

National Health Leadership Forum

Human Services Inquiry
Productivity Commission
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Email: humanservices@pc.gov.au

23 February 2017

Dear Productivity Commission,

National Health Leadership Forum submission to the 'Inquiry into Reform to Human Services'

On behalf of the National Health Leadership Forum (NHLF), I am providing this letter-submission to the Productivity Commission to inform your *Inquiry into Introducing Competition and Informed User Choice into Human Services* ('the Inquiry'). We are writing specifically in response to the *Reforms to Human Services – Productivity Commission Issues Paper* (December 2016) ('the Issues Paper').

The NHLF was established in 2011 as the national representative health forum for Aboriginal and Torres Strait Islander peak bodies who provide advice on health. The NHLF has become an influential collective of Aboriginal and Torres Strait Islander peak health bodies who have negotiated with successive Australian governments on Aboriginal and Torres Strait Islander health. A list of our member organisations is attached (see Attachment A).

Our members are also the leading member organisations of the Close the Gap Campaign Steering Committee.

The NHLF Position

The NHLF supports the Issue Paper's identification of the need for reform to health services provided for remote Aboriginal and Torres Strait Islander communities, especially given high usage of public health services by Aboriginal and Torres Strait Islander peoples.¹

In addition to documented health gaps between Aboriginal and Torres Strait Islander peoples living in remote and non-remote areas,² a considerable and persistent gap more generally remains in health outcomes between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians. Reform to human services for Aboriginal and Torres Strait Islander peoples across Australia, should be based on policies tailored to local community need.

The NHLF has previously highlighted that, in its role in service provision and regulation, Government policy should be informed by the principles of partnership, evidence, quality, sustainability, empowerment and capacity building.³ For the current inquiry, the NHLF repeats this call and suggests the Government should learn from past experience when exploring opportunities to develop a better partnership with existing Aboriginal and Torres Strait Islander peak organisations in service delivery to improve health outcomes.

One relevant program in this respect is the Indigenous Advancement Strategy (IAS). The NHLF and the Close the Gap Campaign Steering Committee have both raised concerns with the IAS' current funding arrangements and program design, compounded by the lack of proper and considered engagement by the IAS with Aboriginal and Torres Strait Islander leadership and communities.⁴

These concerns provide important lessons for reform in the context of the current Inquiry by pointing to the need to prioritise Aboriginal and Torres Strait Islander community partnership, engagement and consultation to achieve progress on target outcomes.

The NHLF emphasises three elements in particular that should be considered in any reform to the provision of human services (particularly health), as they relate to the needs of Aboriginal and Torres Strait Islander peoples:

- 1) Addressing the social and cultural determinants of health when determining service delivery;
- 2) Eliminating institutional and systemic racism in health settings; and
- 3) Ensuring community control of health organisations are central to the delivery of human services.

These elements are central to building new relationships based on genuine engagement and consultation between Federal and State governments and Aboriginal and Torres Strait Islander communities and their peak organisations, in order to improve health outcomes and develop a more equitable health system.

Rather than commenting on the efficacy or otherwise of private competition and contestability across the human services sector, the NHLF believes health outcomes for Aboriginal and Torres Strait Islander peoples can be improved through high-quality, culturally competent services that target factors affecting consumer use by being responsive to community needs.

For this reason, the NHLF advocates Aboriginal community-controlled health services as the best practice model for human services delivery in order to improve outcomes, develop efficiency and collaboration in the health service sector, build community capacity and deliver the most effective short- and long-term solutions.

The NHLF adds that, regarding (2)(b)(ix) – 'the need to improve Indigenous outcomes' – noted in the Inquiry's Terms of Reference, such reform will require a coordinated policy response integrating issues and human services sectors for Aboriginal and Torres Strait Islander peoples outside health as well.

Social and Cultural Determinants of Health

A holistic, cross-sectoral approach must be adopted in human services delivery to better meet the needs of Aboriginal and Torres Strait Islander peoples. Regarding health services specifically, this means acknowledging that the concept of 'health' for Aboriginal and Torres Strait Islander peoples involves:

'...not just the physical well-being of an individual but the social, emotional and cultural well-being of the whole Community in which each individual is able to achieve their full potential as a human being.'⁵

The social and cultural determinants have a real and significant effect on health outcomes. Indeed, the National Aboriginal and Torres Strait Islander Health Plan 2013-2023 notes that, '[b]etween one third and one half of the life expectancy gap may be explained by differences in the social determinants of health.'⁶

As a result, closing the gap in health inequality necessarily involves addressing the socio-historical and structural factors underpinning outcomes for Aboriginal and Torres Strait Islander peoples, including the continuing effects of colonisation and dispossession. Developing culturally safe and culturally competent health services (including end-of-life care) that are owned and managed by Aboriginal and Torres Strait Islander peoples should therefore be a priority.

