[6] *Australian Institute of Health and Welfare National Mortality Data Base. :https://www.aihw.gov.au/ Accessed: 10.10.2021. (2022)*

[7] HealthStats NSW and HIU analysis, for 2011-12 to 2015-16, Nov 2017 PHN Needs Assessment

[8] Hearing transcript, Special Commission of Inquiry into Healthcare Funding, Tuesday 14 May 2024

[9] https://hwd.health.gov.au/supply-and-demand/gp-supply-demand-study.html

[10] Australian Medical Association. Discussion Paper: Rethinking funding models to align with population health goals. Canberra. December 2023.

[11] Calder, R., Dunking R., Rochford C, Nichols T (2019 *Australian health services: too complex to navigate. A review of the national reviews of Australia's health service arrangements. Australian Health Policy Collaboration, Policy Issues Paper No,1 https://www.vu.edu.au/sites/default/files/australian-health-services-too-complex -to navigate.pdf*

the sector's critical role in addressing the social determinants of health and reducing avoidable hospitalisations for the citizens of NSW

- *Recommendation 11 – That NSW Health work with the Australian Government collaboratively to immediately invest in the development and implementation of a 10-Year Rural and Remote Medical and Health Workforce Recruitment and Retention Strategy. This should be done in consultation with rural, regional and remote local government, schools, community services, human services, unions, professional organisations, general practice, pharmacists and community organisations.* [12]

3. A new approach – prioritise and incentivise

3.1. All Australian governments have agreed that access to health care is a basic right for everyone in Australia.[13] Access to healthcare services for remote and rural Australians should therefore not be left to chance, goodwill, or the generosity of philanthropy.

3.2. It is well established that rural and remote communities experience a disproportionate share of health inequity, and that rural Australians do not receive their fair share of health funding. Nationally, there is a $6.5bn shortfall in health spending on rural residents compared with urban counterparts, equivalent to $848 per person, per year.[14]

3.3. A recent survey commissioned by RFDS found that the overwhelming majority of respondents (97%) considered it extremely or very important that everyone in NSW, including those in remote, rural and regional NSW, is able to access healthcare when they need it:

3.4. Furthermore, the survey found 84% of survey respondent are extremely and very concerned at the fact that healthcare outcomes and access is poorer for residents in remote, rural and regional areas.

3.5. Survey respondents want to see more health services delivered into the regions and are highly concerned about access to health services in the regions. The overwhelming majority of survey respondents would be more inclined to move to or live in regional, rural and remote NSW if there were better access to healthcare,

- Residents across NSW were asked a series of questions, with one being 'How concerned would you be about your ability to access healthcare, if the RFDS services were not available?'. More than three-quarters (78%) of Far West NSW residents, and more than half (52%) of Western NSW residents said they would be 'extremely concerned' in this situation.
- When asked if people would move to regional, rural and remote areas if access to healthcare was better. The vast majority of people agreed they would move (90% of regional respondents; 88% of Western NSW respondents, and 88% of respondents in Far Western NSW).

3.6. The need for a strong policy focus on rural health is recognised by NSW Health, which has "committed to ensuring that people living in regional, rural and remote NSW can access high

[12] New South Wales. Parliament. Legislative Council. Portfolio Committee No. 2 – Health. Report no. 57. Health outcomes and access to health and hospital services in rural, regional and remote New South Wales. May 2022.
[13] Australian Commission on Safety and Quality in Health Care. Australian Charter of Healthcare Rights (second edition). ACSQHC, 2020.
[14] National Rural Health Alliance. Evidence base for additional investment in rural health in Australia. NRHA, Canberra. 2023.

quality, timely healthcare and have excellent patient experiences and optimal health outcomes".[15]

3.7. Improved consultation, cooperation, collaboration, place-based planning, and genuine consultation between all stakeholders in the healthcare system is essential. However, these aims by themselves have not and will not shift the dial to improve healthcare access and outcomes for rural and remote communities in NSW.

3.8. A new approach is needed, one that:

- Places remote, rural and regional health care at the heart of government decision-making
- Prioritises, incentivises and strategically invests the healthcare dollar to address the gaps in healthcare delivery to rural and remote communities
- Provides equal access to incentives for public and not-for-profit healthcare providers delivering emergency, essential and preventive healthcare services in rural and remote locations.

