

Appendix 4B

Proposals to Transfer the Health Function, or Part Thereof, from the States and Territories to the Commonwealth

Appendix 4B has four sections. The first briefly examines calls for national approaches to health and related functions in Australia, with an emphasis on proposals to transfer all or part of the health function from State and Territory governments to the Commonwealth government. The second summarises several qualitative estimates of the benefits possible through national approaches to health. The third presents a compilation of recent media reports, in Table 4B-1, describing calls for national approaches to health and qualitative and quantitative claims and estimates of the financial benefit of such national schemes, some of which have already been described in Chapter 4. The fourth section, in Table 4B-2, then presents a subset of the media reports presented in Table 4B-1 which provide very recent examples of the manner in which Commonwealth-State and party political divisions have significantly impeded otherwise sincere efforts to improve Australia's health systems and outcomes.

Proposals for National Approaches to Health

The Commonwealth government already has significant constitutional powers with respect to part of the health function in Australia, as Swerissen and Duckett (1997: 14) explain:

The Commonwealth derives its main powers for direct involvement in health policy through section 51(xxiiiA), section 51(ix) and section 96 of the Constitution. Section 51(xxiiiA) provides the Commonwealth's broad power to provide health services and benefits directly to the Australian people through programs such as Medicare and the Pharmaceutical Benefits Scheme. The Commonwealth also has quarantine powers through section 51(ix), and Section 96 gives the Commonwealth power to make grants to the states for specific purposes, such as health, as it sees fit. These tied grants or Specific Purpose Payments (SPPs) are usually made as part of a Commonwealth-state agreement.

But Palmer and Short (1994: 18), and many others, observe that the division of health care funding and provision in Australia, among Commonwealth, State and Territory governments, and the private sector, is quite unique in its complexity:

As compared with other areas of major activity in the Australian economy, the health care system is characterised by a very complicated mixture of government and private initiatives, with governmental responsibilities being divided between the States and the Commonwealth. The health care systems of several other countries with a Federal structure of government,

including the United States and Canada, share these characteristics, but Australia may be unique in terms of the extent of both the public-private and the State-Commonwealth interaction.

Numerous studies have highlighted the complexity of Australia's health care system, and the waste, duplication and inefficiencies among Australia's separate and often poorly coordinated Commonwealth, State and Territory health administrations, and associated problems of cost-shifting, blame-shifting and risk-shifting (Scotton 1978; Jamison 1981: 31-84; Madden 1984: 37-48; Whitlam 1985: 343; Richardson 1987; Sax 1990: 164-165; Butler 1991; Owens and Duckett 1991: 87-99; Palmer and Short 1994: 18-21; Duckett et al. 1995: 3-10; Rydon 1995: 15-16; Rydon and Mackay 1995: 216, 224, 227, 234-235; Anderson 1997: 133; Gardner 1997: 4,6-7; Lin and Duckett 1997: 58; Swerissen and Duckett 1997: 36-43; Wyn Owen 1997: 650, 653; Butler 1999: 51-55, 61-64; Donato and Scotton 1999: 35-39; Duckett 1999: 134-136; 2002: 24-26; 2004: 104-123; Mooney 1999: 18; 2004; Mooney et al. 1999: 260-262; Richardson 1999: 194-195; August 2002; Kilham 2002; Productivity Commission 2002; 2003; 2005a; 2005b; Gittins 2004: 48; Bracks 2005: 8,33; see also Gray 1991). In an attempt to address these problems, many of these studies have recommended that the Commonwealth assume full powers and responsibilities for health care, or at least become the sole public funder of health care, or other national approaches to the health function or part thereof (see, for example, Sax 1984: 165-167; 1990: 164-165; Whitlam 1985: 343; Palmer and Short 1994: 328; Rydon and Mackay 1995: 234; Opeskin 1998: 337-369; August 2002; Duckett 2002: 24-26; Swerissen 2002: 88-93; Mooney 2004; Productivity Commission 2005a; 2005b).

In recent years – especially since 2003, reform of Australia's health care system has been close to the forefront of Australia's political agendas, at both Commonwealth and State-Territory levels. Table 4B-1 below contains extracts from 192 media reports from 1996 through to 2006 (177 from 2003 to 2006) which describe support for national approaches to the health care function, or part thereof, with or without formal constitutional reform. These reports show that the idea of transferring all health functions to the Commonwealth is widely supported by senior politicians at Commonwealth and State level and across the political party spectrum, as well as academics, doctors and other health workers, various medical and health organisations, the media, and others.

Table 4B-2 contains a subset of the media reports shown in Table 4B-1 which document specific proposals to transfer the entire health function to the Commonwealth. When read in sequence, these reports provide an example of sincere concern and effort on the part of several senior politicians on the one hand, but almost childish blame-shifting and theatrical political

point-scoring on the other. Such displays might be amusing and genuinely entertaining on an apt stage, and if health care wasn't a matter of life and death gravity, but many observers over many years have lamented that significant reforms and improvements in Australia's health system have all too often been thwarted by the very behaviours captured in Table 4B-2.

Typical criticisms of Australia's current health arrangements, and associated calls for reform, now follow, beginning with a conspicuously well detailed proposal announced by the Australian Democrats in April 2000.

The Australian Democrats' 'Delivering a Remedy' Health Plan

In April 2000, the Australian Democrats (2000; see also National Rural Health Alliance 2000: 1,3) released an extremely comprehensive plan for reform of Australia's entire health care system, including aged and community care. The plan, titled 'Delivering a Remedy', centred on a new 'integrated regional funding' model, described as follows (Democrats 2000: 12, emphasis as in original):

The Democrats are proposing a new funding model which strengthens the existing Medicare system by including all Federal and State government funding for health, aged care and community care into a single pool of Medicare funds.

This system would require a restructuring of current funding arrangements to bring together all current funding, including the Medicare hospital grants, state hospital funding and specific programs, such as HACC (home and community care) under the one umbrella. The Medicare levy would continue as one mechanism for raising a proportion of health revenue.

The funding would be allocated on a per capita basis directly to large regional areas. These regions would use the funding to provide medical hospital, allied health, aged care and community care for their populations. Regions would include a large enough population base (at least 300 000) to sustain most of the health services required on a day to day basis, with some sharing between regions of highly specialised care. Regional health authorities would be governed by representatives elected by the community and include service providers, health professionals and consumers. They would be answerable to the community as well as State and Federal governments for their decisions and clear accountability mechanisms would [be] put in place to ensure that this occurs.

The Democrats (2000: 16) believe that "there is significant potential for better health outcomes and significant cost savings if we adopt an integrated regional funding system".

The costly waste, duplication, fragmentation, cost-shifting and coordination problems that arise under current arrangements are highlighted by the Democrats (2000: 5):

Current funding and structural arrangements for health and community services cause significant wastage throughout these sectors. Different levels of government and different vertically structured health programs have a financial incentive to shift responsibility for providing appropriate care elsewhere to save their own costs. This results in the misdirection and inappropriate use of health care resources and costs the community millions of dollars a year.

There has been insufficient research conducted into the many ways in which resources in the health sector are wasted through duplication of function, cost-shifting and inappropriate use. However, there are some key examples of where the costs of these practices can be considerable, for example the use of acute care beds for patients requiring aged care when a more cost-effective alternative, such as a nursing home bed could be provided.

...

Politically driven changes in the organisation of health care services can be very expensive without any gains in access, quality or cost effectiveness of care. Central health department bureaucracies have grown exponentially as they try to second guess the managers of health services to reduce political risks rather than concentrating on policy development, strategic planning and purchasing services needed by the community.

It is further claimed (Democrats 2000: 9-10) that:

Australia's current system of health care funding is overly complex and obstructs the co-ordination of services. Current Commonwealth/State funding and organisational structures create duplication in administration and therefore increase overall health care costs. Boundaries between levels of government, funding bodies and service provision are confused and consumers frequently find themselves caught between different government programs and funding sources.

The development of Australia's health financing system has been historically more about politics than efficiency or equity. Cost shifting between different levels of government wastes valuable resources and restricts co-operation between programs and health services. It does however give each level of government someone to blame when the complaints flow in.

The complex program and funding arrangements discourage consumer input and accountability. Without transparent funding arrangements governments are able to pass onto another jurisdiction responsibility for inadequate funding or service delivery. In many cases, the present funding system provides financial incentives for less appropriate care and disincentives for pursuing health promotion, prevention of illness and the coordination of services.

This "web of cost-shifting" works in a number of ways to pass costs from one sector to another and in the process wastes considerable health care resources. In many cases cost-shifting is about short term savings and often results in increased costs in the long run. ... Cost-shifting practices can become self-perpetuating as practices become entrenched and are considered to be a normal part of the functioning of the hospital or health service.

The Democrats (2000: 9) "believe that the major structural reform of the health system is essential" in order to overcome such problems, "and that the money saved through this will meet much of the existing un-met need for health care".

Improved data sharing is also emphasised (Democrats 2000: 6):

There are many areas in which improved data sharing between Commonwealth and State governments and between different health sectors could provide more integrated and appropriate care to people, particularly those with complex health care needs.

The Democrats (2000: 8) articulate significant links between effective health reform, improved health outcomes, and the general wellbeing and productivity of people and the economy as a whole:

The Democrats believe that we need a paradigm shift in the way we think about health funding. We need to stop talking about money spent on health care as a drain on resources and start

talking about it as an investment in human capital which will pay dividends in the future in terms of better health outcomes and increased quality of life. As an investment, we need to focus more on how we can maximise the returns on our health expenditure through increasing the health outcomes we can achieve. The Democrats believe that health is a productive sector of the economy and that spending on health services provides economic benefits through creating jobs, providing opportunities for research and technological development and increasing the productivity of Australia's workforce.

Further Health System Critiques and Reform Proposals

Health economist John Wyn Owen (1997: 653) claims that:

The key reform that is still required is to eliminate the wasteful duplication of effort within the federal system. Perhaps the greatest area of waste is the duplication of Commonwealth and State responsibilities and the endless preoccupation with cost shifting. The fines imposed on the States by the Commonwealth at the end of 1996 for cost shifting are a clear example of the problem.

National Competition Council President Graeme Samuel (1999: 2), speaking on National Competition Policy and the Health Sector, observed that:

The adoption of a co-ordinated approach to reform on a national basis recognises the growing reality of Australia as a single market, rather than a series of markets delineated by State borders. A national framework also seeks to overcome the inconsistencies that can arise from a more piecemeal approach. In the past, a state-by-state approach in rail led to not only different gauges but also different technical and safety standards. A national approach also allows each State to capitalise on what the others are doing, removing the need for each State to individually reinvent the wheel.

According to John August (2002), speaking on Australia's health system:

For a Government to be responsive, it must be accountable. For it to be accountable, it must be transparent. For it to be transparent, it must be understandable. In other words, simplicity and transparency are important to democracy. Unless we can see and understand what is going on, we can't be sure that the best decisions are being made.

There is a duplication in the bureaucracies at Federal and State level, and removing that duplication would free up more money for the delivery of services. But further, the Federal public service would not need to coordinate between it and the states as it does now; this would be a big saving in the resources needed to administer health. I've also heard from Arthur Chesterfield-Evans [NSW Democrats Parliamentarian] that there are many decisions whose only effect is to shift funding, a wasteful exercise akin to shuffling deckchairs on the Titanic.

...

In promoting the transfer of powers to the Commonwealth government, we seek a regional responsiveness which exceeds that which the states are able to deliver. But, there is also a duplication in bureaucracies between the States and the States and the Commonwealth Government. In moving power to the Commonwealth government, the bureaucracies could be streamlined, and the savings resulting in improved services at the coalface of all services including health, or making them a smaller drain on GDP.

... In addition to streamlining the bureaucracy, we streamline and simplify the thought processes along the way. We can more readily observe the interactions and trade offs we make between health and other policies, and more readily understand the nature of health employment, because everything would be happening "in the sunshine". This is the line of thought I developed earlier, where a transparent government means a responsive government. Bureaucracies do have a

natural tendency to grow. Enabling the streamlining of health bureaucracies is not all that is required - focused leadership is also necessary to ensure that outcomes are improved rather than lost though growth in the bureaucracy. But, with transparency, we hope the electorate will provide the pressure on government to ensure this takes place.

The AMA [Australian Medical Association] describes the Federal/State financial framework as a "confused and tangled mess of cost and blame shifting, pointless duplication of bureaucracies, inexplicable gaps in service provision, conflicting ideologies and unresolved conflict in health policy objectives".

The AMA quote as above was included in a 1999 submission to an Australian Senate Inquiry into Public Hospital Funding (Crabb 1999: 13). Roger Kilham (2002: 8), of Access Economics, later claimed similarly that:

Australia's health financing system is complex – it can be portrayed as an imbroglio – a confused and tangled mess. Some of the problem areas simply seem to be regarded by governments as simply being too difficult to tackle. The Federal system itself is a major source of muddle and discord. Pernicious inertia? Perhaps. Then again, the cost and blame-shifting that is so often the hallmark of Federal financial relations is more really popular with our leaders than we might imagine. Health care involves some very tricky issues. It is so convenient to have someone else to blame.

Health economist Gavin Mooney (2004) provides the following recent appraisal:

The split between the states and the Commonwealth is among the dafter parts of our system. Recently, some federal Liberal backbenchers suggested that the public hospitals should become the responsibility of the Commonwealth. Predictably, in my own state of WA, both sides of politics opposed the idea - after all, it would have seriously eroded their power base. The argument voiced was that the states are closer to an understanding of the preferences of the people. However, the question of who runs health services can, and should, be separated from how citizens' preferences are built into decision making. Centralising the management of health services nationally can be combined with being driven by state, regional or local community preferences.

The commonwealth-states split creates problems that are much wider than simply duplication and cost-shifting, bad as these are. The extent to which one can currently pursue allocative efficiency and equity is greatly compromised by the split. One bucket of money, one system would allow a far better opportunity to pursue some common objectives. Given this split, the sheer size of the private system and its pollution of the public system and we have a recipe for what may well be one of the worst designed and least equitable health-care systems in the developed world.

...

While we await a time when all health services are run by the commonwealth or all by the states, a joint commonwealth-states fund should be set up amounting to perhaps 10 per cent of the existing total spend and which could be used to purchase any health services. Cost-sharing would replace cost-shifting.