The social and cultural determinants of health – many of which lie beyond the redress of the health sector alone – mean that addressing health inequity also requires a cross-sectoral approach spanning education, employment, justice and the rights of women and children, among others.

The Inquiry should closely consider the connections between of health services and other services the Issues Paper focuses on, including social housing and family and community services.

Launched in June 2016, the Redfern Statement was an expression from Aboriginal and Torres Strait Islander peak organisations of the need for concerted, holistic policy action across all levels of Government on these issues developed with and led by, not merely directed to, Aboriginal and Torres Strait Islander communities. The NHLF endorses the Redfern Statement's call for urgent reform in the spirit of genuine consultation and collaboration, primarily with local community, across all human services directed to improving outcomes for Aboriginal and Torres Strait Islander peoples.

To improve cultural competence in healthcare and better engage with Aboriginal and Torres Strait Islander communities, the NHLF supports the recommendation in the Redfern Statement that the Federal Government create guidelines for Primary Health Networks (PHNs) to ensure their services are 'delivered in a culturally safe manner'.⁷

The Close the Gap Campaign Steering Committee has similarly called for the development of a more culturally competent service delivery framework through the IAS, including by incorporating mechanisms to verify claims of cultural competence into selection criteria for tender submissions by service providers.⁸ This may help to ensure more efficient funding allocation, enhance capability and deliver culturally competent services.

The NHLF maintains that if such initiatives were to be developed, they must be done in consultation with Aboriginal and Torres Strait Islander communities to ensure cultural identity, self-determination and empowerment in policy decision-making. Funding for Aboriginal and Torres Strait Islander organisations would ensure policy development and implementation remain community-driven.

The high employment rate of Aboriginal and Torres Strait Islander peoples in the health sector can also assist in providing more culturally competent, targeted services while facilitating community development. As noted in a Close the Gap submission on welfare reform in 2014, '[b]etter resourcing and an expansion of this sector would solve some of the issues relating to Aboriginal unemployment' – especially given limited labour market opportunities otherwise available in remote communities – 'while improving the health and providing benefits to local and regional employers.'⁹

Institutional and Systemic Racism in Health Settings

A growing concern about the current model of health service provision is institutional racism experienced by Aboriginal and Torres Strait Islander peoples. Racism restricts the (already limited) choice of health services for Aboriginal and Torres Strait Islander communities across Australia,

especially in remote communities. Not only does this discourage engagement with services but it may also reproduce poor health outcomes ‘through stress-mediated pathways as well as through reduced quality of health care and limited access to health services and other resources that protect and promote health’.¹⁰

For example, a third of participants in a 2010-11 study of Aboriginal and Torres Strait Islander peoples in Victoria reported having experienced racism in the preceding 12 months.¹¹ In addition, the 2012-2013 Aboriginal and Torres Strait Islander Health Survey found that approximately 26,500 Indigenous adults actually avoided seeking health care due to unfair treatment by health system staff.¹²

The NHLF adds that the development and implementation of all health policy should also have specific regard to addressing institutional racism in health settings. In light of this, the NHLF supports the Australian Government’s identification of this issue in the *National Aboriginal and Torres Strait Islander Health Plan 2013-2023*.

Aboriginal Community Controlled Health Services

Compared to other human services frameworks, competition principles are not necessarily a priority for Aboriginal and Torres Strait Islander health services provision. The Issues Paper itself notes this is especially the case for remote communities. To improve outcomes, a quality health service model should be adequately resourced, culturally safe and secure, and work closely with local communities, driven by their input and directed to their needs.

For service delivery to best target the social and cultural determinants of health, address institutional racism and become more culturally competent, the NHLF advocates a service model delivering comprehensive primary health care through the Aboriginal Community Controlled Health Organisation (ACCHO) model.

The NHLF firmly believes that ACCHOs are best placed to relate and respond to community needs through a community-driven approach to policy development and implementation. They provide the necessary governance structures through which to do so, for instance, by being constituted by a locally-elected Board of Management.

Evidence to date suggests the ACCHO model offers superior service delivery compared to mainstream GP services for Aboriginal and Torres Strait Islander peoples in terms of accessibility, disease treatment and prevention, training of healthcare professionals, and employment of Aboriginal and Torres Strait Islander peoples.¹³ ACCHOs can, and do, offer additional services to the health-specific services.

Encouraging a partnership between PHNs and ACCHOs may lead to more viable, cost-effective and efficient outcomes, especially in the long-term. It may ensure health services are more representative (promoting the right of Aboriginal and Torres Strait Islander peoples to autonomy and self-determination) – particularly in the execution, monitoring and evaluation of policy – while decreasing funding inequities in the current health provision model.