3.9. In our supplementary submission of December 2023 (copy attached for convenience), we advanced a number of guiding principles to define, prioritise and target funding of frontline services and build sustainable priority healthcare capabilities. These included:

- Equity of access for not-for-profit providers to government programs and incentives
- Access – rural and remote communities should be able to access medical and health services. They should not be left behind. The services provided by NGOs should be properly funded
- Investment certainty for NGOs providing vital care and services to rural and remote communities through long term contracts of say 10 years
- Actual reimbursement – funding models reflecting actual costs
- Strategic investment in priority healthcare capabilities to sustainably support and grow priority remote, rural and regional healthcare services.

3.10. Research and analysis conducted by the AMA, Australian Institute of Health and Welfare and others listed throughout this submission, demonstrates that health outcomes are not uniform across Australia and that new tailored funding models are needed to not only tackle existing health issues, but importantly to incentivise and prioritise prevention and early intervention to reduce acute and more costly care in the long-term.

3.11. As one example, in a recent discussion paper, the AMA reviews the application of prioritised funding to a targeted population. The AMA assesses the impacts of a single-payer funding model to address the challenges currently facing rural healthcare delivery.[16] It lists numerous advantages of this kind of intervention including:

- Improved access to care, with the single funder better able to identify and address gaps in healthcare services
- Increased affordability
- Improved efficiency and integration of care
- Improved flexibility in use of available workforce

[15] NSW Health. NSW Regional Health Strategic Plan 2022–2032. NSW Government, Sydney. 2023.
[16] Australian Medical Association. Discussion Paper: Rethinking funding models to align with population health goals. Canberra. December 2023.

- Improved health outcomes, including a greater emphasis on prevention and fewer avoidable hospitalisations.[17]

3.12. The AMA's case study of this funding model applied to a targeted population (ie older Australians) illustrates the significant benefits to the public health and hospital system, including through preventable hospitalisations, due to prioritising continuity of care, prevention and early intervention and the potential benefits to patients and the health system yielding savings of some $31.5 billion over the forward estimates.[18]

3.13. Regardless of the funding model adopted, domestic and international research clearly concludes that the concept of prioritising, incentivising, and targeting disadvantaged remote populations and investing in early, preventative, holistic healthcare would yield significant and sustainable benefits to the health system and importantly to patient outcomes.

3.14. The RFDS believes that all key stakeholders providing health care in rural and remote settings are committed to improving health outcomes of these communities. It is therefore important that a set of agreed KPIs to track improvements in health outcomes of remote, rural and regional communities is agreed, measured annually and publicly reported.

4. Recommendations

4.1 The RFDS strongly encourages the adoption of a funding model that prioritises, incentivises, and targets disadvantaged remote, rural and regional populations and incorporates the principles outlined in paragraphs 3.8 and 3.9 of this submission.

4.2 The RFDS also recommends that a set of agreed KPIs should be established, measured annually and publicly reported to track the progress of improving health outcomes for remote, rural and regional communities in NSW.

[17] Ibid.

[18] Ibid p 17

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Royal Flying Doctor Service
SOUTH EASTERN SECTION

Dr Joe McGirr
Chair
Legislative Assembly Select Committee
Remote, Rural and Regional Health

21 December 2023

Dear Dr McGirr,

Thank you for your work on remote, rural and regional health and for your letter of 7 December 2023, seeking responses to supplementary questions.

You specifically sought our views on the following three questions:

1. Have patient transport services improved, particularly those supported by the Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS)?
2. Can you outline the challenges of providing patient air transport service in very remote areas, or where improvements could be made in this area?
3. Your submission recommends a review of funding for non-government organisations. What funding or incentives should be provided to support services provided by non-government organisations, particularly those that target the development of the remote, rural and regional workforce?

We attach for the Committee's consideration, the Royal Flying Doctor Service (South Eastern Section) "RFDSSE" views on these questions. Please do not hesitate to contact Ms Annabey Whitehead, General Manager, Corporate Affairs and Fundraising [redacted], should you require further information.

In addition, we would like to update the Committee on a development since we lodged our submission. The Committee may recall that, at the request of local communities, the RFDSSE stepped in 2022 to ensure the ongoing provision of GP services to the communities of Warren and Gilgandra. In doing so we preserved vital GP employees in these regions and continued to provide GP services to over 8,400 patients. Combined with our medical practice at the Clive Bishop Medical Centre in Broken Hill, these three practices provided over 28,700 occasions of care last year.

At the request of the local community, the RFDSSE has again been asked to step in to keep the doors open for the GP practice in Condobolin. Our recent media release on this is attached for the Committee's information.

