DR OMAR KHORSHID - SPEECH TO NATIONAL PRESS CLUB

AMA president delivers AMA Vision for Australia's health

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CHECK AGAINST DELIVERY:

I would like to acknowledge the traditional owners of the land on which we meet, the Ngunnawal people, and pay my respects to their elders past, present and emerging as well as to any Aboriginal or Torres Strait Islander people present in the room today.

It is an honour to address the National Press Club.

In particular it's fantastic from my point of view to be physically present in the room with so many of you today, rather than sitting in my study at home on Zoom, my pyjama pants hidden from the webcam whilst I do my best to look professional...

My ability to travel here is a privilege I am well aware of, a sign of how far we've come and if I'm not too rude today and if none of you has been to the South Coast recently… I'm hopeful that Mark McGowan will even let me back into WA later this week…

COVID EXPERIENCE

But before I begin, I want to dedicate this speech to those healthcare workers on the front lines of our year and half long battle with COVID.

Early in this pandemic, when so much was unknown, when there was so much to fear, the rest of society was told to stay away, stay home, stay safe – to keep a distance between us – our healthcare workers have done the opposite.

They have, as the saying goes, run towards the fire.

We saw – and in some countries still see - the images of hospital staff after gruelling hours, exhausted, their faces imprinted with the outline of masks.

Here, and especially overseas, the memories of lives lost to COVID remain imprinted even deeper in their memories.

Many, many doctors, nurses and other healthcare workers around the world have lost their own lives as they have sought to treat others.

I thank them for their sacrifice. I also thank the frontline health and quarantine workers, the contact tracers and border workers in Australia who have protected us all from this deadly pandemic.

I thank our leaders- including our prime minister, our state and territory leaders who have stepped up to the plate and made decisions they never would have imagined making in order to keep us safe.

We in Australia are very lucky… lucky to have not lost health workers during the Victorian outbreak last year. Not enough was done to protect them in their workplaces and thousands contracted the virus. We now know so much more about the behaviour of this virus and about how to protect people from it… and yet we still don't have appropriate National Guidelines to properly protect healthcare workers trying to do their jobs. We are told new guidelines are coming soon- but it has already taken far too long.

Once we are on the other side of the pandemic, it will be important to look back on these experiences- on the successes and the failures- to make sure we recognise and support the efforts of those who have given so much- but also to learn the lessons of the pandemic to support a healthier future for Australia.

NEW POLICY POSSIBILITIES

This is my first address at the National Press Club, but not the first given by an AMA President.

In fact, every year an AMA President stands here, at this lectern, and tries to convince you – our nation's media, our policy makers, Ministers, Governments and Parliaments that health *really is* the best investment we can make in our society and for our economy.

We were always vying for attention among the other portfolios – defence, national security, industry…….

Times have changed.

Health is now a key consideration of the Prime Minister, Treasurer and Cabinet.

In any pre-covid period, I'd also be following in the well-trodden steps of past Presidents calling for more medical practitioners to be involved in policy making.

They are at the coalface; they should be given a voice in policy decisions that shape our country's health services.

Now, arguably, the nation's Chief Health Officers – doctors – are the key policy makers.

One of them is now *also* the Secretary of the Department of Health federally.

A doctor running the health department. What will they think of next!

But my point is this – there are things we want to – things that we *must* – keep from this experience.

The focus on health, the listening to experts, the overcoming of entrenched bureaucratic hurdles, must be retained.

We have achieved so much, so fast.

There are numerous examples.

Take telehealth – working with the AMA, the Government achieved rollout in a matter of days, despite the issue having been talked about for years and being on a ten year schedule for implementation..

ePrescribing – again the AMA, working with Federal, State and Territory Governments achieved a solution quickly.

Positive change brought about swiftly. Both are here to stay – we hope.

Telehealth has been a huge win for practitioners, an even bigger one for patients – government now just needs to make it permanent.

This evolution in health policy is also our best defence against future pandemics – be they similar to COVID, or the pandemic that we've grown accustomed to and all too complacent with, chronic disease.

That's why today I'm NOT going to talk any more about COVID – just this once.

Instead, I want to lift our eyes beyond the immediate and focus on a healthier future for all Australians.

I want to propose a goal of Australia becoming the healthiest country in the world.

We're not number 1 – and with our increasing burden of chronic disease– obesity in particular – we risk sliding down the rankings.

If this new paradigm of quicker decision making is going to be utilised effectively in the AMA's goal of becoming the healthiest country in the world, we're going to need a plan.

A plan that is realistic, that is implementable, that draws on the experience of practitioners working in the system.

