



**Health
Consumers
Tasmania**

Building a Consumers Health Voice in Tasmania

Budget Priorities Statement

Health Consumers Tasmania

March 2021

Contact

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Att: Minister for Health
Hon Sarah Courtney MP

Dear Sarah

Health Consumers Tasmania believe that the missing piece to the health reform agenda “improving the long-term challenges facing Tasmanian health system” is knowing what the community want from their health care services; empowering the community to take control over their own health and the health of their communities; and at the same time; working with your Department to support them to act on the voice of Tasmanians.

Importantly, through this budget submission, Health Consumers Tasmania will help deliver the desired outcomes from the *Our Healthcare Futures* discussion paper, “planning for the future – strengthen the clinical and consumer voice in health service planning” and recommendation #35 from the *Premier’s Economic and Social Recovery Advisory Council*, March 2021 – “The State Government and its agencies should actively seek out and fund community-led placed based recovery activities”.

An investment in working in regions; building the capacity of communities to articulate their needs and building cooperation and partnerships across the health system at a local level will go a long way in gaining community engagement and support for your Health reform agenda.

There is little point in planning for a healthcare future that does not have the support, understanding, and input of Tasmanians.

Health Consumers Tasmania request is for \$3.0 m over four years to help deliver this.

This is an extremely small cost in comparison to the overall investment the Tasmanian Government makes to our public health system, but without it, the overall impact of what you are working to achieve will be severely diminished.

We welcome the opportunity to work with you and your Department to achieve these outcomes.

Yours sincerely,



Bruce Levett

**Chief Executive Officer
Health Consumers Tasmania Ltd**

16 March 2020

1. The proposition – Executive Summary

The Health Minister, the Department and health service providers across Tasmania all want to know what the community need from their health system.

Health Consumers Tasmania (HCT) is receiving more and more requests from our funders for this information, which is a good thing. This information is a necessary and critical ingredient if the health system is to become more targeted in its service delivery, better meet community needs, modernise and improve its systems, increase collaboration, reduce waste. In doing so, this will reduce the overall health component of the State Budget and importantly facilitate “a community led, place based recovery activities” – recommendation #35, PESRAC, March 2021.

This information, combined with engaged and supportive communities, are the missing foundations required to build on the health reforms already underway across Tasmania that are consistent with, and achieve the desired outcomes outlined in the *Our Healthcare Future* discussion paper - “planning for the future – strengthen the clinical and consumer voice in health service planning”.

At this point in time, there are two clear barriers for effective community engagement to occur:

- ***Community engagement – placed based and community led***

Firstly, communities across Tasmania need to be engaged at a local level and empowered to voice their current and future health care needs. This is an important step if Tasmanians are to take ownership of their health care. This cannot be achieved by external parties undertaking quick consultations within a community – it takes time to build relationships and trust.

Given the recent experience of COVID-19 and an outcome from the work HCT has already undertaken within the community, we believe the timing is right for systematic, sophisticated, and respectful engagement across Tasmania – Tasmanians have told us they are ready to help shape and contribute to the services they need locally.

As the Health Minister said in her opening line of the *Our Healthcare Future* discussion paper – “Now, more than ever before, Tasmanians are counting on our healthcare system to deliver the healthcare that Tasmanians need.” - this will provide an important contribution to deliver of PESRAC recommendation #35 on placed based, community led recovery activities.

- ***Influencing organisational culture***

Secondly, for communities and health consumers to be able to effectively engage policy makers and service providers, significant work is required to change the culture of those institutions so they can better listen, receive, and act on community feedback. In other words, to become a more customer orientated organisation.

HCT has been established and challenged to deliver on both these significant pieces of work.

HCT is appreciative of the strong support provided by Government to date and the seed funding provided to establish HCT over its formative years. HCT now has the structures in place to build this work but will require resources over and above the seed funding that it originally received.

This proposal will enable HCT to provide Government and service providers with unfiltered, succinct, and clear advice, - built on the conversations and analysis of community needs to allow informed policy decision-making to continue the Government’s health reform agenda.