On behalf of the Board and Management of the Royal Flying Doctor Service, South Eastern Section, we wish the Committee and safe and happy festive season and look forward to your deliberations on these important matters.

Yours sincerely,

[redacted]

Greg Sam
Chief Executive Officer
Royal Flying Doctor Service (South Eastern Section)

1. **Have patient transport services improved, particularly those supported by the Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS)?**

   RFDSSE is not involved with the IPTAAS scheme and so is unable to comment on this point.

   RFDSSE provides aeromedical patient transport services as part of our Inter-Hospital Transfer (IHT) and Non-Emergency Patient Transport (NEPT) arrangements with NSW Ambulance and HealthShare NSW respectively.

2. **Can you outline the challenges of providing patient air transport service in very remote areas, or where improvements could be made in this area?**

   The single biggest challenge we face as a healthcare provider in regional, rural and remote NSW, is finding a way to sustainably grow and further invest, so that we can meet the enormous unmet need that exists for essential health care services, amid a system and operating environment that is riddled with challenges and barriers to that aim.

   The RFDS has been providing patients with aeromedical care across regional, rural and remote Australia for 95 years. For most of the last decade, the RFDSSE has also been a major provider of preventative, primary and allied healthcare to regional, rural and remote communities across NSW. In many cases, if it weren't for the RFDSSE these communities would have very limited, or no, access to healthcare.

   Some examples of these systemic challenges include:

   1. No holistic, strategic or financial recognition of our role as an essential healthcare provider and part of the NSW health system's frontline, including our long-standing history of delivering high-quality, reliable and essential health care to communities who may otherwise not have access to healthcare;
   2. Little to no long-term clarity or certainty regarding RFDSSE's ongoing role as an essential healthcare provider and critical part of the NSW health system;
   3. Little to no long-term clarity or certainty as we continuously recruit, retain, upskill and grow the regional health workforce, as a key part of the NSW Health system;
   4. Consistent with the Inquiry's findings, the costs of providing many emergency and other health services which are activity based do not reflect the actual costs of providing that service.

   Regulatory, transport, delivery, maintenance and resourcing costs have also been escalating since the pandemic and are compounded by ongoing inflationary pressures, global supply chain challenges and critical workforce shortages.

   It is also noteworthy that the effect of these systemic and external challenges is exacerbated by their convergence with serious and well-documented, community healthcare challenges in remote, rural and regional NSW, for example incredibly poor health outcomes, poor access to health care and high levels of disadvantage and poor health literacy. Consequently, there is also a constant and rising demand from communities for RFDSSE primary and allied health services.

   These health challenges are particularly severe in the Western PHN area, which covers both the Western and Far Western LHDs, for instance:

- The annual average rate of potentially avoidable deaths for WNSW PHN residents is 49% higher than that for NSW.[1]
- The rate of potentially avoidable deaths in Aboriginal people was more than twice that in non-Aboriginal people.[2]
- In 2020, the age-standardised rate of suicide in WNSW PHN was 53% higher than the national rate.[3]
- 85% of WNSW PHN LGAs are classified as being ranked in the lowest five deciles (most disadvantaged) when compared nationally as part of the Index of Relative Socioeconomic Disadvantage; with more than a third (37%) of the WNSW PHN LGAs occupying the two lowest (most disadvantaged) deciles.[4]
- Only about 40% of adults (in the WNSW PHN area) have the level of individual health literacy needed to be able to make informed decisions and take action about their own health.[5]

These systemic and health challenges mean that for regional, rural and remote providers like the RFDSSE:

1. It is **increasingly difficult to sustainably maintain services, let alone grow to deliver more** essential services to serve the increasing unmet demand, due to the lack of certainty and appropriate, strategic recognition and clarity for essential providers who are a core part of the NSW health system.
2. It is **increasingly difficult to invest in strategically expanding and upskilling a high quality regional and rural health workforce** that is needed now and into the future, as there are little to no supports to do so. Rather, in some cases, competitive barriers and unlevel playing fields have been created which make it even harder for frontline healthcare providers like the RFDSSE.
3. It is becoming **increasingly difficult to maintain a regional, rural and remote based operation** – something the RFDSSE is proud of and remains committed to, as we firmly believe that being part of the fabric of communities that we serve is what makes us unique and underpins our longstanding ability to provide tailored, community-centric, high-quality care where it's most needed.