A plan that embodies the same principles that led to our stunning success in tackling COVID-19 early on.

So today I'm releasing AMA's *Vision for Australia's Health*.

It is a detailed policy-based strategy, and I believe we can start to implement it right now. It's our way of describing what we stand for.

The beginning point of all reform should be safe, high quality, patient-centred care.

Our plan is built around a set of core principles, and covers five pillars of detailed policy reform.

But in addition to this detailed plan, I'm also releasing a specific research paper that expands in detail, one of the key topics in our *Vision* as well as a campaign document outlining our initial priorities.

It's unusual, I'm told, to launch three key reports at once.

But the AMA is serious about *leading* reform, and I'm not interested in doing things the 'usual' way.

Health reform outside of COVID has been put on hold – I want to restart that conversation with our *Vision* document.

The preventative health agenda has given way to COVID's priority – I want to use our Sugar research paper to make sure we tackle prevention issues and start to address the burden of chronic disease… while still responding to COVID.

Let me talk you through what we will be doing to bring key decision makers with us, to drive health reform.

General Practice

Our first pillar of health reform is, General Practice.

The first port of call for most patients and the gatekeeper to specialist care. It really is the starting point of the health care system – not to mention the backbone of vaccine efforts. It is and must continue to be the healthcare home.

If we are to have any hope of stemming the tide of chronic disease in our nation, we need to bolster this first line of defence.

Chronic disease dominates the Australian health landscape, contributing nearly two thirds of the overall burden of disease, and data suggests 67 per cent of Australian adults - that's 13.4 million - are obese or overweight. The translates into enormous direct healthcare costs in managing diabetes, heart disease and cancer- the biggest killers in our society.

For Aboriginal and Torres Strait Islander peoples, these figures are even higher, at 74 per cent of adults and 38 percent of children who are overweight or obese.

According to AIHW data, 7 per cent of all hospitalisations are due to 22 preventable conditions – preventable conditions that could often be managed by General Practice. In reality its likely to be much more than that.

We're talking about 3.0 million bed days.

We can, and must, do something about this.

We also have a rapidly ageing population and whilst currently people over 65 represent only 16 per cent of the population, they account for 50 per cent of all public hospital admitted patient days.

As part of our new approach of developing detailed policy papers, we released our paper - *"Putting Health Care back into Aged Care"*

The Government's investment in response to the Royal Commission is welcome, and significant, especially the investment in our nurses – something that remains a key priority for the AMA.

But it sadly had some significant oversights when it comes to our nation's GPs.

AMA's modelling estimated that if governments invested sufficiently in primary health care and aged care, over four years (2021–22 to 2024–25), $21.2 billion could be saved in public and private health care from avoidable hospital admissions, from older people in the community or in nursing homes.

Critical to dealing with the healthcare needs of older Australians – especially if we want to stop the flow of unnecessary hospital transfers – is to ensure greater access to GPs.

That is why the AMA will continue to campaign for Medicare to better support GPs to look after patients in Aged Care facilities – so that more older Australians can maintain access to their usual GP once they enter an Aged Care Home.

There was little in the Government's response to the Royal Commission that addressed this.

Primary healthcare professionals control or influence approximately 80 per cent of healthcare costs, with 83 per cent of patients seeing a GP each year.

Yet spending on General Practice accounts for only 8 per cent of total government health spending.

One tenth of the costs they control. There is a huge opportunity to save on expensive hospital care by investing in primary care.

We know, when we back our health system – it delivers.

Now is the time to back our General Practitioners.

Public Hospitals

Secondly, public hospitals.

Our hospitals are in crisis.

At the beginning of the pandemic we shut down elective surgery, and in one of the greatest collaborations I can recall between the medical sector, government and industry, readied our separate public and private hospitals to respond, as one.

They were to be our final battleground with COVID, should it come to that.

Hospital facilities were hastily, but expertly, readied to become makeshift ICUs.

Thankfully, we were able to cope.

Prevention through international border closures, social distancing combined with public trust and compliance, meant we did not suffer the catastrophic outcomes we saw from normally comparable countries.

But, as we returned our public hospitals back to their normal roles – that response, those extra resources, the doctors and beds – not only went back to being oversubscribed – they became completely overwhelmed.

Ambulance ramping should never happen. The idea of it is illogical – racing someone to the hospital, only to wait outside its doors, sometimes for hours. And yet it is becoming normal around the country.

Avoidable deaths will result.

Avoidable deaths have resulted.

This is not new.

But it's worse now than it's been in a long, long time.