1.1 Budget Proposal

There are three critical components that form the basis of this business case:

Community engagement – community led and placed based solutions

- i. building a consumer health voice in Tasmania – structured and deep community engagement that connects communities at a local level in policy planning and service delivery

Influencing organisational culture

- ii. consumer and health staff training – changing the culture of those within the health system

Consumer advocacy and co-design

- iii. consumer advocacy and co-design – recruitment and placement of consumers across the health system to better shape service delivery and impact organisational culture from within

This proposal is for ongoing, recurrent funding, commencing 2021-22. At this stage, the forward estimates have committed \$200,000 for 2021-22 to HCT but this funding commitment is insufficient for HCT to remain commercially viable.

Year	Amount
2021-22	\$600,000
2022-23	\$700,000
2023-24	\$850,000
2024-25	\$850,000
Total	\$3,000,000

The experience of HCT to date demonstrates that the proposed annual budget is the minimum required for Health Consumers Tasmania to operate sustainably with resources to ensure it can deliver on the increasing requests for its services from Government.

The phasing of the budget is a reflection on both a tight fiscal environment and allows the Department time to adapt its culture around consumer engagement and HCT to grow its local community engagement structures.

2. Context

2.1 Background

The establishment of Health Consumers Tasmania Ltd (HCT) is a commitment of the current Tasmanian Liberal Government.

The commitment involved the provision of seed funding over three years for the establishment of Health Consumers Tasmania. This was achieved through a funding partnership (MOU) between the Tasmanian Department of Health (DoH) with Primary Health Tasmania (PHT).

The current funding contract runs to the end of the 2020-21 financial year with the forward budget commitment of \$200,00 for 2021-22 insufficient for HCT to remain viable. This proposal is for ongoing recurrent funding.

1.2 Role of Health Consumers Tasmania

HCT is a Company Limited by Guarantee, funded by the Tasmanian and Commonwealth governments (Department of Health and Primary Health Tasmania respectively) and reporting to an independent board. HCT has established a community of interest of over 650 people and has been formally involved in approximately 15 partnerships or national/state-wide health related committees to date.

HCT has been established to provide health consumer advocacy, which it does in a number of key ways:

- collecting community views and using this evidence to advocate for a health system that better meets the needs of Tasmanians
- facilitating consumer engagement by placing health consumers on committees and workshops to inform government decision-making in service delivery design, program and systems reviews and evaluations
- providing training to health consumers on how to engage with the health system, and to health staff on how to engage with individual consumers or community groups.

Health Consumers Tasmania is not an industry or union-based body and therefore does not represent the commercial interests of any one group or body. Rather, HCT is a facilitator for Tasmanian health consumers to express their views into the health system, and the views of the community more broadly.

A copy of HCT strategic plan is available on request, along with an internal evaluation of HCT performance over its establishment phase.

3. Tasmanian consultation – defining the market needs

There is overwhelming support and consensus on the need for, and the role that, Health Consumers Tasmania is contributing to build a stronger and more efficient health industry across Tasmania.

3.1 Community sector and health consumers

Consultations with the Tasmanian community sector, which involved approximately 80 individual meetings, 20 group meetings and a stakeholder workshop made up of 50 participants, identified five market failures that exist within the Tasmania health sector.

Health Consumers Tasmania has been established to address these market failures and to fill this gap or market need within Tasmania.

- a. Government departments generally do the policy thinking - they are not necessarily able to effectively communicate or engage with individual consumers or the broader community.

There is an opportunity to strengthen the broader public policy conversation and analysis by ensuring the consumer voice identifies the issues and shapes the solutions within and across the Tasmanian health system.

- b. The Tasmanian health system is complaints based and driven, which leads to an organisational response to improvement that is directed into specific areas where the need is visual and often time critical.

There is an opportunity to identify and build a longer-term, strategic, and proactive position or voice on health reform and systems-based improvements that incorporates the views of all segments of the community.