Qualitative Estimates of the Financial Benefits of National Approaches to Health

The proposals described above have provided numerous qualitative claims as to benefits possible through health reforms as examined. The 192 media articles presented in Appendix 4B, in Table 4B-1, also contain numerous references to costs, duplication, waste and inefficiency within and across Australia's nine Commonwealth, State and Territory health systems, and contain specific words as follows, for example:

- "duplication" 140 times, "duplicated" 12 times and "duplications" once;
- "waste" 94 times, "wasteful" 11 times, "wasted" eight times, and "wastes" twice, and "wasting" once;
- "inefficiencies" 23 times, "inefficiency" 17 times, "efficiency" 14 times, "efficient" 13 times, "inefficient" eight times, "efficiencies" four times, and "efficiently" once.

Qualitative insights and estimates provided in two reports produced by the Productivity Commission in 2005 are now briefly considered.

Productivity Commission February 2005 Review of National Competition Policy Reforms

As noted in Chapter 4, the Productivity Commission (2005a) refers extensively to the need to reform Australia's health system in its February 2005 report on its *Review of National Competition Policy Reforms*. Under the heading of "new areas for nationally coordinated reform", the very first recommendation presented in this report is for health care, as follows (PC 2005a: L,334):

The Australian and State and Territory Governments should initiate an independent public review of Australia's health care system as the first step in the development of an integrated reform program. The review should include consideration of: the key future determinants of demand for and supply of health services; health financing issues (including Federal/State responsibilities and their implications); coordination of health care services (including with informal and formal aged care services); the interface between private and publicly provided services; information management; and the appropriate balance of resourcing between prevention and treatment.

The Commission (PC 2005a: XXXIX) also "considers that initiation of nationally coordinated review and reform programs is most pressing for ... health care":

where the complexity and diversity of service provision and the current delineation of financing and delivery responsibilities between the Australian and State and Territory Governments put a premium on effective coordination, but where it is widely accepted that coordination efforts to date have been found wanting.

Whilst the Commission (PC 2005a: XXXV) acknowledges that "Australia's health care system still performs adequately against a number of overall outcome indicators", it is also

acknowledged that the system "is beset by widespread and growing problems" and that "overlapping roles and responsibilities between the Australian and State and Territory Governments either cause or contribute to some of these problems". It is also claimed that (PC 2005a: 328) "it is generally accepted that the design of financing and delivery arrangements give rise to considerable inefficiency and waste in the health system" and that "fragmentation and lack of coordination is a key contributor".

According to health economist Richard Scotton (2002: 86, as partly reproduced in PC 2005b: 329):

The intrinsic difficulties in finding efficiencies in the health system are compounded in Australia:

- (a) by the almost unique division of responsibility for health service funding between Federal and State governments;
- (b) by the multiplicity of separate programs; of which Medicare is only one, through which public sector health services are funded; and
- (c) the lack of articulation and of comparability of incentive systems between public and private sector funders and providers.

The consequences are:

- distortions of consumer choices and provider allocation decision making;
- impediments to efficient substitution between higher and lower cost modalities of care funded under different programs; and
- the generation of opportunities for cost shifting between different payers, which are availed of on a wide scale, at considerable direct and indirect cost.

The implications of this diagnosis, if accepted, are that an overall strategy for the health system would include not only general market-oriented reforms designed to transmit better incentives to all participants in the system (funders, providers and, as far as possible, consumers), but also significant restructuring of existing program and funding arrangements, in order to encourage productive substitution and minimise cost shifting. This would involve substantial dismantling of the existing regulatory systems, rationalisation of the roles of Commonwealth and state governments and, to the extent consistent with other objectives, promotion of genuine competition within and between public and private sector participants.

Health care, according to the Commission (2005a: 371):

is already a key sector in terms of both economic and social outcomes, and will become even more important in the future as Australia's population ages and as advances in medical technology expand the range (and cost) of treatment options. And it is also a sector where the complexity and diversity of service provision, and shared responsibility between the Australian and State and Territory Governments for funding and delivering those services, put a premium on effective coordination. Yet there is general acknowledgement that previous efforts to coordinate delivery between different services and levels of government have been found wanting. This has contributed to sizeable inefficiencies in service delivery, cost and blame shifting and, most importantly, lower quality or less accessible services for the Australian population.

Productivity Commission December 2005 Report on Australia's Health Workforce

The Productivity Commission's December 2005 research report on 'Australia's Health Workforce' (PC 2005b: xxv) contains the word "duplication" 17 times (and "duplicate" and "duplicated" once each as well) and well over 100 references to the inefficiency of current health care arrangements in Australia, and includes the following overview of current health workforce arrangements and improvements anticipated in a national system:

State and Territory boards register most health professionals as having the appropriate qualifications, experience and 'character' to practise in their chosen field. The more than 90 boards also ensure compliance with requirements to practise and for continuing professional development.

Diversity in these state-based systems leads to variations in standards across the country, results in administrative duplication and can impede the movement of health workers across jurisdictions (notwithstanding the operation of mutual recognition). Reflecting such costs, agreement has been reached to introduce nationally consistent registration arrangements for the medical profession.

The Commission agrees with those advocating a single national registration board for all health workers – as distinct from seeking to achieve greater uniformity within the current regime, or to introduce profession-by-profession registration at the national level, outside of an overarching registration framework. Such a consolidated approach would:

- whilst generally recognising profession-specific registration, reinforce an across-profession emphasis in health workforce arrangements;
- lock in national standards based on the qualification requirements established by the national accreditation agency, and informed by advice from the workforce improvement agency in regard to expanded or new professional roles;
- provide objective evaluation of what additional professional or sub-professional registration is warranted, taking into account alternatives to formal registration, such as strengthened credentialing and delegation processes; and
- offer the prospect of administrative and compliance cost savings.

Three media reports in Table 4B-1 below, all dated 19 January, provide further details on this December 2005 Productivity Commission report and its recommendations.

Selected Recent (1996 to 2006) Media Reports Calling for National Approaches to Health

Table 4B-1 below contains extracts from 192 media reports from 1996 through to 2006 (177 from 2003 to 2006) which describe support for national approaches to or national control of the health care function, or part thereof.

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Business Review Weekly</i> 6 May 1996 p. 6</p>	<p>'The Traps Being Set For Howard', by Robert Gottliebsen</p>	<p>WHERE SIGNIFICANT CHANGES CAN BE MADE</p> <p>... Costello needs to work closely with the head of his audit team, Bob Officer. If they are doing their job, Officer and his team will come up with innovative ideas for changing the way things are done. Starting with Health: two years ago, when Graham Richardson was Health Minister, the Commonwealth, Victoria and Queensland reached an agreement. Initial savings through reduced duplication amounted to \$500 million, but with a bit more work, savings probably would be closer to \$1 billion. A similar process would yield big returns in Education and other government departments with activities that are duplicated in the states.</p>
<p><i>Daily Telegraph</i> 16 Jun 1997</p>	<p>'Double costs strain health system', by Louise Brannell</p>	<p>CONTINUING confusion over the respective roles of federal and State governments in the health care sector was creating waste and a pressing need for national reform, according to the former director-general of the NSW Health Department. In the latest issue of <i>The Australian Medical Journal</i>, John Wyn Owen said a duplication of State and federal government responsibilities and the endless preoccupation with cost-shifting created enormous waste. "The key reform that is still required is to eliminate the wasteful duplication of effort within the federal system," he said. "A comprehensive reassessment of education and training, coupled with a well focussed and targeted staff investment policy will be essential." Lingered problems relating to access to care and inequalities in health status would only be resolved through leadership, commitment and bi-partisan support, said Welsh-born Mr Owen, who has returned to the UK. Mr Wyn Owen, who held a number of health posts including chair of the Australian Health and Community Services Ministers' Advisory Council, said three factors were thwarting an attempt to provide an economical, people-centred health service. These were a continuing confusion over the roles of different levels of government, a lack of a coherent framework for quality, and a failure to involve the community in planning and managing health services. "Responsibility for primary care is split between the Commonwealth, which funds general practitioners, and the States, which fund community health services, and this raises problems of cost shifting," he said. Mr Wyn Owen said the Council of Australian Governments-sponsored co-ordinated care trials were "exploring options" but it was "difficult to see how these few short trials will solve the problems of integrating primary care throughout the system".</p>
<p><i>The Australian</i> 7 Aug 1999</p>	<p>'Hospital inquiry defies PM', by John Kerin and Brian Woodley</p>	<p>THE BATTLE over reform of the health system escalated yesterday, with a Labor-led political alliance defying John Howard and triggering a national investigation. The Federal Opposition, the Australian Democrats and One Nation combined to support a wide-ranging Senate inquiry into the health system. It will examine how to deal with funding waste between the Commonwealth and the States and cost pressures from an aging population and medical technology.</p> <p>... The inquiry will examine waste and duplication in Commonwealth-State financing, hospital and community healthcare, private insurance rebates, the extent of use of public hospitals by private patients, ways to reduce hospital waiting lists and make hospitals safer for patients.</p> <p>... The States and Territories wanted all options on the table as part of a Productivity Commission inquiry, including means testing.</p> <p>... A spokesman for Democrats leader Meg Lees said last night the party had "long been concerned about problems plaguing the health system", particularly the Howard Government's decision to divert \$1.7 billion into its private health handouts. "We would need to discuss appropriate terms of reference that ensure the principles of Medicare are reinforced rather than dismantled but on that basis we would be open to an inquiry," he said. One Nation also pledged support last night and a spokesman for Greens senator Bob Brown said he was "open to an inquiry". But a spokesman for Health Minister Michael Wooldridge said the Government did not see any need for an inquiry. "If the Senate wishes to have one, it's up to them," he said. Mr Howard said an inquiry would be a "waste of time" and would give the States an excuse to freeze any new hospital initiatives. State and Territory leaders have threatened to hold their own inquiry, but this is expected to founder without the support of Victoria. Questions for an inquiry</p> <ul style="list-style-type: none"> * Do Federal, State and local governments waste health spending? * Are public hospitals adequately staffed, resourced and funded? * Are public hospital waiting lists too long, causing long waits for elective surgery? * Are there systems to address errors and threats to patient safety in hospitals? * What is the extent of use of public hospitals by private patients? * Is hospital care appropriate when less expensive community care could be warranted?