Every year the AMA's *Public Hospital Report Card* takes the Government's *own* data and reflects it back, for all to see.

Just once it would be nice to have a reflection that looks better than the last.

But, it doesn't.

It never does.

Elective surgical waiting lists continue to blow out- with patients waiting longer then ever before for important elective surgery.

We're supposed to improve performance year on year – but unfortunately we continue to go backwards.

Our bed ratio per 1,000 people aged 65 years or older is at its worst – having declined for 26 consecutive years.

Emergency department wait times are also the worst we've had since 2013-14.

And my members report dangerous conditions at the front line. Doctors and nurses are unable to deliver the care that patients deserve.

It's easy for Governments to say they are undertaking "record spending" on hospitals.

You can spend a record amount and still go backwards.

How? Because of inflation, and because the population is growing and ageing, with increased health needs.

It doesn't mean you are spending more *per* person, or on improving performance, or increasing capacity, or fostering integration with the rest of the health system, or stopping avoidable admissions.

It's a smokescreen – and I'm calling it out.

The funding agreement we have today doesn't even index against health inflation, which combined with the cap, has resulted in $32.4 billion being stripped out of the hospital system since 1 July 2016.

Hospitals aren't a federal issue, nor a state issue – they are a national issue.

They need a national response.

A new funding agreement, driven by and agreed to, by National cabinet.

It is time for a funding agreement that improves not only efficiency, but performance.

One that helps doctors treat patients - on time.

One that funds hospitals to improve – not penalise them when they fail.

One that funds them to be better, not just busier.

And one that doesn't leave people in the back of ambulances – close to treatment, but far from safe.

We can fix our hospitals, we know what we have to do.

It's time to fund performance improvement, increased bed capacity, targeted programs to avoid unnecessary admissions, and a fair cost sharing agreement that allows the growth that is necessary to meet the immediate health needs of Australians.

Private Health

Thirdly, the private health system.

Prior to COVID, the private system carried out about 66 percent of elective surgery.

It is now working in overtime to catch up.

But it's an ailing system – the membership of the insurance which funds the system - is sick. Pre-COVID, from June 2015 to June 2020, the proportion of Australians with private health insurance membership fell for 20 successive quarters.

We've seen a slight increase in membership due to COVID – but certainly not because of reform by Government, or the sector.

Young people are leaving insurance and being replaced by older people who perceive better value for money from the product but whose claims are increasing the premiums to the point where premiums are becoming unaffordable.

If we do not do something soon, it will move to being critical.

The insurers are not sitting still. They are moving to reduce their costs by contracting doctors and hospitals – using these contracts to change doctors behaviours in order to limit costs. This, in our minds is moving Australia down the path of US-style managed care.

The AMA, along with most medical bodies is implacably opposed to any interference from insurers (remembering that the insurance market now dominated by for-profit insurers) in decisions made between doctors and patients. The US health system is the most expensive in the world and care there is dependent on how good a policy you can afford to buy. This must be avoided at all costs.

Again, we wanted to help find the cure to the problem, so the AMA developed its own detailed economic study of the underlying financial and demographic issues – called the AMA's *Prescription for Private Health*.

In it, we detail the many policy options available to Government to help stabilise and incentivise private health insurance- particularly for young Australians.

I'm pleased that Government has listened – funding detailed actuarial study of our suggestions.

But we'll need more than that.

The next stage of reform is going to need to involve all the other key stakeholders – the private hospitals, the private health insurers, the medical device manufacturers, the doctors and of course, the patients.

Now is not the time for timid reform – we need significant change to the system.

New treatments, improved clinical outcomes and more cost-effective care need not be adversaries – there are real reforms we can make to reduce costs in the system, without reducing coverage or outcomes.

There is also an opportunity to instil greater value in private health insurance through greater returns to patients: setting a minimum payout ratio for funds.

We must also continue reforms to ensure that we are paying competitive prices for medical devices – but without losing the critical ideal of doctor and patient choice – choice is, after all, the hallmark of the private system.

It is possible to maintain the choice patients want, while making the costs and contracts between hospitals, doctors, and insurers more transparent.

There is no point making insurance affordable, if patients do not see the value especially when compared with a free public system.

Vital to achieving this reform will be the ability of each of the key players to move away from the combative debates of the past and work together – without driving us down the road to managed care.

It will not be easy.

However, continuing the current arguments will only devalue the amazing work and care provided by our private system.

The AMA has led calls for reform, and we will continue to do so, including by calling a summit with all major players in the industry to lead change.