- c. There are health issues that cannot necessarily or easily be progressed by one organisation alone as they incorporate and involve many different sectors within health – this leads to health service delivery which is on the most part siloed and fragmented.

There is an opportunity for documenting and voicing a community perspective that can inform Government policy on the longer term, strategic and systems-wide approach to reform and improvement and the link between prevention, community and primary health and acute / tertiary service delivery.

- d. The public don't necessarily see themselves as consumers of health and the health industry don't want to see the public as consumers rather as patients. This cultural setting creates barriers that make it hard for the health system to engage with its community so that it can become "more customer" focused and positioned to best meet the needs of its communities.

There are opportunities to support, train and mentor both the

- **consumer - to be able to voice their viewpoint and feedback, and the**
- **service provider – to be able to listen, and act on the consumer voice to shape service delivery and increase the accountability of the health system and providers.**

- e. There is a market failure around Information asymmetry, which exists at many levels including across the health system and between the health system and the community.

There are opportunities to strengthen the two-way information sharing between service providers and consumers and to strengthen and improve the health literacy of the broader community.

3.2 Government

Through the consultation process, the state government have outlined a rationale for Health Consumers Tasmania that will:

- a. support the Department, and hence the Government will be more accountable to the public
- b. provide advice on how it can improve the way it works with consumers
- c. an independent voice that will strengthen a consumer perspective on prevention, non- acute and community health reform and not just on acute health
- d. provide consumer engagement across a range of areas ranging from larger systems-based issues through to local service level-issues
- e. provide a coordinated consumer voice that can:
 - advise on consumer priorities for health services state-wide
 - influence a range of public health reforms
 - provide advice on what Government isn't doing and identify community demand for new opportunities
 - provide advice on how to best deal with alternative policy and service delivery approaches; and
 - engage the consumer voice into the big public health debates and be proactive in advocating for continuous and progressive reform.

HCT proposal delivers on two key policy positions of Government

- **to deliver community led, placed based recovery activities - PESRAC recommendation #35 – March 2021**
- **to strengthen the clinical and consumer voice in health service planning - Our Healthcare Futures discussion paper**

Health Consumers Tasmania has been formed to fill this gap within the market and deliver a critical, but missing consumer voice and to use this voice to facilitate strategic and systems-based enhancements across the Tasmanian health system.

4. National and International Context

For several decades now, there has been recognition, both nationally and internationally, of the need for a more active role for consumers in health care with the aim of improving service delivery, consumer experience and consumer outcomes.

In more recent years, three additional factors have led to more active engagement of consumers. These include:

- changing nature of patient profiles, including the increasing number of individuals living with chronic and complex conditions
- large scale reforms to the health system, which have swept most developed countries
- involvement of consumers in the consumer safety agenda, that is monitoring and developing strategies for responding to medical errors and adverse events.

These factors have led to a shift in consumer activity and input from a focus on rights and advocacy to a greater role in understanding and promoting shared decision making and consumer-centred care.

This shift is also demonstrated by greater responsibility placed on the individual for their health outcomes and to the health system in providing quality, responsive and accessible care and treatment options. This has led to changes in the relationship between the providers and the consumers to a more consultative and partnership approach.

Nationally, each state has a peak health consumer advocacy organisation that works with their respective state health system and local communities. Each state organisation, some of which have been in operation for over 40 years, all rely on State Government funding for most of their activities, with minimal commercial opportunities available to supplement their operations.

Health Consumers Tasmania is part of the national collaboration of State Peaks, which met weekly during the COVID-19 crisis to share and coordinate activities. This ensured that Tasmanian community views were incorporated into a national response to COVID-19 related activities.

A review undertaken by the Victorian Auditor General Office in 2012 – *Consumer participation in the health system* - qualified the net benefit of having consumer engagement structured into the systems design, decision making and service delivery. It concluded that consumer input provides a tangible benefit to service design and service delivery and patient centred care.