Further, the proven track record of Aboriginal and Torres Strait Islander community-controlled health services suggests it is likely to minimise any disruption to communities resulting from policy changes, ensuring health services consistently prioritise Aboriginal and Torres Strait Islander voices and remain responsive to the unique needs and characteristics of local communities at all stages of policy development and implementation.

The NHLF would welcome any future opportunity to contribute to the Parliamentary Joint Committee's considerations and we ask to be notified of the outcomes of Inquiry.

I can be reached on _____, or alternatively arrangements for a meeting can be made through Paul Wright, NHLF Executive Officer

Yours sincerely

Richard Weston

Chair, National Health Leadership Forum
CEO, The Healing Foundation

ATTACHMENTS:

ATTACHMENT A National Health Leadership Forum Member Organisations:

- Aboriginal and Torres Strait Islander Healing Foundation;
- Australian Indigenous Doctors' Association;
- Australian Indigenous Psychologists' Association;
- Congress of Aboriginal and Torres Strait Islander Nurses and Midwives;
- Indigenous Allied Health Australia Inc.;
- Indigenous Dentists' Association of Australia;
- The Lowitja Institute;
- National Aboriginal and Torres Strait Islander Health Workers' Association;
- National Aboriginal Community Controlled Health Organisation;
- National Aboriginal and Torres Strait Islander Leadership in Mental Health
- National Association of Aboriginal and Torres Strait Islander Physiotherapists; and
- Torres Strait Regional Authority.
- Expert Advisor – A/Professor Ted Wilkes, Indigenous Drug and Alcohol

¹ National Aboriginal Community Controlled Health Organisation/Royal Australian College of General Practitioners, *National guide to a preventive health assessment for Aboriginal and Torres Strait Islander people, second edition* (2012) National Aboriginal Community Controlled Health Organisation, 3. At <<http://www.naccho.org.au/resources/>> (viewed 2 February 2017).

² Australian Institute of Health and Welfare, *The health and welfare of Australia's Aboriginal and Torres Strait Islander peoples: 2015* (2015) 51. At <<http://www.aihw.gov.au/publication-detail/?id=60129550168>> (viewed 7 February 2017).

³ See e.g. National Health Leadership Forum, Submission to Australian National Audit Office (ANAO), *Australian National Audit Office (ANAO) Performance Audit of the Indigenous Advancement Strategy*, May 2016.

⁴ Close the Gap Campaign Steering Committee, *Progress and priorities report 2015* (2015) Australian Human Rights Commission, 25-27. At <<http://www.humanrights.gov.au/our-work/aboriginal-and-torres-strait-islander-social-justice/publications/close-gap-progress-and-0>> (viewed 9 February 2017).

⁵ National Aboriginal Community Controlled Health Organisation, Submission to External Reference Group advising the National Primary Health Care Strategy, *Towards a National Primary Health Care Strategy*, 2009, 6.

⁶ Department of Health, *National Aboriginal and Torres Strait Islander Health Plan 2013-2023* (2013) Australian Government. At <<http://www.health.gov.au/natsihp>> (viewed 7 February 2017).

⁷ Redfern Statement Alliance, *The Redfern Statement* (June 9 2016) National Congress of Australia's First Peoples. At <<http://nationalcongress.com.au/about-us/redfern-statement/>> (viewed 31 January 2017).

⁸ Close the Gap Campaign Steering Committee, Submission to Senate Finance and Public Administration Committee, *Senate Finance and Public Administration References Committee Inquiry into the impact on service quality, efficiency and sustainability of recent Commonwealth Indigenous Advancement Strategy tendering processes by the Department of the Prime Minister and Cabinet*, 2015.

⁹ Close the Gap Campaign Steering Committee. Submission to the Reference Group on Welfare Reform, *Review of Australia's Welfare System*, 13 August 2014, 7.

¹⁰ Margaret Kelaher, Angeline Ferdinand and Yin Paradies, 'Experiencing racism in health care: the mental health impacts for Victorian Aboriginal communities' (2014) 201(1) *The Medical Journal of Australia* 44.

¹¹ Margaret Kelaher, Angeline Ferdinand and Yin Paradies, 'Experiencing racism in health care: the mental health impacts for Victorian Aboriginal communities' (2014) 201(1) *The Medical Journal of Australia* 44.

¹² Australian Institute of Health and Welfare, *The health and welfare of Australia's Aboriginal and Torres Strait Islander peoples: 2015* (2015) 51. At <<http://www.aihw.gov.au/publication-detail/?id=60129550168>> (viewed 7 February 2017).

¹³ Kathryn Panaretto, Mark Wenitong, Selwyn Button and Ian Ring 'Aboriginal community controlled health services: leading the way in primary care' (2014) 200(11) *The Medical Journal of Australia* 649.