And as a first step, the AMA will be increasing it's call for a Private Health System regulator – someone to protect patients as we undertake the necessary once in a generation reform that is needed.

A Health System for the Future

The next pillar of our *Vision* I'd like to talk about is our vision of a health system equipped for the future.

We've had reform driven by a pandemic.

We now know reform is possible. Barriers previously unscalable have been torn down.

Now isn't the time to stop.

We need to look to the future and invest in IT systems that help us to address one of the biggest issues in healthcare - communication. The technology exists right now for a truely joined up health system, where necessary health information is always available to patients, doctors and other health professionals where and when they need it. If we can get this right, duplication of tests will be reduced, errors will be reduced, the efficiency and quality will improve.

Health care will get cheaper and most importantly healthcare will get safer.

We need to continue to invest in medical research.

Medical research has delivered us life saving vaccines against COVID in an incredibly short period of time. It is delivering us hope through unprecedented international collaboration and extraordinary investment.

Now imagine what we could do if we spent even a part of the collective will and money we've spent on COVID on the other health conditions that we face.

Medical research is at the heart of a healthy future for Australians.

A Health System for Everyone

Our final pillar is actually a little broader, and is focussed on building a health system for everyone.

We have a proud principle of equality in our health system in Australia.

This is not to suggest it is perfect, but it is a far cry from the overly expensive and exclusionary system like the United States.

The balance between the public and the private means that some pressure is taken off the public system.

But we need to do more, especially for those who still struggle with access – be it due to limited capacity or prohibitive costs.

Our strategy outlines – in significant detail - what must be done in prevention; where focus needs to be placed to assist those who are marginalised, and those who might not have access to mainstream health services.

But in doing so, the AMA has also outlined what the medical profession needs to achieve a better health system – reforms to the Specialist Training Program, rural training opportunities, generalist pathways, and better matching of training positions to community need.

We have a particular focus on mental health for the community, and for our own profession.

For the community, this includes investment in equipping General Practice to better cope with mental health demand, investment in evidence-based programs integrated into General Practice and alternatives to emergency department and acute care.

And improved mental health access for our own profession.

Having lost good doctors from the profession, and some tragically to suicide, this is something particularly close to my heart.

We must do more to eliminate the overwork, and to increase the ability to seek medical care - without fear of reprisal.

And while we are at it, we must redouble our efforts to stamp out harassment, end bullying and racism – once and for all.

We must lead on environmental sustainability in our own significant use of resources *in* the health system, and prepare for the health impacts of climate change *on* our system. AMA recognised climate change as a health emergency in 2019 and we are committed to ensuring Australia pulls its weight in addressing this global issue. Within Australia our health system must recognise that environmental sustainability is intrinsically linked to financial sustainability and the health impacts of climate change are real and we need to prepare.

Of course, we can't talk about a health system for all, without talking about the dire need to improve the health of Aboriginal and Torres Islander people. To meaningfully Close the Gap.

Whilst many issues will require a generation of work, this strategy focuses on two specific and achievable campaign priorities in Indigenous health.

The AMA will campaign for:

- more medical practitioners and specialists to work in Aboriginal and Torres Strait Islander communities, working to deliver culturally safe services; and
- greater policy efforts to increase the number of Aboriginal and Torres Strait Islander peoples in the medical workforce.

In 2019, there were 519 registered medical practitioners in Australia that identified as Aboriginal or Torres Strait Islander, representing 0.44 per cent of the workforce.

To achieve parity, we need thousands more.

The AMA will campaign for effective support for Aboriginal and Torres Strait Islander doctors to enter and complete specialist training, to get numbers to parity, and then move beyond.

A Sugar Tax

I've left perhaps my most controversial area of AMA leadership until last.

For whatever reason, a prevention agenda in Australia continues to stagnate.

As a doctor it is one of the most truly non-sensical aspects of our policy response in this country.

A key focus in our portfolio should be a program of prevention to help Australians lead healthier lives and reduce the future burden on the health system.

Yet the preventative health agenda in Australia is the story of a few wins, many failed attempts, and billions in wasted expenditure on hospitalisations that could have been avoided through illness prevention.

We have seen some wins: tobacco - over many years… food star ratings, while not perfect, have led not only to better health literacy and healthier purchases by consumers, and in some cases reformulation by industry.

But we have seen major campaigns often considered, sometimes commenced and then usually abandoned.

Too often for policy makers the short-term nature of budget cycles, and long-term payoff of prevention, come into conflict.

The inability to coordinate and deliver successful preventative health strategies across local, State and Federal jurisdictions is one reason why Australia lags behind comparable nations in health outcomes and disease prevention.

