
AMA submission – Inquiry into Medical Research Future Fund Bill 2015 and the Medical Research Future Fund (Consequential Amendments) Bill 2015

The AMA welcomes the Government’s commitment to medical research through the proposed medical research future fund.

Having made this commitment, it is critical that Government gets the arrangements for the fund right.

The enhanced decision-making and accountability mechanisms introduced as amendments to the original legislation are welcome. These improvements do, however, highlight additional matters that should also be addressed.

The AMA’s major concern to date has been the source of funds for the Medical Research Future Fund (MRFF). The AMA strongly objected to the original proposal by Government to direct the proposed \$7 Medicare co-payment into the research fund. Taking money out of primary health care and putting it into tertiary-level research is not the answer to the sustainability of the health care system.

This approach was clearly wrong and has delayed the establishment of the fund and the implementation of certain and sustainable funding for medical research.

The AMA is concerned that there is potential for similar problems to occur with future funding for the MRFF. The AMA notes the MRFF will be credited with amounts equal to the:

- uncommitted balance of the Health and Hospitals Fund; and
- the value of health saving measures announced.

It is possible to envisage a situation in which savings from a highly contested health savings measure are directed to the MRFF, with attendant controversy and potential impact on the smooth operation of the fund.

Given the object of the MRFF Act is to ‘*improve the health and wellbeing of Australians by establishing the Medical Research Future Fund...*’, a clear conflict would be created with this objective if the Fund included savings from any measure that is perceived to *worsen the health and wellbeing of Australians*.

The AMA therefore recommends that funding from any savings measure that is perceived to worsen the health and wellbeing of Australians should not be allocated to the MRFF.

The role of the independent expert advisory board should include an obligation to advise the Health Minister on any adverse anticipated consequences for the Strategy and Priorities of funding being credited to the MRFF from a particular health saving measure(s) that is perceived to worsen the health and wellbeing of Australians. Any such advice from the expert Advisory Board should be tabled in Parliament within 15 sittings days of receipt by the Minister.

The AMA has discussed the arrangements for the MRFF with the Australian Society for Medical Research (ASMR). ASMR and the AMA share a common interest in the following enhancements to the MRFF arrangements and links with the NHMRC:

- The MRFF should maximise the expertise and existing investment in research priority setting in the National Health and Medical Research Council (NHMRC). Strategies and priorities for the MRFF should be established under the umbrella of NHMRC Research Committee; if necessary, augmented with additional expertise in innovation and commercialisation.
- MRFF investment should be independently peer-reviewed by NHMRC, as a sensible and cost-effective quality assurance strategy.
- MRFF should be used to maximum effect and impact by building on the strong health and medical research already funded by NHMRC, and targeting areas of 'value add' research.

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