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 9 Nov 1999</p>	<p>'Health data to go online', by Selina Mitchell</p>	<p>AUSTRALIA could have an electronic records system within five to 10 years, incorporating the lifelong medical files of people across the country that could be accessed anywhere and anytime they were required. A National Electronic Health Records Task Force will meet on November 30 to discuss a framework for the records system, and it will report to health ministers around the middle of next year. The Health Online package is an attempt to turn around what has been described as an unconnected, unco-ordinated approach to technology health initiatives in Australia. At the Canberra launch of the document, Federal Health Minister Dr Michael Wooldridge said it was crucial to establish a national approach. "Australia has a relatively small economy and we can ill-afford any duplication or waste of scarce resources," he said. "In the absence of an agreed national approach we could end up with incompatible information systems that can't connect across state and territory boundaries." The national system for recording and sharing information, if it were established, would aid service delivery, chief medical officer to the health department Professor Richard Smallwood said. Today, most paper-based patient health records were fragmented and information quality varied enormously, he said. Practitioners and consumers needed the right information at the right time, but it was not always available. Professor Smallwood said an electronic system would enable medical carers to quickly access a patient's records if, for example, they were a Melbourne resident who got sick in Roma, Queensland. If appropriate international standards were developed, the system could extend overseas, he said. Professor Smallwood said privacy and security were critical issues. "In parallel with the thinking about the uses of health information there is going to have to be development of data protection," he said. Technology and legislation would protect the data, and authentication processes would need to be developed, he said. "If we're going to have health information readily available electronically we have to know with certainty that information we access relates to the person sitting in front of us," he said. Professor Smallwood said any system would be voluntary and it was unlikely there would be a central repository for information. In one scenario, decentralised virtual records would be stored with the service provider and only with the authority of the consumer could information be brought together. Professor Smallwood said the task force would have a very complex job. "There are huge issues of infrastructure, and it will require an uptake of computers and training in IT for general practitioners," he said. The electronic records system and other online health strategies were still a fair way off, Professor Smallwood said.</p>
<p><i>Adelaide Advertiser</i> 11 Nov 1999 p. 13</p>	<p>'Plan for private health cover costs', by Annabel Crabb</p>	<p>The Senate inquiry, which begins in Canberra today, was undertaken to investigate an alleged funding crisis in Australian public hospitals. It was initiated by the Opposition and the Democrats in the Senate after the Federal Government rejected calls for an independent inquiry from state leaders. The Australian Medical Association, in a written submission to be presented to the inquiry, blasted the current Commonwealth-state funding arrangements as "dysfunctional". "One word that comes to mind here is imbroglia a confused and tangled mess of cost and blame shifting, pointless duplication of bureaucracies, inexplicable gaps in service provision, conflicting ideologies and unresolved conflict in health policy objectives," the AMA submission says.</p>
<p><i>Daily Telegraph</i> 11 Nov 1999 p. 15</p>	<p>'Hospital funds a mess'</p>	<p>THE funding arrangements for public hospitals were a confused and tangled mess, a submission by the Australian Medical Association said yesterday. The AMA submitted to a Senate inquiry into public hospital funding that the joint Federal/State funding arrangement would not help fix the failings in the public hospital system. "One word that comes to mind here is imbroglia - a confused and tangled mess of cost and blame shifting, pointless duplication of bureaucracies, inexplicable gaps in service provision, conflicting ideologies and unresolved conflict in health policy objectives," it said. The doctors' lobby group said the problem would be improved by separating the respective roles of the Federal and State Governments. One option would be for the Federal Government to fully fund all public hospital services.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 29 Nov 1999 p. 2</p>	<p>'Health Cash to be Diverted from the City', by Linda Doherty and Mark Ragg</p>	<p>The Minister for Health, Mr Knowles, has made it clear that a clean-up of waste and mismanagement – not new funding – will be used to pay for improvements in the health system. ... Mr Knowles said he agreed with Professor John Dwyer, professor of medicine at the Prince of Wales Hospital, that of the \$7 billion health budget, about \$1.5 billion "was not appropriately spent because of duplication". The chairman of the NSW Health Council, Mr John Menadue, supported the minister's analysis, telling Channel 7 yesterday there were "several hundred million dollars" worth of "improvements and efficiencies" that could be made within the public hospital system. The Health Council, set up by Mr Knowles in July after widespread publicity about hospital bed shortages and emergency department closures, is examining the best way to redistribute the \$7 billion health budget. "We'll be addressing funding ... the equity and the distribution of funds between various parts of the State," Mr Menadue said yesterday. However, he signalled he would not recommend any more money for health. "We have ... limited health resources and I don't think as a community we're prepared to pay more unless we want to increase taxes or take money from education or other areas ...," he said.</p> <p>Mr Knowles also acknowledged that rapid growing and aging areas in the Northern Rivers, Central Coast and Mid-North Coast area health services would need extra funding. Coffs Harbour doctors told Mr Knowles on Friday that the Mid-North Coast received the lowest level of health funding in the State at \$390 a person. The rural average is \$440, with the State average at \$540.</p>
<p><i>Sydney Morning Herald</i> 30 Nov 1999</p>	<p>Editorial: 'Money For Hospitals'</p>	<p>A \$15-million-a-year injection of extra funding for NSW hospital emergency departments is announced, but the State Health Minister, Mr Knowles, warns that it is a one-off measure. He has in mind more fundamental measures to follow. But they are not extra funding. Instead, he talks again of waste and mismanagement: "More money of itself doesn't necessarily guarantee better health care; the money must be linked to improved practice." Such talk always sounds reasonable. But in the context of public hospitals, is it really?</p> <p>Those calling for efficiency in the public hospital system have been heard so loudly and so often that they have come to sound like the boy crying wolf. If the hospitals are so wasteful and inefficient, and have been that way for so many years, how is it that the State Government has not been able to put them right? Calls for efficiency and an end to waste, if made too often by governments, begin to reflect more on those making those calls than on their targets.</p> <p>That is especially so when the Government seems so reluctant to be pinned down on the question of actual responsibility for ensuring efficiency and curbing waste. Too often, argument slides away to the old complaint against the Federal Government for its failure to return sufficient funds to the States for health. That rigmarole has become tiresome. The States allege Commonwealth parsimony. The Commonwealth denies the charge and counter-charges the States with duplicity. In the latest extraordinary example of this, the Federal Health Minister, Dr Wooldridge, has accused the NSW Government of diverting much of a \$95 million Commonwealth health grant to the Olympics. "That \$95 million didn't find its way to hospitals - only \$53 million did," Dr Wooldridge said on Channel Seven on Sunday. "We don't know what happened to the other \$42 million. We think it went to the Olympics." Naturally, Mr Knowles denies this, flatly and emphatically.</p> <p>What is the public to make of this? Much the same, perhaps, as it is supposed to make of the claim - made by Professor John Dwyer and endorsed by Mr Knowles - that of the \$7 billion a year NSW spends on the hospital system, \$1.5 billion was "not appropriately spent because of duplication". This claim seems to lend support to Mr Knowles's claim of waste, if not mismanagement, from one who would know better than most - Professor Dwyer is professor of medicine at Prince of Wales Hospital. But again, it raises more questions than it answers. It is all very well to be told, in effect, that the money for a better health system is there, if only it could be redirected by eliminating "duplication" in hospital services. If that is the problem, what is being done about it, and why has action not been taken on it before now?</p> <p>Sadly, debate on public health funding seems to be conducted through broad assertions for which little or no support is offered. The full picture seems rarely if ever allowed to come into focus. Meanwhile, the actual crisis in public hospitals is real enough. Long waiting lists can sometimes be the result of false expectations. Some services do have to be reduced at some times, such as the Christmas-New Year period, because doctors too take holidays. But the pain and inconvenience many sick and injured people suffer because of limitations in the public hospital system cannot be denied. The public wants to know why. Above all, it wants to see the hospital system functioning as it should. The \$15 million promised by Mr Knowles is obviously too little to achieve that, and the public can be rightly suspicious of claims that enough extra money will come from yet another efficiency drive.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 14 Apr 2000</p>	<p>'Democrats Pitch Health Overhaul', by Mark Metherell</p>	<p>The Federal Government will investigate a Democrats proposal for the radical restructure of the health system aimed at handing money and power to regional health authorities. The plan, announced yesterday by the Democrats leader, Senator Lees, would combine all State and Federal government health and community care spending into a single pool, ending the regular fights between the States and the Commonwealth over funding. Financing would be distributed per head of population to regional authorities which would deliver care subject to national priorities set by the Commonwealth and oversight by State governments. This would also mean local authorities had greater control over spending on medical services and pharmaceuticals, resulting in a move towards more salaried doctors and limits on use of private doctors.</p> <p>The Liberal-led ACT Government has offered to trial the scheme, although that would require Commonwealth approval. Senator Lees discussed the proposal yesterday with the Federal Health Minister, Dr Wooldridge, who said he would refer the proposal to his department for assessment.</p> <p>The Democrat policy document, titled <i>Delivering a Remedy</i>, says the proposals would reduce public hospital waiting times by stimulating a more rational use of services. The regional authorities would be able to deal with local needs in a more co-ordinated way. Community care of the aged and invalids, which often lost out to the hospitals in funding, would be boosted, giving people with chronic conditions better attention and reducing the misdirection which often left patients unnecessarily in costly hospital beds. "Different levels of Government and different vertically structured health programs have a financial incentive to shift responsibility for providing appropriate care elsewhere to save their own costs." Even basic communication between hospitals and general practitioners about patients often did not occur, hindering effective use of health services and resulting in poorer health outcomes for people with complex problems. The proposed health authorities would be based on regions with a minimal population of at least 300,000.</p>
<p><i>The Age</i> 14 Apr 2000</p>	<p>'Democrats' Radical Vision For Medicare', by Darren Gray</p>	<p>CANBERRA – Victorian Health Department jobs would be cut, Commonwealth and state health funds consolidated into one pool, and regional authorities established to deliver healthcare services under a complete overhaul of Medicare proposed yesterday by the Australian Democrats. The Democrats also want a shake-up of Melbourne's metropolitan hospital networks, which were established five years ago by the Kennett Government and are now under review by the Bracks Government. <i>Delivering a Remedy</i>, effectively the Democrats' health policy for the next election, has the backing of the ACT's Health Minister, Michael Moore, who said he would seek Federal Government approval for a three-year trial. The Democrats' blueprint calls for health funding to be allocated directly to specific geographical areas on a per-capita basis. The party's leader and health spokeswoman, Senator Meg Lees, said that each area would contain about 300,000 people, could cross state boundaries, and would ideally contain a big teaching hospital. Because regions had different health needs, individual top-up payments could be made, she said. The new regional health authorities would be governed by a board elected from the local community, service providers and medical groups, and would be required to provide health, aged and community care as specified by the Commonwealth. They would be free to determine how funding is allocated and staff paid, with doctors possibly being hired on a salaried or contract basis. The policy says: "Ideally the Commonwealth would specify health goals and targets that regions are expected to achieve as part of a comprehensive National Health Strategy, developed through negotiation with the state governments."</p> <p>A spokeswoman for Health Minister Michael Wooldridge said he was impressed at the energy put into the paper. He would read it and forward it to the federal Health Department, she said.</p> <p>Senator Lees said public hospitals were short of funds, and that money was being wasted through inefficiency and cost shifting between state and federal health authorities. "Wastage because of all the cost shifting happens almost at every level ... but it runs into the hundreds and hundreds of millions of dollars a year," she said. Labor Health spokeswoman Jenny Macklin said any proposal to tackle cost shifting should be considered.</p> <p>Senator Lees said the plan would strengthen Medicare, improve prevention mechanisms and give people more appropriate treatment. "We are not talking about more money. We can do this within the current funding mechanisms," she said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Canberra Times</i> 14 Apr 2000</p>	<p>'ACT "guinea Pig" For Health Plan', by Catriona Jackson</p>	<p>The ACT has offered to act as guinea pig for a new health-care system devised by the Australian Democrats. The ambitious plan aims to end the system of divided responsibility for health, pool state and Commonwealth health funding, and allocate it to regional health authorities. Federal Government approval is needed, however, for a trial to begin. Federal Health Minister Michael Wooldridge referred the plan to his department yesterday, after a meeting that Democrats Leader Meg Lees said "went well".</p> <p>The support of doctors is crucial to the plan's success. ACT Health Minister Michael Moore conceded getting doctors on board would be a "challenge". The trial would not involve the ACT in any additional costs, and would make real progress toward fixing a highly complex and fragmented system. "As a long-term advocate for reform, I am very very happy for the ACT to pilot an integrated care funding model," he said.</p> <p>Launching the Delivering a Remedy document, Senator Lees said it was time to end the buck passing and cost shifting. The only way to do that was to bring health care under one umbrella. At present there was duplication of services and bureaucracies, and waste on a large scale as jurisdictions fought over responsibilities. Health departments would become smaller, but she could not predict by how much. The system would be restructured so that all funding, including Medicare hospital grants, state hospital funding and specific programs such as health and community care would be pulled together. The Medicare levy would remain, and the system would strengthen it as a whole, Senator Lees said. The plan did not require an increase in funding for health, because of the savings that would be made.</p> <p>The ACT Government would not lose control of the direction of health care. The Commonwealth would set strict targets, and the states and territories would monitor the regional authorities. Funding would be allocated on a per-capita basis, some adjustments being needed to compensate for disadvantaged groups and higher costs, especially in remote areas.</p> <p>The regional authorities would not necessarily exist within state and territory boundaries, would ideally contain at least one teaching hospital, and have a population of more than Ms Lees said the plan would allow doctors more flexibility. General practitioners not at present allowed to work in hospitals could treat people who did not really need costly emergency care.</p> <p>Reaction from doctors was mixed. Australian Medical Association president David Brand said it was not going to attack the plan at first glance, but the AMA position would need to be considered at federal council. The AMA agreed the system desperately needed to be streamlined, but was not sure that regional authorities were the way to go. The president of the ACT Division of General Practice, Stan Doumani, said the plan presented some threats and some promise. He was concerned that the "revolutionary" plan went too far, and would throw the baby out with the bathwater. The division thought a hard look at the system was needed, the good parts kept, and the bad parts replaced.</p> <p>Professor Don Hindle, of the University of NSW, said Dr Wooldridge, Mr Moore and ACT Chief Minister Kate Carnell knew it was a good idea, but doctors' groups, dominated by private specialists, would try to block it. The Democrats' plan was brave and sensible, and one day they would win, he said.</p>
<p><i>Adelaide Advertiser</i> 15 Apr 2000</p>	<p>'Praise for health system', by Annabel Crabb</p>	<p>AUSTRALIA'S health system would be divided into regions of 300,000 people to be controlled by locally-elected boards under the Democrats' new health policy. Democrats Leader Meg Lees said the scheme, which she and her party had spent two years researching and drafting, would take federal and state funding and put it into "one bucket" to be doled out to regions according to need. The sweeping plan, which would virtually decimate the contribution of state governments to the health system, received degrees of support from the Federal Government and Opposition yesterday. Health Minister Michael Wooldridge described it as "impressive". Public hospitals, GP services, aged care, local area health plans, teaching and specific programs would be handled by regional health authorities locally elected to represent service providers and consumers. The Federal Government would be responsible for setting national health priorities and standards. The states would be reduced to monitoring those standards. Senator Lees said the Australian health system was well regarded internationally, but was continually a prey to cost-shifting and waste between federal and state governments. "The key to our model is the single funding source, because it brings increased purchasing power and eliminates the incentives for cost-shifting and the administrative duplication between different health programs and levels of government," she said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Age</i> 1 Aug 2000</p>	<p>'Summit To Tackle Health Spending Waste', by Darren Gray</p>	<p>HOBART – A Federal Labor Government would convene a national health summit to tackle waste in health spending, duplication and cost-shifting between the states and the Commonwealth. In a radical overhaul, Labor would also merge each state's Commonwealth health funding into one single funding pool, called "joint Medicare accounts", allowing the states more say in how their funding is spent. The health summit, to be attended by health workers and state and territory governments, would develop performance benchmarks for public hospitals and for state and territory health systems.</p> <p>... Mr Beazley said a Medicare alliance he signed with the state and territory Labor leaders yesterday would stop the continuing fighting and blame-shifting between the states and the Federal Government over health financing. "People are sick of it, sick of the bickering," he said.</p> <p>Australian Medical Association federal president Kerry Phelps, a vocal advocate of a national health summit, said she was delighted that Labor had backed a national meeting on health. Mr Beazley also said a Labor government would establish a Health Financing Commission to distribute Commonwealth health funds. And he pledged yesterday to increase health funding in real terms over the next 10 years.</p> <p>Democrats leader Meg Lees said her party had already suggested pooled health funding in the paper, <i>Delivering a remedy</i>, launched in Canberra in April.</p>
<p><i>The Age</i> 28 Aug 2000</p>	<p>'Public Health Goes Electronic', by Julie Szego</p>	<p>Though her manner is modest, and her Northern Ireland accent soft and lyrical, Anne Davies is the leader of a revolution. The revolution is called "e-health" and while the term throws up futuristic, New Age associations (self-diagnosis on the Internet, virtual surgery?) the chief executive officer of the Melbourne-based company IBA Technologies is ultimately committed to rehabilitating an established - though vulnerable - institution: the public health system. "We're helping the public health system by helping doctors and nurses do their jobs. They're not doing a bad job but this can help them do a better job," said Ms Davies. IBA, she says, has the potential to "save" Australia's public health system by eliminating the waste, inefficiency and duplication which often plague it. Provided, of course, that state and federal governments want it saved – but more on that later.</p> <p>... Federal Health Minister Michael Wooldridge recently expressed his support for a \$400-million national database of medical records, where patients decide who will get access. And Ms Davies says she is also encouraged by the attitude of Victorian Health Minister John Thwaites. "For a long time, governments had talked about initiatives in this area but we were yet to see any funding," Ms Davies said. "If you ask whether more should be done now, I say yes, but it's wrong to say that nothing is happening. While we have not seen this sort of funding in the past, I think that is set to change."</p>
<p><i>Australian Associated Press General News</i> 5 Sep 2002</p>	<p>'Fed - Red tape could be costing GPs \$15,000 per annum – AMA'</p>	<p>CANBERRA, Sept 3 AAP - Doctors today warned that red tape could be costing GPs up to \$15,000 a year. The Australian Medical Association (AMA) said extra layers of bureaucracy were creating an impediment to high quality patient care. The AMA also blamed bureaucracy for contributing to doctor shortages. "Red tape is strangling GPs," AMA president Kerry Phelps said. "Research based on direct polling of doctors and Relative Value Study (RVS) calculations indicates that red tape could be costing many GPs as much as \$15,000 a year. "But it's not just the financial cost, it is the time lost that would be better spent with patients, with family, or at leisure."</p> <p>The AMA today made its submission to the Productivity Commission's Review of Red Tape in General Practice. Dr Phelps said more than 70 per cent of GPs believed the effect of paperwork was compromising the treatment they offered their patients. "Red tape associated with blended payments and accreditation compliance costs far outweighs any quality outcomes," she said. "And the recent privacy legislation has added another layer of administration to the GP workload."</p>
<p><i>Herald Sun</i> 22 Feb 2003</p>	<p>'Dems support health fund arbiter', from AAP</p>	<p>AN independent arbiter of health funding could eliminate the regular slanging matches between state and federal health ministers, the Australian Democrats said today. Democrats health spokeswoman Lyn Allison said her party supported the call by Labor, which has previously proposed an independent statutory authority to determine health funding. "If the commonwealth government and states cannot make any progress on an issue which impacts on everyone in the community, then let's take the politics out of the question," Senator Allison said in a statement.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>Penrith Press</i> 25 Feb 2003	'Rethink needed to avoid collapse'	"OUR health system is on the verge of collapse and the problems will worsen unless we work for a whole of government approach at both State and Federal levels," Hawkesbury State Independent candidate Rex Stubbs said. "We must end the culture and politics of blame and get on with finding real improvements in the health and aged care systems. "Far too much is currently being spent on practicing defensive medicine, diverting funds from where they could be more productively spent, including shortening waiting lists for surgery." The GP of 25 years called for an end of restructuring "for its own sake". "These approaches waste resources through duplication, excessive administrative burdens and endless meetings," he said. "The time has come to be honest, admit the [health] system is broken and get on with working together to fix it." The health system needed more money for patient care and health promotion, he said. While salary levels were important in retaining and recruiting staff for other health services, job satisfaction was equally vital and needed to be addressed, Dr Stubbs said. "This applies right across the health system including general practice and private medication. "We need to fund more programs to help our mentally ill lead productive and meaningful lives. "We as a community need to work together to convince the decision makers that Hawkesbury residents receive equitable health care." As well as being a practicing local doctor, Dr Stubbs has been a, Hawkesbury District Health Service visiting medical officer and a new Hawkesbury Hospital project steering committee community member.
<i>West Australian</i> 12 Mar 2003	'Call to abolish dual system of health funding', by Peta Rasdien	THE stand-off between State and Federal governments over funding the health system was wasteful and destructive, a leading health economist has claimed. Curtin University professor Gavin Mooney has called for one funder to be responsible for all levels of health care. Presently, the State funds the operation of hospitals, while the Federal Government funds before and after care such as GPs and aged care. "The amount of intellectual grunt that goes into this business of more money for this State, less money for that State is just stunning and it is so wasteful," Professor Mooney said. "It is the patients and the population who will suffer and the people in the health service. "There a lot of people out there in the heath service trying to do a good job, but the governance, the structure, the financing and the management of the health service is letting them down." State and Federal ministers accused each other of buck-passing and point-scoring in the series of meetings leading to the expected signing of the Australian Health Care Agreements, due in June. Federal Health Minister Kay Patterson was heavily criticised for not attending the February meeting. She said it was because the Commonwealth position on health funding was not finalised and the States had not put forward what they were willing to spend. Professor Mooney admitted the likelihood of streamlining to a single funding system was remote. "If that cannot be achieved then what we do need is a bucket of money which essentially can sit between where the State responsibilities are and where the Commonwealth responsibilities are and can go either way," he said. Australian Medical Association president Bernard Pearn-Rowe said a single funder was an interesting idea but it would be far from simple. He said that if the Commonwealth assumed control, WA would likely get a worse deal than it currently received. A State-run system would not guarantee that health dollars would not be channelled into another area, he said, but the current dual system provided checks and balances for funding. State Health Minister Bob Kucera said it was time Professor Mooney's idea was looked at. He said that eliminating the duplication of services between Commonwealth and the States would represent a significant cost saving. The Federal Health Minister's office did not respond to a request for comment.
<i>Sydney Morning Herald</i> 12 Apr 2003	'Rebel doctors offered \$1 if they bulk-bill', by Mark Metherell	A report by the Productivity Commission estimated the average GP's hourly earnings are \$63.84, after practice costs have been deducted. The estimate comes in a study by the commission into the cost of red tape required of doctors receiving practice payments averaging about \$18,000 a year. It estimated that the administrative and compliance costs resulting from Commonwealth policies and programs amounted to about \$228 million, or about 5 per cent of GPs' estimated total income. Three programs aimed at encouraging high-quality care the practice incentives program, vocational registration, and enhanced primary care accounted for three-quarters of measurable costs, the commission found. Many of these programs have been introduced in recent years to compensate for the Government's refusal to increase Medicare fees and to focus doctors on more cost-effective services. The vice-president of the AMA, Trevor Mudge, called on the Government to review urgently all of the incentive payment schemes because "they compel GPs to practice specific disease/ailment medicine and they involve time-consuming red tape that robs doctors of vital patient time". Asked about the commission's finding that the payments for many programs exceeded the costs required of doctors, Dr Mudge said: "It's not what our members tell us."