3. Your submission recommends a review of funding for non-government organisations. What funding or incentives should be provided to support services provided by non-government organisations, particularly those that target the development of the remote, rural and regional workforce?

This is an important question, thank you for exploring it further.

We appreciate that budgets are tight and demand for health services are ever expanding, as too is the competition for health-related funding. Given the demographics of our state, it is, and will continue to be, critically important that the health dollar is invested wisely – where it can achieve the greatest benefit to the health outcomes of all communities, particularly remote, rural and regional (RRR) communities, and the NSW health system overall.

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[1] *Centre for Epidemiology and Evidence, NSW Ministry of Health Available at: http://www.healthstats.nsw.gov.au*

[2] *Centre for Epidemiology and Evidence, NSW Ministry of Health. Available at: http://www.healthstats.nsw.gov.au.*

[3] *Australian Institute of Health and Welfare National Mortality Data Base. Available at: https://www.aihw.gov.au/*

[4] *Health of the Population. Western NSW Health Needs Assessment. Health Intelligence Unit, Western NSW Local Health District, December 2017*

[5] *Australian Commission on Safety and Quality in Health Care, 2015. Health Literacy: A Summary for Clinicians*

For RRR NSW, it is our view that **the health care dollar, should be strategically invested to support and grow priority healthcare capabilities**, such as RRR doctors, RRR nurses, RRR patient transfer services, RRR healthcare related infrastructure.

We consider **three guiding principles warrant consideration** here.

Firstly, that the **health dollar should be prioritised and strategically invested** to address the gaps in the healthcare system experienced by RRR communities**.** Healthcare funding should **support and grow priority healthcare capabilities in remote, regional and rural NSW**, such as the health workforce, access to essential medical and health services, investment in healthcare infrastructure (including training and upskilling).

Secondly, that **government policies, funding programs and incentives (across the board) should not exclude or discriminate against NGOs** providing similar healthcare services in RRR communities.
Thirdly, that **strategic investment in priority healthcare capabilities in RRR communities should support the development of sustainable operations in the long term**.

The comments throughout our submission, including page 8, were premised on the following key principles which, to our way of thinking, should define, prioritise and target funding of frontline services provided by non-government organisations to build sustainable priority healthcare capabilities.. These include:

1. **Equity**: Government incentives should not discriminate against or disadvantage NGOs that provide critical frontline services to remote, regional and rural (RRR) communities - particularly NGOs that deliver services on behalf of Local Health Districts or deliver services easily accessed by metropolitan communities but not available in the bush.
    1. Examples of these provided in our submission include the doubling of incentives offered to healthcare workers who move to rural and remote areas (applicable only to Government instrumentalities)
    2. Study subsidies to help boost the health workforce (also applicable only to Government instrumentalities).
2. **Access**: Remote communities need access to vital health services – including primary and allied health. NGOs should be funded to provide medical and health services to rural and remote communities where the public health system cannot. The provision of these services to our most vulnerable communities should not be left to chance or the philanthropy of benevolent benefactors.
    1. Health funding for remote communities is not only falling between the Federal/State "definitional cracks" but also misconceived as solely a federal responsibility.
    2. In our view and experience, this is not the case. NSW LHDs subcontract the provision of primary and allied health services to NGOs, which is consistent with the purposes of LHDs as defined by sections 8 to 10 of the NSW Health Services Act 1997.
    3. NGOs delivering these services, whether subcontracted by LHDs or not, should be more strategically recognised, funded and incentivised.
3. **Certainty:** Short term funding contracts, be they 1 to 5 years, do not always provide the certainty needed to invest significant funds and resources to provide essential services. Experience in other

states has demonstrated that longer-term contracts, for say 10 years, provides greater investment certainty and value for money for all involved.

4. **Actual Reimbursement**: In our submission we particularly refer to the need for a review of funding models to reflect actual costs borne by NGOs to deliver essential emergency, medical and healthcare services. This applies across the board.

    1. As the Inquiry found, activity-based funding does not represent the true costs of providing vital emergency, medical and healthcare services.

    2. This particularly applies in the case of providing aeromedical services where activity-based costing (as, for example, measured by kms flown) does not reflect the true nature of funding these services, including standby costs and costs of aircraft or key personnel, such as pilots, doctors and nurses.

Strategic Investment in Priority Healthcare Capabilities

In the arena of healthcare there is unanimous agreement that regional, rural and remote communities cannot be left behind. Achieving that outcome against the obstacles presented by working and living in remote, rural and regional communities, is the challenge.