It is for this reason the AMA will campaign on a clear, concrete policy – a tax on sugary drinks.

More than 2.4 billion litres of sugary drinks are consumed every year. That's enough to fill 960 Olympic sized swimming pools.

Diabetes, obesity and poor vascular health are huge contributors to the burden on our health system.

Sugary drinks – and in particular those which have little or no nutritional value, fuel this problem.

It is time for action.

In our research paper, which I'm releasing today, the AMA is calling for a tax that would reduce the consumption of these sugar filled drinks.

The tax we propose would raise the retail price of the average supermarket sugary drink by 20 percent.

This is in line with a recommendation by the World Health Organization, and could, over a 25 year period, result in 16,000 fewer cases of type 2 diabetes, 4,400 fewer cases of heart disease and 1,100 fewer cases of stroke.

It could save lives, and save millions of dollars in healthcare costs.

It would also generate revenue – we estimate about $814 million annually – which we believe could be spent on other preventative health activities.

It is a win, win scenario.

Let me explain.

Firstly, we are *only* talking about a tax on sugary soft drinks – those drinks which have no, or very very little nutritional value.

These are drinks you don't need in your diet.

Secondly, the tax itself is modest.

We understand people are adults and may wish to consume these drinks – hopefully infrequently, and modestly.

We are not advocating taxation at the level we have on cigarettes.

But it sends a clear message if the Government puts a tax on these drinks.

These products are not good for you.

They are not required in your diet.

We don't have the benefit of having such a signal on these drinks, like we do on food, with the star rating.

If we did, these products would likely receive a zero.

These products are a lucrative money spinner for industry, heavily marketed, with children and teenagers often on the receiving end as major consumers.

And even this industry knows that we need to do something – it is already reformulating its products.

Coca Cola Amatil has introduced a raft of lower and no sugar options – it's a growth market for them to move away from sugar, but it needs to happen much quicker and across a broader range of products.

In previous discussion on this issue, the impact on our sugarcane industry has been used as an excuse for inaction. Our paper shows however, that sugar cane farmers are not likely to be impacted.

That's because only 20% percent of their total production is consumed in Australia. On average over the past ten years, 80% of the domestic sugar production has been exported.

Of the domestic production, only 5.3% goes towards domestic sugar sweetened soft drink manufacture. We estimate that the change resulting from a drop in consumption due to the tax is only a fraction of that – 0.64% of industry production. To put it in absolute numbers, average sugar production is about 4.4 billion tonnes and change brought about by the tax is only around 28 thousand tonnes.

The change in volumes from our proposed tax is actually within the current levels of natural volatility in the sugar market.

The brilliant thing about this intervention is that normally health initiatives cost money – this saves heath future expenditure and generates revenue!

Revenue which we believe can be spent on the healthy, safe and essential alternative to soft drinks – Water.

The revenue could be spent on critical water infrastructure where it is needed most.

Access to safe and reliable drinking water is a human right and there is no soft drink substitute for this. This is a really practical step we can take to close the gap for some of the most disadvantaged Aboriginal and Torres Strait Islander communities.

Revenue can be spent on other community water initiatives – water fountains, refill stations. We can help people improve their health; save them money; and reduce the impact on the environment.

Over time revenue can be spent on other key public health measures – without having to take it away from other areas of acute health funding.

And of course the savings from lower levels of diabetes and other health conditions can be put into tackling other health issues.

Not all policy needs to be complex.

A simple policy, which does not cost Government and provides the funding needed to rekindle our preventative health agenda is exactly what we need right now.

Conclusion

Over the last eighteen months we have lived through an event the likes of which we have not witnessed in over a century.

We've broken down many assumptions – about the economy, about how we work, of how we live, of how our society operates, of what is possible – right down to the smallest detail of life - how we simply shake hands with one another.

Here in Australia, we are the envy of the world.

We've put science and health first – and we've saved tens of thousands of lives.

We've seen how that generates trust - Australians complied with lock downs, distancing, testing and quarantine because they knew it was based on sound medical advice.

We've let medicine lead the way, and enjoy one of the strongest economies globally as a result.

As we look forward to a future that involves immunity to COVID through vaccination, a future where we are linked back with friends and family around the globe, a future that returns to us the simple pleasure of giving loved ones a hug – let's take with us the lessons learned.

During COVID-19 Australia overcame the impossible, and we built a better way of making health policy while doing it.

Let's build the same positive change for the rest of the health system.

Let's make Australians the healthiest people in the World.

(ENDS)