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Daily Telegraph</i> 22 Apr 2003 p. 2</p>	<p>'Patients suffering from GPs' red tape', by Sue Dunlevy</p>	<p>PATIENTS in the bush and outer suburbs are waiting weeks for treatment because GPs are spending almost a day a week doing government paperwork. The government's own Productivity Commission says red tape is costing doctors \$228 million a year. More than 50 per cent of doctors are spending between four and seven hours a week filling out government forms, the commission says. The revelation comes as the government is poised to announce a major overhaul of Medicare that could require yet more form filling by doctors who want to qualify for new payments.</p> <p>... The paperwork burden is highest in the bush and outer metropolitan areas where doctor shortages and smaller practices make it harder to spread the burden. For a GP who works more than a day a week the cost of filling out government welfare and administrative forms averages \$13,100 a year.</p> <p>The Medical Board of South Australia said: "The time it takes to meet these requirements is now beginning to seriously eat into time which should be spent on patient care." The Productivity Commission calculated that doctors fill out over one million welfare forms each year. They had to make 3.2 million phone calls to the Health Department to get special authorisation to prescribe high cost drugs and a further 185,000 forms were filled out for this purpose. GPs also fill out over a million forms for the childhood immunisation register and 6900 hours was spent by general practitioners responding to government surveys.</p>
<p>ABC radio and online 9 Jul 2003</p>	<p>'Red tape harming health care: AMA'</p>	<p>The Australian Medical Association says Commonwealth health programs are doing little to promote better health care. The AMA and other groups representing doctors have met senior Commonwealth bureaucrats in Canberra to discuss ways of cutting red tape associated with programs targeting illnesses including asthma and diabetes. A task force was formed after a report found doctors spent hours completing paper work associated with the programs rather than treating patients. AMA vice-president Mukesh Haikerwal says payments to doctors who treat certain diseases should fund higher patient rebates instead. "It's actually not producing good health outcomes, the whole program is perverse in that it targets certain diseases," he said. "There are bonuses payable if you have one illness and not another set of illnesses and we think that's crazy."</p>
<p>ABC radio and online 28 Jul 2003</p>	<p>'State, federal health impasse must end: AMA'</p>	<p>There are calls for a national approach to resolve the state and Commonwealth impasse on health funding. The Australian Medical Association (AMA) wants the issue to be resolved at the state health ministers meeting in Perth this week. Western Australian AMA branch president Brent Donovan says the public is fed up with government bickering over health funding. He says the dispute is forcing doctors and health professionals to live with uncertain pay conditions. Dr Donovan says there needs to be a national approach to the issue. "What the public want... the people of Western Australia the people of Australia... they're saying hey cut that out work together solve the problems we know there are major problems and only by working together can they be solved," he said.</p>
<p>ABC radio and online 4 Aug 2003</p>	<p>'Health groups call for national solution to Medicare system'</p>	<p>Professor John Dwyer, from the National Public Hospital Doctors' Taskforce, says the political buck-passing and squabbling must stop. He says the structure of Australia's health industry is outdated and patients are being let down. ... "Whether it's Medicare or our hospitals which are in crisis, and there's a funding crisis there, modernising our health care system could only be done with a completely new approach between the Commonwealth and the states working together with professionals and consumers."</p>
<p>ABC radio and online 19 Aug 2003</p>	<p>'Summit hears health system needs national body'</p>	<p>The Federal Government has been told to urgently reform the health system by creating a national body to oversee the sector. About 250 doctors, nurses, academics and other health professionals have attended a three-day summit in Canberra. The final communiqué demands that a National Health Reform Council be established to end the bickering between Federal and state governments over health funding.</p>
<p><i>Newcastle Herald</i> 19 Aug 2003</p>	<p>'Expanding GP Service Could Save Taxpayer \$1.5b Says Carr', by Lisa Allison And AAP</p>	<p>AN AFTER-hours GP service at Maitland Hospital has been showcased by NSW Premier Bob Carr at a health summit in Canberra. Mr Carr told the summit yesterday that putting GPs in emergency departments could save the taxpayer \$1.5billion over five years. The premier is pushing a scheme to divert minor cases away from casualty staff to GPs in emergency departments. He said a GP trial at Maitland Hospital had nearly halved patient services at the hospital and GPs in emergency departments could take the pressure off public hospitals. Mr Carr said having doctors who bulk-billed in or near the busiest emergency departments would cost the Commonwealth government an extra \$500million in Medicare payments over five years. But it would save taxpayers \$1.5billion by taking the pressure off emergency departments, he said.</p> <p>... Mr Carr denied the plan was an attempt to shift the cost of treating people away from the states, which fund public hospitals, onto the Commonwealth, which funds bulk-billing by GPs.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 23 Aug 2003</p>	<p>'Hospital case', by Mike Steketee</p>	<p>The commonwealth and the states need to do more to improve healthcare, writes national affairs editor Mike Steketee.</p> <p>THIS week's health summit in Canberra was packed with more than 250 distinguished doctors, professors of medicine and health economists, but it took an outsider to get to the heart of the matter. Commonwealth and state health budgets were "clearly not sustainable into the future", said John Menadue, a former head of the Prime Minister's Department who has conducted recent reviews of the health system for the NSW and South Australian governments. During the past 40 years, he pointed out, health spending had increased from 6 per cent to 9 per cent of gross domestic product. There is nothing necessarily wrong with spending an increasing proportion of national income on health in a country enjoying rising affluence. The issue is how effectively the money is spent. Menadue argued that an underlying problem was the lack of honesty by governments over what a health system with limited funds could provide. The result was that the public had unrealistic expectations and it was easy for oppositions to create political mischief. Breaking out of the daily crises over lack of hospital beds and ambulance bypasses required governments using "their political credit and influence to win the debate and change the system, to achieve, for example, better primary care [at the level of GPs], improved mental health and putting us on track to remedying the most disastrous problem of all -- poor Aboriginal health".</p> <p>Expectations are fed by rapid advances in technology that offer the hope of continually pushing out the boundaries of what can be achieved in health. But they are also expensive, adding more to rising health costs than the ageing of the population. Moreover, in a system such as Australia's, governed by fee-for-service medicine, they result in procedures and treatments that are not always necessary or effective.</p> <p>Something has to give and in Australia it is public hospitals, the one area of health spending -- unlike medical benefits and pharmaceuticals -- over which governments can exercise effective control. When the money runs out, as it is doing increasingly, the patients on trolleys start lining up in hospital corridors, ambulances are turned away from hospitals that have no empty beds and the queues for surgery lengthen. It is why the Labor states and territories are so vocal about the inadequacy of the new five-year healthcare agreements under which the commonwealth provides about half the funding for public hospitals.</p> <p>The Howard Government argues its non-negotiable offer is generous -- a \$10 billion increase to \$42 billion, meaning a 17 per cent rise after inflation over five years. That matches the annual average 3.4 per cent increase during the 1990s. But it is a cut on the 5.1 per cent a year increase in commonwealth funding in the last three years of the decade. But as shown in the accompanying graph, compiled by the Catholic Health Care Association from Australian Institute of Health and Welfare data, despite their posturing, the states have more to answer for than the commonwealth when it comes to the parlous state of public hospitals. State funding increased hardly at all from 1997 to 2000 and over the decade it rose by a real 2.7 per cent, compared with the commonwealth's 3.4 per cent. More than the lack of resources, it is how they are allocated that brought those at the top of the health sector to the summit.</p> <p>All the health ministers decided in April last year to tackle -- as part of the new healthcare agreements -- the muddle that is the administration of health in Australia. The commonwealth funds patients who visit GPs and specialists outside hospital but the states are responsible for them in public hospitals. But then the commonwealth provides half the money to run the hospitals. The states are responsible for aged people in hospitals but the commonwealth looks after them in nursing homes. The by-products of this mess are duplication, waste and endless cost shifting and buck passing between commonwealth and state governments.</p> <p>Health ministers, enthusiastically backed by health professionals, decided there had to be a better way and commissioned reports in nine areas with the aim of providing the best proposals for healthcare, regardless of commonwealth-state boundaries (see panel). The reports went to health ministers last September and they were to start implementing the recommendations at the November meeting. But there was little further progress after federal Health Minister Kay Patterson boycotted this and subsequent meetings, arguing the states were politicising them. She finally turned up again last month, which left little time for further discussion before the August 31 deadline set by the commonwealth for signing the healthcare agreements.</p> <p>A driving force behind the summit, Sydney's Prince of Wales Hospital clinical dean John Dwyer, pointed to the absurdity of basing funding under the healthcare agreements on overnight stays in hospitals when this was the benchmark from which the health system needed to move away. The Australian National University's John Deeble, a co-architect of the original Medibank scheme introduced by the Whitlam government, told the summit Australia has one of the highest rates of overnight hospitalisation in the world -- 155 per year per thousand of population, compared with 118 in the US and 100 in Canada. Moreover, the rate has increased by an extraordinary 69 per cent</p>