A KPMG report – *Doing it with us not for us: Strategic Direction 2010-2013 and Targeting zero: Report of the Review of Hospital Safety and Quality Assurance in Victoria* (Department of Health and Human Services 2016) - both recommend the adoption of consumer engagement as a priority to drive customer outcomes and program reform.

A Productivity Commission report - *Why a better health system matters* - August 2017 and Australia's Health 2040 Taskforce Report - *Ensuring the sustainability of the Australian health system* (Global Access Partners July 2019) - both identify an urgent need for the adoption of a significant reform agenda, which includes a much greater emphasis on patient centred service delivery. Consumer input is essential if we are to move to a position of improved health outcomes; better equity of access to health services; more cost-effective delivery of services with greater quality and safety outcomes; that builds a more sustainable health system and better meets the needs of the community.

The Australian health regulatory environment has two statutory requirements that mandate health service providers to have formal and documented processes to incorporate consumer input into their governance and operations. These include:

- a. *The Australian Commission for Safety and Quality in Health Care (The Commission)* is responsible for quality standards in health care (*NSQHS*) across the tertiary sector. Each public and private hospital is required to meet these standards to remain operational with one of the eight standards, Partnering with Consumers - Standard 2, dedicated solely to consumer engagement.

From 1 January 2019, health services are required to implement the NSQHS standards (second edition), which includes an increased focus on partnering with consumers. The Partnering with Consumers standard is an overarching standard that introduces additional requirements with the expectation that health services will provide evidence of how healthcare initiatives and continuous improvement programs influence the quality and safety of person-centred care. Evidence is required to substantiate consumer input on the planning, decision making, design, delivery and evaluation of all services.

The Commission is developing similar quality standards applied across aged care, primary care and allied health.

Health Consumers Tasmania is a formal member of The Commission's Partnering with Consumers Committee – a statutory appointment - which for the first time provides a mechanism for Tasmanians to provide input into these standards.

- b. *The Australian Charter of HealthCare Rights* that was recently endorsed by each State Health Minister through COAG, provides a legislative framework for informed consumer input into the health system, particularly in consumer centred care.

Health Consumers Tasmania, at the request of the Commission has facilitated community input into these standards to ensure they can be presented in a way that can be easily understood by Tasmanians.

5. Proposal

There are three key components or programs that form the basis of this business case.

5.1 Building a consumer health voice across Tasmania

The role of Health Consumers Tasmania, as a state-wide, independent community-based organisation is to broadly deliver two core functions:

- a. engage communities and the consumer voice on their health care needs, service requirements and on long term policy discussions - 10 plus years
- b. elevate the consumer voice into the current health system

Both these functions will require significant community engagement that is both structured and evidence based.

a. *Engage communities and the consumer voice on their health care needs*

There is an immediate priority to continue the work achieved to-date by Health Consumers Tasmania which provides a solid platform to build on its current community of interest (approximately 650 Tasmanians).

Feedback from stakeholders has identified that community and consumer engagement and input into their health care needs is a necessary ingredient to inform and target policy and service delivery.

The *Our Healthcare Future* discussion paper identified “an opportunity to further strengthen the consumer voice in Tasmanian health services, building on the work of HCT and CCECs to improve the delivery of health services across Tasmania.”

The consumer voice is a missing ingredient in the planning of the Tasmanian health system and the associated reforms and investments required.

This element will engage the community in policy discussions that will include:

- place based community health innovations across regional Tasmania allowing people to be treated within their communities and at the same time, taking the pressure off hospitals
- preventative Health
- identification of all factors impacting health and well-being
- health literacy

The objective is to have consumer and community driven solutions with a strategic focus and can inform government decision making.

The next phase of this program is to continue to build a community consultation structure that ensures all Tasmanians can contribute to improving Tasmanians health system if they choose. A

particular emphasis will be to engage feedback from those communities who: are most likely in need of immediate health care; in need of health care over the coming years; are from Tasmania’s most disadvantaged or isolated communities; or those that for whatever reason, cannot access health care.