In seeking to address the equity and access gaps experienced in RRR communities health funding should be prioritised and targeted to develop, build and sustain priority healthcare capabilities in and for RRR communities. For NGOs operating in this space, this could be achieved by:

1. recognising and rewarding the scope and breadth of services provided by NGOs to RRR communities – particularly those NGOs operating in remote, rural and regional locations;
2. recognising the holistic, inter-connected, and inter-dependent nature of the services provided by NGOs to RRR communities;
3. valuing and recompensing the actual costs of healthcare services provided by NGOS in RRR communities;
4. identifying areas of need where NGOs are currently filling the gap and, with strategic government support, can continue to provide enduring capability resulting in a more stable RRR health workforce that, in turn, provides improved access and enhanced health outcomes for RRR communities.

Media Release 19 December 2023

Royal Flying Doctor Service set to open GP clinic in Condobolin

The Central West NSW town of Condobolin will soon have access to increased local medical services when the Royal Flying Doctor Service (RFDS) reopens the doors of RFDSSE Medical Services- Condobolin, in January 2024.

“We’re pleased to be able to expand our primary health services and support another community to retain their health care services by assuming ownership of the GP clinic in Condobolin,” RFDS General Manager Health Service, Jenny Beach said.

RFDSSE Medical Services- Condobolin will be located in the Council-owned premises at 5 Melrose Street, Condobolin, and will open in early 2024 with an official opening date to be confirmed soon.

The practice will offer health care services including primary health, early intervention and prevention, health information and screening and chronic disease management. Appointments will be available to book once the clinic opens. In the future additional allied health services may be offered by visiting specialists including mental health clinicians, podiatrists and dieticians.

Ms Beach said the support received from Lachlan Shire Council and the Western NSW Local Health District had ensured a smooth process and the RFDS has been engaging with other local service providers to ensure they support community needs.

“We’re grateful for the support of the Council as we have gone through the process of establishing the practice, and for the use of the Council-owned building,” Ms Beach said.

“We would like to acknowledge the commitment of the existing healthcare providers and look forward to collaboration in delivering healthcare services to Condobolin and the surrounding region,” Ms Beach said.

Lachlan Shire Council Mayor Cr Paul Phillips said: “Council is very happy to welcome the RFDS to Condobolin. The community are pleased to have such a trusted and well-respected organisation providing medical services in the town. Council trusts that the community will embrace and support the RFDS to ensure their faith in establishing this service is repaid.”

Bulk billing will be available for children under 16, pensioners and health care card holders, and Aboriginal and Torres Strait Islander people.

In order to provide certainty for the Condobolin community, the practice will charge a small fee for patients who are not eligible for bulk billing. These fees go back into providing services to the community.

Condobolin is the third GP clinic the RFDSSE has assumed ownership of, with GP clinics in Warren and Gilgandra opened in December 2022.

“Despite the challenges of a shortage of medical professionals and rising costs in all areas, the RFDS is committed to rural, regional and remote communities having access to GP, allied health and nursing services,” Ms Beach said.

"We know that adding primary and preventive health care services in local areas has led to a reduction in emergency evacuations, because earlier identification and treatment means health problems are less likely to worsen to the point where someone needs to be moved out of their community and into a larger hospital,” Ms Beach said.

“The RFDS is evolving to meet the needs of modern regional, rural and remote communities, and one way we can do this is to help communities save their General Practices,” Ms Beach finished.

For more than 95 years the RFDS has been providing healthcare, including primary care and lifesaving emergency care, to people who live, work and travel in rural, regional and remote Australia. The RFDS will continue to investigate and evaluate opportunities to expand primary health services.

About the Royal Flying Doctor Service

The Royal Flying Doctor Service (RFDS) is a not-for-profit charity which provides 24/7 essential lifesaving, emergency and primary healthcare to regional, rural and remote NSW communities.

For 95 years, the RFDS has taken the finest care to the furthest corner. We provide lifesaving outback emergency aeromedical retrievals and hospital transfers, as well as proving over 68,000 occasions of care through on the ground GP and nurse appointments, dental care, mental health care, alcohol and other drug counselling, vaccinations, chronic disease management and telehealth.

The RFDS has proudly been named Australia’s most reputable charity 11 times by Reptrak.[1]

[1] https://www.flyingdoctor.org.au/news/rfds-named-australias-most-reputable-charity/