	<p>during the past 15 years. Apart from what Deeble called "something in the culture of Australian medicine", a contributing reason seems to be the lack of alternatives and this is where the reform proposals are relevant. Taken together, they have the potential to save billions of dollars. Thousands of aged people occupy hospital beds, not because they need to but because they have nowhere else to go. It means they are not receiving the most suitable care and it wastes money. On NSW Premier Bob Carr's estimates, it costs \$427 a day to keep a patient in a hospital bed, compared with \$80 a day in a nursing home. The problem could be resolved if, rather than fighting turf wars, the commonwealth and states tackled the problem co-operatively. Greater co-ordination between GP and hospital services would make a difference, as would greater emphasis on the primary care provided by GPs and other professionals. The outstanding example of the benefits of devoting more resources to prevention is indigenous health, where the problems start with living conditions and the quality of the water and extend to employment, education and crime. Putting commonwealth and state funding in areas of joint responsibility, such as hospitals, into one pool would allow a more rational use of resources. The health summit communiqué suggested a national health reform council with representation from commonwealth and state governments, health experts and consumers to cut across boundaries. Patterson immediately dismissed this as another layer of bureaucracy. A similar proposal by Menadue might be more practical: a commonwealth-state health commission established in any state that agreed to co-operate with the commonwealth on the joint funding and operation of public health services in that state.</p>
--	--

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>Canberra Times</i> 25 Aug 2003	'Buck-passing on health must stop', by Stephen Duckett (Professor of Health Policy at La Trobe University in Melbourne)	Relationships between the Commonwealth and the states are now worse than they have been in the past 20 years. Senator Patterson will have to battle to regain any credibility with state health ministers, and her department is also seen as being entirely hamstrung by the central agencies. ... This has been the history of health-policy discussion in Australia for too long and one of the summit's suggestions was that there should be an attempt to cut this Gordian knot with a health-reform council or a similar vehicle to allow engagement of clinicians, consumers and bureaucrats in a process of reform. ... The irony of all this is that the health system is funded by Australian taxpayers. The same people pay income tax to the Commonwealth and stamp duties to the state. The undignified bickering between Commonwealth and state about who should pay is not an edifying spectacle. What Australians want are better health services and improved health. They don't want politicians whinging and buck-passing about the future. They want action.
<i>The Australian</i> 25 Aug 2003	Editorial: 'Hospital brawl a distraction from reform'	Health expenditure has increased from 6 per cent of GDP to 9 per cent over the past 40 years. And with an ageing population, and an increasing number of whiz-bang drugs and treatments available, that trend has the potential to blow out. Still, cries of "We'll all be rooned!" will not solve the problem either. ... At the summit in Canberra last week, there were calls for greater commonwealth-state co-ordination of health funding, including a national health reform council. That is worth considering, but only as long as it does not simply multiply bureaucracies.
<i>The Australian</i> 20 Sep 2003	'McGinty sharpens his funding scalpel', by Kathryn Shine	PUBLIC hospitals were next in line for funding cuts and all but essential services were under threat, West Australian Health Minister Jim McGinty said yesterday. ... He said the problem of the state's spiralling health costs had been compounded by the loss of \$110million in the new federal health care agreement. Mr McGinty is the first state minister to identify savings in response to the agreement -- a process all states will eventually have to undergo. Without further significant cuts, the Government would struggle to meet even basic health expenses. "I'm not going to have money to spend on anything," Mr McGinty said. "I'm not even going to have the money to pay the salaries at the end of the year if we keep going the way we are. ... "We have reached a stage now where we can't afford to operate that way any longer," Mr McGinty said. "In health there is a lot of waste, there is a lot of duplication, and there is a lot of wrong priorities. That is what I am being forced to address.
<i>Herald Sun</i> 1 Nov 2003	'Pathology review OK': Letter by Dr Graham Rouch of Melbourne	AS a member of the expert review panel that recommended the repeal of the Pathology Services Accreditation Act 1984, it is my professional opinion that public health in Victoria will not be compromised as a result. It became clear that there was duplication between the state and federal bodies involved in pathology services. The review panel recommendations, which will be supplemented by strengthened Commonwealth measures, will adequately deal with the relatively modest risk posed by the small number of laboratories that do not fall within the federal framework. The current Commonwealth system will continue to highlight unsatisfactory pathology results and ensure patients are provided with timely information.