Compared to Tasmania’s most advantaged communities, residents of Tasmania’s most disadvantaged communities are more than twice as likely to have fair to poor health, as well as having a range of life-threatening and life limiting conditions including chronic diseases, such as diabetes and acute diseases such as lung cancer.

This cohort is also the least likely to be consulted or able to provide their perspective on what health interventions are most effective, despite often being repeat users of the system.

In consultation with our sponsors, Health Consumers Tasmania will engage and provide consumer input from this cohort and the broader community on a range of issues requested by the Department or are considered important from a community perspective.

The pilot community engagement project, which is still underway on the Tasman Peninsular highlights how effective local engagement can identify community wide health care solutions for regional or remote communities.

This approach is to build community consensus, in partnership with the Department, on developing local health care responses.

b. Elevate the consumer voice into the current health system

Health Consumers Tasmania has already demonstrated through the COVID-19 crisis an ability to work in partnership within the existing Government structures to inform public decision making.

A key outcome from this program is to ensure Departmental planning and operations can see tangible benefits of involving consumers in all facets of their operations and as a result, provides greater priority for consumer engagement programs.

To achieve this, Health Consumers Tasmania will mentor and advise the Department on best practice in consumer engagement and work in collaboration with the Department and its agencies to achieve this.

Budget Allocation:

Year	Amount
2021-22	\$300,000
2022-23	\$450,000
2023-24	\$600,000
2024-25	\$600,000

Possible Risks:

- i.* This component of funding is critical to support the operations of Health Consumers Tasmania and to ensure HCT is resourced appropriately to achieve its main objectives and to administer the components 5.2 and 5.3 below.
- ii.* This component will fund 5 staff (1 FTE and 4 staff at 0.6 FTE) growing by 1 FTE per year located in the North and North West of Tasmania respectively. It covers HCT administrative and operational costs including rent. The current staffing (of 1.5 FTE) which was required to establish HCT under the seed funding amount is not sustainable for the ongoing operations of the organisation.

5.2 Staff and Consumer Training:

This program has two components.

Firstly, to provide training to consumers on how to be effective advocates and ensure they can operate safely, whilst providing consumer insights. It is proposed that this be delivered at no cost to the consumer and will help them prepare for their interaction with health officials.

Training will be delivered state-wide and incorporate a mixture of on-line and face-to-face group training. Support material will be provided with a key outcome being the development of a guide for consumers working in the Tasmanian health system.

A key component of consumer training is the ongoing mentoring and support that will be provided to the consumers, individually and through formal networking and events.

Secondly, to provide training to service providers and Department officials on how to effectively put in place structures and mechanism to enable consumer input into the:

- Planning
- Co-design of program and services
- Implementation or roll-out of the service
- Monitoring and
- Evaluation.

Training will enable Department officials the option of consumer engagement at

- Governance, planning, and decision-making
- Policy and program development
- Service delivery and operations.

There is an option to deliver this training package to private health providers at a fee.

The training content is being developed in partnership with UTAS who have, together with HCT, developed an on-line module of consumer engagement, which has been piloted over the last 12 months. The roll-out of the pilot has shown high levels of satisfaction across both departmental staff and consumers.

The next phase would be to undertake further work on the module to:

- better tailor the training content to consumers
- customise the module to be delivered to all Departmental Executives
- ensure training is provided to all staff, and
- on-line training to new staff through the Departments induction process.

The budget will cover the costs of a trainer and the associated costs to deliver the training (travel, training rooms, materials etc). It is based on a partnership and MOU signed between HCT and UTAS. Year 1 includes additional costs for UTAS to develop appropriate on-line modules.

Budget Allocation:

	Year	Amount
	2021-22	\$200,000
	2022-23	\$150,000
	2023-24	\$150,000
	2024-25	\$150,000

Possible Risks:

- iii. if this component is not funded, HCT will be unable to deliver the training to meet the growing demand from both health staff and the community.