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Courier-Mail</i> 19 Nov 2003 (This article appeared in the <i>Medical Journal of Australia</i> 2003; 179: 367-369)</p>	<p>'Cure for sick system', by John Menadue, former head of the Departments of Prime Minister and Cabinet and Immigration and Ethnic Affairs, chief executive officer of Qantas from 1986-1989, and, more recently, chairman of the New South Wales Health Council (2000-2001) and of the South Australian Generational Health Review</p>	<p>The states and the Commonwealth need to work together to solve the problems in our healthcare system, writes John Menadue. More investment in doing the same things the same way will only delay reform.</p> <p>THERE is little disagreement about the directions public health reform should take – greater emphasis on primary and preventive care, workforce reform, community participation, improved governance and better application of information technology. It is clear that there are gaps and duplication in clinical services that reflect outdated population patterns and jealously guarded clinical territories. There is concern about the health disadvantage of certain groups, and particularly Aboriginal and Torres Strait Islander people. In quality of life measured by life expectancy, Australia ranks No. 2 in the world, but in healthcare equality we rank No. 17. If all Australians had the same health experience as Aborigines, we would rank No. 140 in the world, alongside Bangladesh.</p> <p>... I would like briefly to identify some of the major underlying problems and then suggest some possible ways forward. My comments are very much influenced by observing, at close hand, the NSW and South Australian health systems and the way they relate and react to Commonwealth health funding. There clearly is waste in the present system, with a \$2.5 billion private health subsidy that produces few obvious health dividends. There is widespread overhospitalisation, overservicing in some areas, duplication of clinical services and large central health bureaucracies. We have a very institutionalised, medicalised and hospital-centric system, rather than a health system. The debate and resources are pre-empted by hospital interests at the expense of, for example, primary care, prevention, clinical support in the home, more appropriate facilities for the aged and hospital avoidance programs.</p> <p>... A commonwealth/state health commission should be established in any state that agrees to co-operate with the federal government in the joint funding and operations of public healthcare services in that state. Which state will break the impasse and be the first to put its hand up? Will the commonwealth respond? We need to move beyond commonwealth/state pilots and demonstration projects to real system change. I AM sure that a joint service would deliver better quality and efficiency of care, even if no additional funds were provided. So let us put that joint commonwealth/state health commission on the agenda, put the case as compellingly as we can and, hopefully, within three to five years we would have started to break the wasteful impasse and buck-passing of the present divided jurisdictional system.</p> <p>... Expenditure on health care in Australia has increased from about 6 per cent to 9 per cent of gross domestic product over the past 40 years. While healthcare demands are almost unlimited, resources are finite. The health budgets of commonwealth and state governments are clearly not sustainable into the future.</p>
<p><i>Courier-Mail</i> 25 Nov 2003</p>	<p>'Health priorities': Letter by Marsh Godsall of Sarina</p>	<p>IN his article "Will anyone have the guts to save our system" (<i>Inside Mail</i>, Nov 22), Hedley Thomas said what has been recognised by many for some time. Around the Western world, politicians have been buying votes since World War II by "guaranteeing" a freedom never anticipated by the philosophers and our founding fathers – freedom from medical bills – without considering the cost of what they promised. Successive ministers in each jurisdiction, confronted by inherent "medical inflation", have tinkered with the system, introduced de facto rationing and lied creatively (for example, waiting lists without mentioning the waiting to get on to the waiting list) before passing the buck on to their successors. This, finally, has created in Australia a crisis situation where, as a nation, we no longer can afford the expectations built up by the political promises. Premier Peter Beattie called some years ago for a national conference to set priorities but this was dismissed by Prime Minister John Howard – apparently enough "guts" to introduce a new tax, but not enough to confront the problems of health. What is needed is some statemanship. Some politician has to admit to the people that the nation cannot afford what has been promised and call a national conference of all players. After a time of open debate, the conference will have to set a national policy and detail priorities in care and in spending. If casualty services are to be underfunded, more must be put into the preventative aspects of general practice, and so on. Costly duplication of bureaucracies must be the first to go under the knife. We will then have an agenda in health with spending priorities set by the nation, rather than Band-Aids applied by politicians who have one priority – re-election.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Courier-Mail</i> 17 Jan 2004 p. 28</p>	<p>'Health may be improved by performing state bypass', by Michael Duffy</p>	<p>WHEN Tony Abbott became Health Minister last September, he identified three main challenges. The first two were immediate: medical liability insurance and bulk-billing. Although problems remain, both were fundamentally off the front pages by Christmas. Abbott was fortunate, as he had been in his previous portfolio of Employment and Workplace Relations, to take over from a hapless colleague who already had done the hard work of defining, if not solving, the problems. As a newcomer with the enhanced authority and money needed to do the job, Abbott was not burdened by entrenched conflicts and achieved a quick result. But it was not just good timing: some were surprised by his capacity to listen and to negotiate agreements among the huge number of health stakeholders and interest groups. His third challenge -- the sense of crisis overhanging the entire health care spectrum -- might not be as urgent, but it is equally important to the Howard Government's re-election chances. This mission will surprise some who see Abbott as no more than a head-kicker, but that is to greatly underestimate his capacity and enthusiasm for a challenge. And this is one that, if dealt with well, could see him become a Liberal leadership contender when Prime Minister John Howard eventually retires.</p> <p>To gauge what Abbott might achieve with health, it is instructive to read his Sir Norman Cowper lecture to the Institute of Political Science last June. It was briefly reported, thanks mainly to the phrase "feral federalism" in the third paragraph, but it deserves more consideration. The lecture highlights the frustration of many federal politicians at the electorate's confusion about the different responsibilities of the three tiers of government. Many voters expect the federal government to fix state and local government service delivery problems. And on one level this is not as silly as it seems: after all, we pay most of our taxes to Canberra. Since Gough Whitlam, federal governments have become increasingly involved in service delivery. This week, for instance, Abbott was required to give an opinion on health insurance premiums.</p> <p>This ought to have nothing to do with government, but Howard's 30 per cent tax rebate for premiums has turned this into yet another area for which people believe -- to some extent, rightly -- that Canberra is responsible. In his speech, Abbott noted that Canberra funds much of the services component, such as health care, for which the states give it no credit and much blame. He argued that this situation was intolerable -- the national government has the right to impose conditions about how federal tax money is spent. Federal governments will try to implement their policies, as far as they constitutionally can, across Australia because that's what voters expect. Of course, Canberra doesn't do this as extensively as it might, or perhaps as Abbott would like. When he was minister for workplace relations the Howard Government took the radical step of refusing to fund a large Victorian building project unless the state government agreed to ban a union closed shop on site. So is Abbott now thinking about applying more conditions to federal health funding? In his speech, he argued a federal government should not be apologetic about using the full weight of its constitutional powers to achieve services reform. He was impatient with the notorious problems -- in health and other areas -- created by the duplication of responsibilities. As far as possible, he said, governments should take responsibility for their actions rather than supporting arrangements which blur responsibilities to produce cynicism about the political process. One option is that the Commonwealth might directly fund schools, hospitals and service providers rather than use the states as intermediaries. This would change the nature of health care delivery in this country. Mind you, Abbott was pointing to this path well before he became Minister for Health. Whether he now decides to take us down it remains to be seen.</p>
<p><i>The Age</i> 21 Jan 2004</p>	<p>'It's The Marginals That Matter', by Michelle Grattan</p>	<p>Outside the safe seats, what are voters talking about, asks Michelle Grattan.</p> <p>... Peter Lindsay (Herbert, 1.5 per cent), finds that while there are deep suspicions about Latham's record, "the electorate has not written Latham off by any means, and the next election will be very tough for the Howard Government".</p> <p>... Federal members are finding voters deliberately or unconsciously blurring federal-state lines. "Most of the issues that tend to get raised are state issues - the hospital system is in turmoil in NSW. Certainly roads are an issue but 99 per cent of roads in my electorate are state or local. People tend not to differentiate," says Gary Nairn in Eden-Monaro (1.7 per cent). Lindsay is so frustrated by the merging in the public mind of federal and state responsibilities for health that he'd like to see the Howard Government "take over all health services - including public hospitals - and take the state governments out of the loop".</p>
<p>ABC radio and online 30 Jan 2004</p>	<p>'ALP pledges national dental plan'</p>	<p>The Labor Party has pledged to create a national dental care program. Federal ALP leader Mark Latham has told the ALP National Conference in Sydney concession cardholders would receive free check-ups and subsidised dental treatments, restorations and dentures. ... Mr Latham says dental care is one of the basic services of a civilised society and a responsibility of the Commonwealth government.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 25 Feb 2004</p>	<p>'Give us health, Abbott taunts states', by Megan Saunders and Misha Schubert</p>	<p>FEDERAL Health Minister Tony Abbott issued a challenge yesterday to Labor premiers -- stop complaining about healthcare funding or "vacate the field" to allow the Howard Government absolute control over the system. Responding to calls by NSW Premier Bob Carr for more money to fund hospital beds for the elderly, Mr Abbott suggested that instead of laying blame, the states should hand responsibility for health to the commonwealth "in the spirit of co-operative federalism". "Then there would be no more buck-passing, then there would not be these endless arguments between the state and federal governments about who is to blame whenever things go wrong," he told a health conference in Sydney. "So I think this is a very real issue for every state which believes it's been duded ... Why not solve the problem by offering to the federal Government to vacate the field and let the federal Government run the health system altogether, from start to finish?"</p> <p>... Australian Medical Association president Bill Glasson called for the idea to be given serious consideration. "At the moment, this split is costing taxpayers about \$1 billion in duplication. A bold shift would stop the cost shifting and the public would welcome it," he said.</p> <p>Mr Abbott's comments follow last year's stoush between the Howard Government and the Labor premiers over funding for public hospitals, which led to the premiers walking out of the Council of Australian Governments meeting in Canberra. They also foreshadow a meeting scheduled between Mr Abbott and NSW Health Minister Morris Iemma on Friday to discuss joint funding for a state government plan to locate GP clinics in hospitals to alleviate the pressure on emergency wards. The move, which already has in-principle support from the Howard Government, comes in response to a fall in bulk-billing and access to GPs, and growing concerns that emergency wards are being clogged with such non-critical cases as coughs and colds.</p> <p>Mr Carr yesterday pledged \$30 million in state funding over two years for 3000 more elective procedures, 255 "transitional care" beds for elderly patients and programs to help older patients get out of hospital sooner. In what Mr Abbott described as "a long ambit claim", Mr Carr also asked the commonwealth to fund an extra 250 transitional care beds and more university places for nursing and medicine. "The states and territories are doing all they can to keep our health system afloat but alone it's not good enough," Mr Carr said.</p> <p>Federal Opposition health spokeswoman Julia Gillard rejected Mr Abbott's suggestion, saying it was "merely an Abbott news grab that we will never hear again".</p>
<p><i>Australian Financial Review</i> 25 Feb 2004</p>	<p>'Abbott Offers To Run States' Hospitals', by Lisa Allen</p>	<p>Federal Health Minister Tony Abbott is so tired of states moaning for more money to fix their hospitals that he has offered to take over running them himself. He made the suggestion of taking over billions of dollars of health budget spending at The Australian Financial Review's 6th annual health congress in Sydney yesterday after trading barbs with Labor rivals on who was to blame for the politically explosive problems in the public health system.</p> <p>NSW Premier Bob Carr pledged \$30 million for more elective surgery and to free up NSW's clogged hospital system by transferring the aged from expensive hospital beds to cheaper retirement homes. But Mr Carr said national action was also needed and challenged the federal government to restore the \$917 million it took from the states last year in a five-year deal on federal health funding.</p> <p>Mr Abbott said Mr Carr had a lot of ideas about what Canberra should do about the health system. "[But] I rather wonder why he didn't come down to Canberra in the middle of [last] year when there was a marvellous opportunity waiting for him there," Mr Abbott told the conference of 150 health professionals, hinting at rumours last year that Mr Carr might replace Simon Crean as opposition leader. He then went on make his big offer: "If the federal government causes so many problems for the state health systems, if it is the fault of the federal government that the state health systems are in such difficulty, why do not the states in the spirit of co-operative federalism say to the federal government, 'Look, why don't you take over the health systems?' "Then there would be no more buck passing."</p> <p>Labor's health spokeswoman, Julia Gillard, described Mr Abbott's gesture as hot air. "I will bet a substantial amount of money that absolutely nothing will happen out of it," she said after the conference. Asked what it would mean for the commonwealth if the states handed their health systems to Canberra, she said: "[Abbott] would have no idea . . . and he wouldn't have raised it with Peter Costello ." Ms Gillard was more keen to attack Mr Abbott's proposed Medicare safety net, which is now held up in the Senate. She said it was a "sham" and hid the federal government's true agenda, which was to dismantle the Medicare system.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Australian Financial Review</i> 28 Feb 2004</p>	<p>'Carr Calls For End To Buck - Passing', by Annabel Hepworth</p>	<p>NSW will propose having a single level of government manage services such as the hospital system to reduce confusion and griping between the states and Canberra. Premier Bob Carr said he would propose at this year's Council of Australian Governments meeting a systematic review to clarify which tier of government should deliver which services. "That means a serious national debate on whether, for example, the tertiary education sector, the hospital system or disability services would be better managed by just a single level of government, without all the perverse incentives for cost-shifting and finger-pointing that exist today," Mr Carr said. He wasn't just talking about handing things over to the federal government. "I would be just as interested in talking about states resuming undiluted responsibility for particular areas such as hospitals." This week, federal Health Minister Tony Abbott suggested the states hand over control of hospitals to Canberra instead of complaining about their chronic underfunding.</p> <p>Yesterday, Mr Carr stepped up his push for sweeping reforms to the distribution of federal funding, in which financially wealthy states NSW, Victoria and WA in effect cross-subsidise the rest. He outlined three other reform models, centred on scrapping the Commonwealth Grants Commission, which allocates \$32 billion a year in GST revenue among the states and another \$21 billion a year in specific-purpose payments. Next week, the commission is expected to unveil its five-yearly review of the methods used to calculate the shares of GST funds between the states.</p>
<p><i>Sydney Morning Herald</i> 6 Mar 2004 p. 1</p>	<p>'Shattered health network faces axe', by Nick O'Malley</p>	<p>The Carr Government is considering abolishing the discredited area health service system, which is racked by budget blow-outs, duplication and supply shortages, and putting patients at risk. The Health Minister, Morris Iemma, said last night that \$700 million could be saved by combining the corporate services of the state's 17 area services. He said a new umbrella body, the Health Care Advisory Council, was being set up to help develop a state health plan and advise the department on clinical and other health issues. It will include senior doctors, nurses and consumer representatives, and allied professionals. The Government is already working to have its three children's hospitals share resources and staff, and to cut the 800 staff at the department's head office by 200, Mr Iemma said. Other reforms under consideration include cutting the number of health services through amalgamation and centralising administration services.</p> <p>...</p> <p>Mr Iemma said he was looking at reforms suggested in an Independent Pricing and Regulatory Tribunal report last year, which said the area health service system was inefficient, with many operations duplicated. The tribunal's chairman, Tom Parry, wrote in the report: "There is a massive amount of data generated and relatively little timely, quality information that can be used by the various layers in the health system. "There is surprisingly little sharing of experience and best practice between the major service providers, despite the seemingly endless number of circulars, written policies, committees and meetings." The report said the areas spent too much time "managing upwards" rather than running the delivery of services, and there was duplication and confusion over plans to deliver services.</p> <p>The Opposition's health spokesman, Barry O'Farrell, said the Liberal Party was committed to abolishing the area health services in favour of a system of regional offices reporting to the department - mirroring the education system. "You don't have to have 17 different payroll offices, 17 different personnel sections, 17 different corporate affairs offices," he said. "Since 1999 there has been a 20 per cent increase in admin staff across the system. If you were to take that back just 10 per cent you would save \$45 million a year. "What any frontline medical person will tell you is that it is easier to get a position created in an area health service than to get a position created in a hospital anywhere in the state."</p> <p>John Dwyer, medical director of Prince of Wales Hospital and chairman of the Australian Health Reform Alliance, said talk of abolishing or reforming the area health system was a distraction from more immediate problems. "I don't really think that mechanism is anyway at fault here," Professor Dwyer said. "The overwhelming problem is that we don't have enough resources to deliver clinical care. We don't have enough workforce and we don't have enough money. "We could extract more health care from less dollars if we had genuine healthcare reform in Australia, which the state and federal governments have not been able to deliver to us. We are stuck with a dysfunctional system."</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 9 Mar 2004</p>	<p>Letter by Dr Bernie Bourke, Chairman, Medical Staff Council, Gosford Hospital</p>	<p>It's still early autumn and already the winter of discontent has begun at our hospital. I hold Mr Howard and Mr Carr responsible for the deplorable state of the health system and in particular for allowing our public hospitals to become unsafe. This week we had the equivalent of three full wards taken up by patients waiting for beds in nursing homes (a Commonwealth responsibility). This leads to a reduction in elective and even urgent surgery and to a gridlocking of the accident and emergency and intensive care departments such that urgent patients cannot be attended to in the required time frame. Guess what: poor patient outcomes follow a la Campbelltown/Camden.</p> <p>Incredibly, some nursing homes have empty beds but there aren't enough GPs to service them (medical manpower - another Commonwealth responsibility). This week our surgeons have been told to halve their routine operating. This is not only devastating for patients but is disastrous for the training of junior doctors and nurses - compounding the problem.</p> <p>In his recent jibe that Mr Carr's "public hospital system is falling down around his ears", Mr Howard is not recognising the problems caused by poor Commonwealth policies. Mr Carr is also to blame for petulantly leading the walkout at the Council of Australian Governments meeting last year when health was to be a major agenda item. We are thus left with a system which diverts money away from patient care into strategies aimed at rearranging the deck chairs and plugging the dyke holes. Grow up, boys, and start some meaningful, informed dialogue.</p>
<p><i>Sydney Morning Herald</i> 9 Mar 2004</p>	<p>Editorial: 'Small reforms on health'</p>	<p>There is no good argument for abolishing area health services. They provide a level of co-ordination within a region that a highly centralised bureaucracy cannot. Several recent reviews have suggested amalgamations may be feasible, but abolition should be off the agenda. Still, there would be room for savings if backroom functions such as payroll were consolidated. Mr Iemma says removing such administrative duplication may save \$150 million a year. While that appears wishful thinking, the administrative changes are worth making.</p> <p>... There is an echo of earlier times in much of this. In 1999, during another perceived public hospital crisis, Mr Knowles set up the NSW Health Council. The council's head, John Menadue, said there were "several hundred million dollars" worth of "improvements and efficiencies" to be made.</p>
<p>ABC radio and online 10 Mar 2004</p>	<p>'MPs propose public hospitals grab', by Stephanie Kennedy</p>	<p>A handful of Federal Coalition MPs are pushing a radical plan for the Commonwealth to take over the public hospital system from state governments. Two weeks ago, Federal Health Minister Tony Abbott challenged the Labor premiers to stop complaining about health care funding or give the Howard Government absolute control over the system.</p> <p>At a meeting of Coalition MPs, South Australia's Trish Worth told her colleagues it was time for a bold health initiative and she suggested a radical plan for the Commonwealth to run public hospitals instead of the states. Her colleague Warren Entsch agrees. "We could certainly get a lot more value for the money and also the benefit would be flowing on directly to those that need those services," Mr Entsch said. "Everybody's entitled to the same level of services, it shouldn't be dependent on the capacity of the ability of various state or territory bureaucracies to provide that," he said.</p> <p>But Liberal colleague Steve Ciobo does not think the plan is a good idea. "I would be very loathe to support any notion that Australian commonwealth governments should take over the running of our public hospitals," Mr Ciobo said. "I certainly would not support a push that would see the nationalisation of something like the health system," Mr Ciobo said.</p> <p>Around seven MPs spoke on the issue but neither Prime Minister John Howard or Health Minister Tony Abbott commented.</p> <p>... New South Wales Premier Bob Carr has laid out the terms on which he would be willing to consider a federal takeover of state hospitals. "Any agreement with the Commonwealth would not be based though on them 'cherry picking' and that is taking responsibility for the state's big teaching hospitals, but not for the local hospitals and the base hospitals in country New South Wales," Mr Carr said. "There's [got] to be a guarantee that the funding would be generous funding and would have a more generous level of growth built into it than what the Commonwealth was agreeing to late last year."</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 10 Mar 2004	'PM plays down hospital takeover talk'	<p>Prime Minister John Howard says the Federal Government has no plans at this stage to take over the public hospital system from the states. Mr Howard has refused to say if he supports the proposal, which is being pushed by a small group of Coalition MPs. They have called for a bold health initiative from the Government and they think this plan will also stop disputes between the states and the Commonwealth over the public health system.</p> <p>Mr Howard says the Federal Government would like to see the states carry out their health care responsibilities properly.</p> <p>... New South Wales Premier Bob Carr says he is prepared to give consideration to a plan for the Commonwealth to takeover public hospitals. Mr Carr says any agreement with the Commonwealth would have to ensure that there would be no cut to overall funding and that responsibility was taken for all the states hospitals, not just the big teaching ones. "We're happy to talk any time, any place with the Federal Government about a deal that would mean better funding for the state's hospitals," Mr Carr said. "The last time I corresponded with the Prime Minister about this he was delivering the awful news of a \$105 million reduction in what they agreed to give us originally in August last year."</p> <p>Tasmania's doctors say a Commonwealth takeover of public hospitals may eliminate the "blame shifting" associated with a duplication of services. Australian Medical Association Tasmanian branch president, Dr Tony Lawler, says the plan needs to be given close examination. "We hear the states saying that the Feds aren't giving them enough money and the Feds saying that the states are not spending it properly, and this to a certain extent would get around that," Dr Lawler said. "It would enable a lot more streamlining at those interfaces between the two different jurisdictions."</p>
ABC radio and online 10 Mar 2004	'Doctors divided over public hospital plan'	<p>Doctors say a Commonwealth takeover of public hospitals is worth exploring. Some Federal Coalition MPs are pushing the idea as a way of improving health services.</p> <p>Australian Medical Association (AMA) president Dr Bill Glasson says the proposal should be considered. "Obviously we've been talking about the duplication in the system at the moment costing about a billion dollars," Dr Glasson said. "I think in duplication of bureaucracy that would be a saving overnight and that money could go back into the coalface for treating patients across this country. "I do think we need to have some sort of a single model. "How that model should operate is obviously for the community to debate but essentially the current system is not working - it's just too heavy bureaucratically. "We're finding doctors and nurses at the coalface are not getting the funds they need to deliver the service they require."</p>
<i>West Australian</i> 10 Mar 2004	'PM urged to reclaim State health services', by Karen Middleton	<p>Patients hurt by duplication and waste, party told</p> <p>SENIOR coalition MPs are urging the Federal Government to take over all health responsibility from the States because they say the waste and inefficiency of two overlapping systems is harming patients' health. Parliamentary Secretary for Health Trish Worth was among seven MPs who urged Prime Minister John Howard and Health Minister Tony Abbott yesterday to consider taking back responsibility for health service delivery from the States and eliminating what she said was massive inefficiency. Ms Worth told yesterday's private weekly meeting of coalition MPs she favoured taking over all health responsibilities, including the delivery of mental health services, because patients were not getting the best possible care. Canberra now funds the States' hospitals but State governments are responsible for delivering the services in them. In what other MPs said was a comprehensive argument put to the party room, Ms Worth acknowledged that critics of the idea would warn that if the Commonwealth took over the lot it would then attract all the criticism if things went wrong. But she said it was often held responsible anyway and could actually improve services dramatically by removing areas of doubling up. She gave examples of patients who had fallen victim to the inadequate intersection between parts of the system run by the States and aged-care facilities run by the Commonwealth. Last night, Ms Worth confirmed to <i>The West Australian</i> that Mr Abbott and Minister for Ageing, Julie Bishop, had agreed to discuss the issue with her. "I think we should be doing things that benefit the people of Australia," she said. "At the moment, I think there are too many inefficiencies, too many roadblocks." Neither Mr Howard nor Mr Abbott responded to the suggestion in the party room. One senior official cast doubt on the proposal going any further but other senior sources said there was some support at ministerial level to investigate the idea. Mr Howard has strongly criticised the States in the past for shifting health costs on to the Commonwealth.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 10 Mar 2004</p>	<p>'PM's grand plan to take over hospitals', by Mark Metherell</p>	<p>The Prime Minister is seeking advice on a Commonwealth takeover of public hospitals in what would be one of the biggest shifts in responsibilities between Canberra and the states since Federation. John Howard has expressed his support for the transfer as a means of ending state-federal disputes which dog crisis-prone public hospitals in NSW and other states, the Herald has learned. "We are deadly serious about this," a Government source said. The Prime Minister was "very enthusiastic" about assuming control of the nation's entire health administration to resolve the cost-shifting, duplication and divided health care services in Australia's health system and was calling for research into the issue.</p> <p>... While the move would be bold, "Big Idea" politics and allow the PM to counter claims the Government had no agenda for major reform, it would expose the Coalition directly to public discontent with hospitals and the health system. This has been epitomised by the recent problems for the NSW Government, which would have been sheeted home to the Federal Government.</p> <p>... The disclosure that the Prime Minister might be prepared to have the federal government wear the blame for hospital waiting lists and medical mistakes has emerged after six Government MPs at the coalition partyroom meeting yesterday called for a Commonwealth take-over.</p> <p>A recent report on national health reforms cited the dysfunction between federal and state health responsibilities, saying it obstructed achieving the best care management between the state-controlled hospitals and federally-funded private doctors.</p> <p>The Health Minister, Tony Abbott yesterday signalled his support in the party room debate, saying he wished he could talk about it at the meeting. The debate was initiated by senior Queensland MP, Warren Entsch, who said: "It's time to do something bold in health." Mr Entsch told the Herald later that the Commonwealth financed much of the health system "but we have no control whatsoever". Another advocate at the meeting was the parliamentary secretary for health, Trish Worth. She said later that funding divisions between federal and state governments in health, impeded optimal approaches to care in many areas, including aged care and mental health. "I have found it extraordinarily frustrating," Ms Worth said.</p> <p>... The NSW Health Minister, Morris Iemma, said through a spokesman last night that he "looked forward to seeing [Mr Howard's] proposal".</p>
<p><i>Sydney Morning Herald</i> 10 Mar 2004</p>	<p>'Takeover of health risks being a poisoned pill', by Louise Dodson</p>	<p>What the Government needed to do now was "something bold", the Liberal MP Warren Entsch told the Coalition party meeting yesterday, outlining a plan for the Federal Government to take over health administration from the states. ... If adopted, the plan would result in the biggest shake-up of the health system in three decades and trigger an explosive reaction from the states.</p> <p>The Howard Government could reduce duplication between the federal and state bureaucracies, boost efficiency, create savings in administration and improve accountability. The only problem is the Government - and the Health Minister, Tony Abbott, in particular - would be blamed for all the day-to-day problems in hospitals - waiting lists, high infection rates, administration problems. Just ask Bob Carr how easy it is to run a hospital system.</p> <p>The MPs who spoke in favour of the idea yesterday say the Federal Government is already blamed for many of the system's problems and yet has no means of fixing them. If Canberra controlled the lot they could fix it. "At the moment we're blamed for every problem in the health system but every night we have to go down on our knees and pray the states do the right thing - we have no control over what they do," Mr Entsch said. "Politics should not be the only thing governing our decision-making," said another parliamentary secretary, Trish Worth, who favours the health takeover because money saved in administration could be spent on caring for the sick.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Age</i> 10 Mar 2004	Federal push on hospitals, by David Wroe	<p>Key Howard Government backbenchers are pushing for the Commonwealth to take responsibility for public hospitals away from the states, arguing it would slash bureaucracy and buckpassing in the health system. Five MPs - including parliamentary secretary for health Trish Worth and Guy Barnett, a member of the Government's health and ageing policy committee - spoke in favour of the idea at the Coalition's party meeting yesterday. The push follows remarks by Health Minister Tony Abbott two weeks ago that if states were not happy with the level of funding from the Federal Government, they should let the Commonwealth run hospitals. At present state governments administer public hospitals, but the Federal Government pays about half the cost.</p> <p>Critics say the divided health system - with the Commonwealth looking after GPs and aged care and the states running hospitals - leads to billions of dollars in waste.</p> <p>... Ms Worth, a long-time advocate of Commonwealth control of public hospitals, said she would speak to Mr Abbott and Ageing Minister Julie Bishop in more detail about the idea. The change would be a huge undertaking and the MPs backing the push told the party room it was a "bold move". The other three backbenchers were Queensland MPs Warren Entsch and Paul Neville and NSW MP Kerry Bartlett.</p> <p>Australian Medical Association president Bill Glasson said the shift could save \$1 billion in duplicated bureaucracy costs and was worth looking at. "We certainly feel the system needs to be streamlined," he said. "It would not surprise me... if it goes in this direction."</p> <p>... Senator Barnett said the states were badly managing public hospitals. "I'm not saying it's not a difficult and challenging task, (but) if the states can't manage hospitals and if they keep whingeing about the problems... they should get out." Mr Entsch said Australians were "fed up to the back teeth" with the bickering about hospitals, and the Commonwealth could do a better job of running them than the states. "I would like to see the Commonwealth completely take over eventually," he said. Two MPs spoke against the idea, arguing that the Commonwealth did not want to take on extra government responsibility.</p>
<i>The Age</i> 11 Mar 2004	Editorial: 'Public hospitals are a national problem'	<p>Responsibility for the hospital system should not be split between two tiers of government.</p> <p>In the midst of election-year debates about health spending, it is not surprising that the call by some Coalition MPs for the Commonwealth to assume full responsibility for public hospitals should have been greeted sceptically by the states and the Opposition. The response of Victoria's Health Minister, Bronwyn Pike, was swift and dismissive: it was a simplistic solution to the problems of administrative duplication, she said, and Victoria would not surrender responsibility for hospitals to a Federal Government that was mismanaging aged care. It is true that the Howard Government's record does not inspire confidence that it would be willing to fund an integrated health system properly; but the Bracks Government is hardly in a position to boast about its achievements as custodian of public hospitals. It is only a few weeks, for example, since Ms Pike sought to defend the indefensible when a Victorian woman had to be flown to Adelaide to give birth because neonatal intensive-care beds could not be found for her twin daughters in Melbourne's hospitals. Whatever the political motives of the coalition MPs might be, their proposal deserves to be considered seriously, and not seized upon as another opportunity for blame shifting between the Commonwealth and the states.</p> <p>The Age has long argued that the recurring funding crises in public hospitals could be more easily resolved if responsibility for the hospital system was not divided between two tiers of government. At present, the states administer the hospitals, with part-funding from the Commonwealth, while the Commonwealth has responsibility for GP services through Medicare. This split has encouraged the cost-shifting between the two tiers that underlies their recriminatory blame-shifting. When Medicare is not funded sufficiently to sustain bulk-billing, as is now the case, many patients turn to public-hospital emergency rooms as an alternative, placing those services under strain. The states justifiably blame the Commonwealth for the neglect of Medicare - a neglect that will be softened but not ended by the Medicare Plus reforms that the Senate is now likely to pass - but are unwilling to bail out hospitals themselves. If the Commonwealth had responsibility for hospitals as well as Medicare, it could not evade responsibility for the effects of the decline of Medicare.</p> <p>There is a successful precedent for transfer to the Commonwealth of a major state community-service responsibility. Although universities are created under state legislation, for the past 30 years higher education has been funded by, and effectively overseen by, the Federal Government. No state would now want that burden reimposed on it, and no one argues that the financial crisis afflicting universities, severe though it is, would be better dealt with by the states. It is time that public hospitals, too, were treated as a national system.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 12 Mar 2004</p>	<p>Editorial: 'Time to stop shifting blame on hospitals'</p>	<p>At present, public hospitals are run by the states, but their funding is jointly shared by the states and the commonwealth. Because hospitals are the one area of the health budget the commonwealth can effectively limit, it plays hard-ball with the states every time their five-year agreement is renegotiated.</p> <p>To pay Canberra back and save money, the states then try to shift costs across to the commonwealth by moving elderly patients to nursing homes and redirecting cases from hospital casualty wards to general practice clinics. The commonwealth counters by limiting aged care places, and allowing bulk-billing to wither, pushing many people back to emergency wards who do not really belong there. And the duplication of hospital bureaucracies alone is estimated to eat up as much as \$1 billion a year. Ambulances queueing outside big city hospitals, stretchers lined up in corridors, and long waiting lists for elective surgery tell us the system is, if not broke, near to breaking point. But in a split system, blame, like cost, can always be shifted to the other tier.</p> <p>Health Minister Tony Abbott set the hares running on the federal-state issue last month when he challenged the states to stop complaining about hospital funding and "vacate the field and let the federal Government run the health system altogether". It might have been a debating trick, but it made sense. Since Canberra already manages aged care, Medicare and pharmaceutical subsidies – the three areas of the health system that gear most closely with the hospitals – there are obvious efficiencies in having hospitals funded and run from the same source. If universities were still run by six individual state bureaucracies, as hospitals are, it is hard to imagine they would have undergone several cycles of much-needed reform, or learned so effectively to live within their means.</p> <p>As a comparison between Britain and the US indicates, health seems to be one area where decentralisation increases overall costs. But the states are unlikely to relinquish hospitals, if only because more people would start asking why we have state governments in the first place. A less dramatic model was proposed last year by John Menadue, a former head of the Prime Minister's Department who has conducted several reviews of the health system: establish a commonwealth-state health commission in any state that agrees to co-operate with the commonwealth on the joint funding and operation of public health services in that state.</p>
<p><i>The Age</i> 24 Mar 2004</p>	<p>'Kennett backs ALP over health probe call', by David Wroe</p>	<p>Former Liberal premier Jeff Kennett has lit a trademark firecracker under the national health debate by echoing Labor's call for a major inquiry into Australia's troubled health system.</p> <p>At the same time, federal Health Minister Tony Abbott has fuelled talk about the Commonwealth taking over public hospitals, telling <i>The Bulletin</i> magazine it is "the debate we have to have".</p> <p>Mr Kennett called yesterday for an urgent, independent audit of the health system, which was "coming apart at the seams". "I'm not an inquiries man, as you know," Mr Kennett told <i>The Age</i>. "(But) you don't have to be a Rhodes Scholar to see that the health system is crippled.</p> <p>... Federal Labor's proposal, backed by Labor state governments, would bring together the Commonwealth, states, hospital managers, doctors and consumers to draw up a blueprint for health reform. Mr Abbott dismissed this as a "cockeyed idea... the kind of thing the great and the good come up with when they're not prepared to grasp the real nettle".</p> <p>All sides of politics agree the split nature of the health system - with the states running public hospitals but the Commonwealth responsible for GPs and aged care - is breeding waste and inefficiency.</p> <p>Labor health spokeswoman Julia Gillard said: "A former Liberal premier endorses Labor's call for a health reform commission. Why is Tony Abbott such a slow learner? Is he the only person left who does not think this is a good idea?"</p> <p>Mr Abbott's spokeswoman said the two proposals were different. "They would be different approaches, with Labor's being a larger, more bureaucratic group, while (Mr Kennett's) seems to be more targeted," she said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 24 Mar 2004</p>	<p>'There's still life in hospital takeover plan: Abbott', by Mark Metherell</p>	<p>The Federal Health Minister, Tony Abbott, has given fresh credence to suggestions that the Federal Government might take responsibility for the national health system.</p> <p>After a Herald report earlier this month that the Prime Minister, John Howard, had said he was seeking advice on the idea of a federal takeover of health services run by the states, such as public hospitals, Mr Abbott has acknowledged the issue is a live one. "It's the debate we have to have," Mr Abbott has said. He is quoted in today's Bulletin as saying that "health is now such a dog's breakfast of divided responsibilities that sooner or later it will have to be sorted out".</p> <p>... The former Victorian Liberal premier Jeff Kennett added his voice to calls for a fundamental rethink of the health system. Mr Kennett yesterday called for the Prime Minister and premiers to commission an independent audit of health service delivery, warning that the crises engulfing public hospitals would worsen without significant changes.</p> <p>... The warning follows demands from a national alliance of senior health executives for sweeping changes and the Federal Opposition's pledge to set up a health care reform commission within a month of the election of a Labor government.</p> <p>Mr Kennett said yesterday that he was unaware of Labor's pledge. He had made his plea not with the looming federal election in mind but because "time is everything" given the "bloody horrifying" plight facing some patients in areas such as aged care. Mr Kennett said the lack of a cohesive national approach in many areas, including public hospitals, chronic illness, rehabilitation, aged care and mental illness would lead to increasingly serious system failures. "The system is breaking down now and it is going to get worse," he said. "The public hospital system is struggling to meet the demands of today. He said his views on the need for fundamental reform had grown from the time he was premier, when in 1998 his government mooted the idea of a federal takeover of public hospitals. More recently his work heading beyondblue, the national initiative on depression, had strengthened his belief in the need for change.</p> <p>The office of the Opposition health spokeswoman, Julia Gillard, said that if its health reform commission recommended a federal takeover, a Labor government would consider the move. Ms Gillard's spokesman said she welcomed the support of a former Liberal premier for reform.</p>
<p>ABC radio and online 26 Mar 2004</p>	<p>'Health lobby launches national funding campaign'</p>	<p>The Australian Healthcare Association says it will use the coming federal election to push for national funding for health. ... The association's Deb Green says the system would still be managed at a local level, but funded by the Federal Government. ... "We believe the public has gotten interested and we really feel like we've got to build on that," she said.</p>
<p><i>The Age</i> 26 Mar 2004</p>	<p>Editorial: 'A plea for rational health management'</p>	<p>Whenever accusations are made about underfunding, waiting lists and a decline in standards, the states will blame the Commonwealth and the Commonwealth will blame the states. In a narrow sense, both tiers of government benefit from the perpetual wrangle over funding, a wrangle exacerbated in recent times by the Labor/Liberal split at the state and federal levels and the impending federal election. While the state premiers argue with the federal health minister, it is difficult for voters to know exactly who to blame; the ensuing confusion can be politically convenient. In a broader sense however, the present situation - in which the Commonwealth funds Medicare and aged care and the states run hospitals - is wasteful of energy and resources.</p> <p>This week former Liberal premier Jeff Kennett weighed into the debate by backing federal Labor's call for an inquiry into the health system. The idea, which also has the backing of the Labor premiers, is for hospital managers, doctors, consumers, the Commonwealth and the states to meet and devise a strategy for health reform.</p> <p>... Federal Health Minister Tony Abbott recently raised the possibility of the Commonwealth taking over public hospitals and has described the issue as "the debate we have to have".</p> <p>... This newspaper has long argued that the Commonwealth should take responsibility for public hospitals, as it took responsibility for universities - institutions created under state legislation - 30 years ago. That has largely been accepted as a sensible administrative step, and the present controversy over tertiary funding has not included a call that the states resume control of universities. Health funding is too important a matter to continue to be a political football. It is time for the Commonwealth to stop passing the buck on public hospitals.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Age</i> 28 Mar 2004</p>	<p>'Hospitals are facing a crisis that will only deepen as the population ages', by Jeff Kennett (former Victorian premier, and chairman of beyondblue)</p>	<p>The public hospital system is struggling yet society and governments have no blueprint for providing health services in a rapidly changing, ageing society. Worse still, it is a multibillion-dollar system that has many levels of authority trying to plan, prioritise and fund its operation. I believe there is an urgent need for a comprehensive national health audit.</p> <p>... Basically, the planning and funding of health-care services have become dysfunctional. As a result, there are continuing discussions between state and federal governments, with the states always asking for more funds and the Commonwealth always trying to control expenditure.</p> <p>Of course, there is a massive duplication of bureaucracies; I think people would be shocked at how many health professionals are involved in the administrative chain before the money actually goes to providing the services that are wanted.</p> <p>... The Australian Medical Association recently suggested that public hospitals be administered by the Federal Government, to reduce administrative duplication and costs. For similar reasons, the state offered to hand over Victorian public hospitals to Canberra in 1998 when the Medicare agreement was being finalised. It didn't accept.</p> <p>... because health is increasingly a function of federal taxation - the Medicare levy and personal income taxes - I believe Canberra has to accept more responsibility.</p>
<p><i>The Bulletin</i> 30 Mar 2004</p>	<p>'Operation Abbott', by Maxine McKew</p>	<p>In the midst of taking on Labor over health policy with ideas of a federal takeover of the hospital system, Tony Abbott calls Mark Latham a "fake" and praises John Howard's "deeper wisdom". The states should beware his wrath, too.</p> <p>There's a special kind of aloneness that grips you when you're running around empty streets at four in the morning. ... Whether it's the fate of the West, the morality of Australia's 100,000 abortions a year, or how to tackle "the dog's breakfast of divided health responsibilities", it all gets churned over in the early hours of the morning.</p> <p>... How's your day so far, Peter? The relationship between the treasurer and the health minister may be about to enter a whole new phase. Costello has already had to find \$2.85bn for Abbott's Medicare Plus package. That was the higher-than-expected price it took to buy the support of four independent senators. But is Abbott softening up his cabinet colleagues for something more ambitious? Like the cost of taking over the nation's public hospitals? A recent party room debate on this, kicked off by Warren Entsch, who declared that "the Coalition needs to do something bold in health", looked to be a one-day wonder. There was the official denial of a federal takeover. That was two weeks ago. But Abbott now says "it's the debate we have to have". He concedes that any move to take over the troubled public hospitals "would be an earthquake, not a tremor. It's not something the federal government would ever rush into. It would be a huge change, in fact the biggest change to Australia's system of governance since the Whitlam era. But the debate has started. Let's see where it leads."</p> <p>What's Abbott up to? Political history tells him exactly where this leads - right into a constitutional quagmire. He needs to consider a pre-Whitlam fiasco. It was Liberal leader John Gorton who came to grief by assuming that state divisions are nothing more than an historic accident. Gorton's centralising ambitions saw him legislate for offshore mineral rights in 1970 and provoke a losing battle with state giants such as Victorian premier Henry Bolte and NSW premier Robert Askin.</p> <p>... Abbott was hit with the lot. Unacceptable infection rates, buck-passing, the practice of budget-chomping defensive medicine because of heightened fears of litigation, and worst, a chronic workforce shortage. Overlaying all this are the inefficiencies produced by a split system - the federal government which provides the dollars and runs some services, and the states which run the public hospitals.</p> <p>... One of the people Abbott met last week is the head of clinical gastroenterology at Nepean Hospital, Dr Andrew Keegan, who can't fill existing funded positions. Nepean is also struggling to fill vacancies in geriatrics, neurology and renal medicine. As for the frontline of medical care - the nurses - Nepean has the same shortage as every other hospital. Keegan wears another hat. He's chairman of the NSW Australian Medical Association council and he told Abbott that "it's time we had one unified health system". (The federal AMA is also backing federal government administration of hospitals in order to reduce duplication and costs.) The minister duly noted this and told Keegan and others that "health is now such a dog's breakfast of divided responsibilities that sooner or later it will have to be sorted out". This statement in itself can be seen as a victory for the Australian Health Care Reform Alliance. A group that brings together most of the significant health-care providers in the country, it has been arguing for close to a year for a major redesign of the current system of state-federal financing. Specifically, Professor John Dwyer, chief spokesperson for the alliance, has proposed that the federal government set up a Health Care Reform Commission to consider a new blueprint. Labor health spokesperson Julia Gillard has already signed off on this one, promising the establishment of a commission within a month of taking office. But it's not the way Abbott wants to go. "That's a cockeyed idea," he says dismissively. "It's the kind of thing the great and the good come up with when they're not prepared</p>

	<p>to grasp the real nettle. And the real nettle has to be about clear lines of accountability and clear levels of responsibility."</p> <p>Enter Jeffrey Kennett. Former Victorian premier, chairman of Beyond Blue (the group tackling our depression epidemic), and, incidentally, sworn enemy of Costello. He swung in behind Abbott this week with a call for a national audit of all hospital and health services in Australia. Speaking at a superannuation conference on the Gold Coast, Kennett pointed to the inadequacy of the present system in meeting future health needs. He noted that "all states are seeing growing levels of dissatisfaction with various aspects of the public hospital system" and bemoaned the fact "that the administration of health services has not fundamentally changed in decades".</p> <p>What's needed is "a genuine independent national audit of all service administration", Kennett says. And if the evidence points towards one authority running the whole health show? "The concept of the federal government taking over the public hospitals has merit, but let's make the case first," he says. "The only certainty is that if we don't get started on reform, you can just keep multiplying the kinds of complaints being aired in the papers in every state. It will only get worse."</p> <p>It's an interesting intervention, and while the cynics will point to that unique universe occupied by former leaders - the pristine policy patch and the moral high ground - Abbott seems to think this is a nettle worth grasping. "A welcome contribution," he told The Bulletin. "And it's interesting that a former premier is not just defending the status quo."</p> <p>The fascinating question is why Abbott is pushing the boat out on this one in an election year? With his Medicare Plus package, he's already done what he is required to do: to chloroform the whole issue. Health is a traditional Labor strength and Gillard is a strong performer who will stress the superiority of her package in being able to boost bulk-billing rates. The best that the Coalition can do in health is to address the outstanding liabilities and Abbott appears to have done this. If the short-term politics don't add up, the answer might be that Abbott is playing for something much bigger. Perhaps a place in history as the minister who puts an end to "feral federalism". A monarchist-conservative, Abbott is no fan of our federal system, as he made plain in his Sir Norman Cowper lecture last June. While he stopped short of suggesting that the states' formal constitutional powers should be slashed, he nonetheless castigated Beattie, Bracks, Carr et al as "Canberra's most exalted lobbyists, political commentators rather than sovereign governments". Carr might want to take note of Abbott's concluding line: "It should never be automatically assumed that what is best for NSW is also best for Australia and, in any dispute between the state and the national interest, Australia must come first."</p> <p>If Abbott ends up with a rolled-gold case that the national interest is best served by a federal takeover of hospitals, will he run with it? Most important, in the context of the Coalition leadership tensions, will Costello be "the Treasurer who will provide" for this huge expansion of federal powers. Or might he just turn into a "feral federalist" himself?</p>
--	--