5.3 Consumer advocacy and co-design

Recruitment and placement of consumers on THS and DoH committees and working groups is considered core business for HCT. Consumer-centred care and consumer engagement are supported by the Australian Charter of Healthcare Rights, which acknowledges consumers have the right to have a say and be heard; to be engaged in the decisions about individual healthcare; and in health policy development and service planning, implementation, and evaluation.

To gain the maximum benefits of consumer engagement at a strategic level, health services are likely to seek consumers who have:

- knowledge of the health care system e.g. effective models of care, up-to-date evidence, what other services are doing, state and national reforms etc.
- exemplar communication skills
- experience as consumer representatives
- connections to broader consumer and community networks, to share current users' experiences, wider than just their own personal experience.

This program will form a crucial function to fund consumer input into the current COVID-19 recovery process across the Governments multi-faceted response.

Health services may also seek input from consumers and carers in ways that are not as formal or ongoing as high-level committees, such as focus groups and reviewing patient information.

Evidence shows that health outcomes are achieved when health professionals and services work in partnership with consumers, patients, carers and communities.

A significant barrier to both the recruitment and the placement of consumers is the lack of appropriate remuneration. The rationale for consumer remuneration is based on two core principles:

- Firstly, consumers should not have to pay or be out-of-pocket to provide their input and expertise, whether it's their time, paying expenses including travel, parking, printing etc or the lost opportunity cost of alternate activity.
- The second relates to both equity and value. The issue of equity relates to consumers being treated equally to others at the table where staff and other contributors are being paid to be present. The consumer should be treated equally in this regard. The service providers receive benefit from consumer input, then there is a value placed on the consumer advice, which is no different to seeking input from consultants and other stakeholders who are remunerated for their time and expertise.

Currently the Department and THS are unable to remunerate consumers directly given:

- their financial systems and process currently in place do not allow the direct remuneration of consumers for their time spent on committees or workshops, and
- individual project budgeting in most cases does not factor in or have the capacity for consumer engagement.

Both these barriers are having an impact on HCT's ability to source and place consumers on projects and thereby limits the Department and THS ability to factor in consumer input into the design, implementation, monitoring and evaluation of key policies and programs.

An option that was trialled with the RHH involved the RHH paying HCT on behalf of the consumers that were nominated for the Emergency Department recommissioning project where HCT forwarded payments to the individual consumers.

Under this scenario, the proposed option is for the Department to fund HCT directly to allocate and remunerate consumers when a project placement becomes available. For example, if HCT were to place 100 consumers for an average 10 hours work per year (1,000 hours) this would equate to \$70,000 in cost (\$70 per hour) plus an additional amount to cover agreed direct costs (transport, parking, printing etc).

An example: HCT was requested by Public Health Tasmania to provide one consumer for a project – *RHH smoke free zones*. The request was for a consumer to participate for a one-hour meeting per week on a steering committee which continued for over twelve months. This equated to 1.2 consumer hours per meeting or over 62.4 hours for the 12-month period. It was an important project that deserved consumer input, but no funding was available, therefore a consumer was unable to be secured despite some interest from consumers in the project.

Budget Allocation:

Year	Amount
2021-22	\$100,000
2022-23	\$100,000
2023-24	\$100,000
2024-25	\$100,000

Possible Risks:

- iv. A process will be required to prioritise projects in partnership with the DoH.
- v. Management of expectations within the community when this budget allocation is exhausted.

5.4 Summary of Budget Proposal

The annual recurrent funding proposed for Health Consumers Tasmania is outlined below.

	2021-22	2022-23	2023-24	2024-25
Building a consumer voice	\$300,000	\$450,000	\$600,000	\$600,000
Training	\$200,000	\$150,000	\$150,000	\$150,000
Consumer advocacy and co-design	\$100,000	\$100,000	\$100,000	\$100,000
Total	\$600,000	\$700,000	\$850,000	\$850,000