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Daily Telegraph</i> 30 Mar 2004 p. 2</p>	<p>'Crisis budget to raise taxes', by Stavro Sofios</p>	<p>FAMILIES will be hit by higher taxes and cuts to community services in a slash-and-burn exercise by the Carr Government. ... The action comes after NSW lost \$376 million in funding last week from the Commonwealth Grants Commission, which distributes GST income to the states. Mr Carr called an emergency Cabinet meeting yesterday to tell ministers their budgets for the next financial year would be cut.</p> <p>... \$401.4 MILLION SAVINGS</p> <ul style="list-style-type: none"> * ABOLISH the Upper House - at least \$30 million a year would be saved * HOLD the mini Budget this week, not next, and save \$1 million on recalling parliament * CUT consultancies, which costs \$99 million a year. <p>The Transport Department wasted \$40 million on lawyers and consultants in two years</p> <ul style="list-style-type: none"> * REORGANISE area health services to cut duplication across 17 regions - \$150 million a year * CUT government advertising - \$104 million in 2001/02 * RE-EMPLOY or sack displaced public servants - \$17.4 million a year wasted
<p><i>Sydney Morning Herald</i> 21 Apr 2004</p>	<p>'Health leaders wade into system's ills', by Mark Metherell</p>	<p>Health ministers will this week have their first serious debate on proposals for a big shake-up of the system that is meant to end costly duplication and federal-state bickering. In what might be the first step towards the removal of health functions from state governments, health leaders are expected to put the case for unprecedented change as the only alternative to prevent the decline of health and hospital services.</p> <p>The National Healthcare Reform Alliance meets in Canberra today to discuss its proposals to be put to a meeting of state and federal health ministers on Friday. The meeting follows a call from the Australian Healthcare Association for the Federal Government to assume sole funding of the health system. The association, representing 720 public hospitals, demanded an end to the federal and state "blame game". Hardly a day went by in any of the state capitals without the latest setbacks afflicting hospitals making front page news, a spokesman for the reform alliance, Sydney medical leader John Dwyer, said yesterday.</p> <p>The NSW Health Minister, Morris Iemma, would welcome consideration of any concrete proposals to divert spending from administration to actual health care, his spokesman said. A survey released yesterday by lobby group Services First says one in four Australians do not believe they would receive adequate treatment from their local hospital if they had an accident.</p> <p>The federal Health Minister, Tony Abbott, said he expected the reform proposals to be debated at the ministers' meeting although the Federal Government was not putting forward any proposals for long-term reform of the health system. "My instinct is to cut out a level of bureaucracy rather than create another level of bureaucracy," Mr Abbott said, in reference to Labor's pledge to introduce a health reform commission.</p>
<p><i>The Australian</i> 22 Apr 2004</p>	<p>'States to consider radical plan to pool health funding', by Misha Schubert</p>	<p>A RADICAL plan to pool federal and state health funds into a single account for each state – in an attempt to end blame-shifting, waste and duplication – will be considered by the nation's health ministers in Canberra tomorrow. The Australian Healthcare Reform Alliance will present the detailed plan to the ministers group. Federal Labor has renewed its support for the idea.</p> <p>At a meeting of the alliance in Canberra yesterday, former senior public servant John Menadue suggested the Howard Government was willing to consider such a move, but that some states might not be. But federal Health Minister Tony Abbott was wary last night, saying he was reluctant to create an extra layer of bureaucracy. "Creating a third entity that will not be accountable to the people risks making a bad situation worse," he said.</p> <p>Alliance chairman John Dwyer said the group would press health ministers to consider the idea – and further measures to address the chronic medical workforce shortage – during a presentation tomorrow. Labor health spokeswoman Julia Gillard backed the idea. "This would effectively end destructive cost-shifting and ... layers of bureaucracy and cost-shifting could be deposited in the wastepaper basket of history," Ms Gillard told the National Press Club.</p>
<p>ABC radio and online 23 Apr 2004</p>	<p>'Ministers question health centralisation plan'</p>	<p>Australia's health ministers are wary of a radical proposal to set up a single national agency responsible for delivering health services around the country. The idea comes from an alliance of 28 national health groups. The National Health Care Reform Alliance thinks taking control of health services away from Federal and State governments could save \$2 billion in duplicated administration. Spokesman John Dwyer says: "There would be no more cost shifting, there would no more blame shifting, there would be no more state departments of health, there would be no more Commonwealth departments of health."</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 23 Apr 2004	'Abbott moots national doctors register'	<p>Doctors' registration and the construction of bulk-billing general practice clinics adjacent to hospitals are two of the issues on the agenda today as Federal Health Minister Tony Abbott meets with his state and territory counterparts in Canberra. Mr Abbott will ask his counterparts to support the creation of a national doctors' registration scheme. Under the plan, patients would be given greater access to doctors' personal and professional information, including details of any negligence claims. Doctors would no longer be forced to pay additional registration fees if they work interstate.</p> <p>Mr Abbott says there should be uniform rules for doctors' registration across the country. "Registration can be many hundreds of dollars and while it's fair enough that people have to pay that once, there's no reason why they should have to pay it twice or even three times depending on the number of states and territories they're registered in," he said.</p>
<i>Adelaide Advertiser</i> 23 Apr 2004	'Health plan's \$2bn lure', by Craig Clarke	<p>MORE than \$70 billion a year in state and federal health funds would be pooled in an ambitious plan to end waste and duplication and save up to \$2 billion a year. Health Ministers from around Australia will consider the proposal today. The Australian Health Reform Alliance, a coalition of 24 peak groups, will detail their plan to the ministerial meeting. They proposed the creation of a Central Australian Health Commission to end blame-shifting between States and Canberra. It would hold Australia's health budgets in a single account and be responsible for running hospitals and all facets of care. The plan mirrors South Australia's Generational Health Review, which mooted a joint Federal/State Commission. Alliance chairman John Dwyer said: "Australia's dysfunctional health system would not improve while responsibility was split between State and Federal Governments. A single entity would end the waste and duplication which is adding to health cost. Savings would be invested back in the health system." The plan has won Labor support but the Federal Government said it was reluctant to create another bureaucracy. In a speech to the Alliance, Generational Review author John Menadue said a single entity would be best for patient care. "A state handover of health services to the Commonwealth, in my view, would be the best course," he said. "Another attractive option would be a joint Commonwealth/State Health Commission." State Health Minister Lea Stevens will consider the Alliance proposal while pushing for a nationally-consistent approach to organ donation. The ministerial meeting will examine measures to address the chronic shortage of doctors and nurses.</p>
<i>Sydney Morning Herald</i> 23 Apr 2004	'Call for single health body to end waste', by Mark Metherell	<p>Health ministers will today be urged to consider setting up a single national agency to take control of the health system, which is estimated to waste up to \$2 billion a year in duplicated administration. An alliance of 22 national health groups will challenge the ministers to investigate proposals for a single funding system and report back by July, only months before the federal election.</p> <p>The plan, developed by the National Healthcare Reform Alliance, is expected to call for fundamental changes to integrate hospital, community care and doctors' services, currently split between federal and state governments - a system blamed for falling care standards and chronic public hospital crises in every state. ... The reform alliance spokesman, John Dwyer, said yesterday the state of health services was now at a point where federal and state governments could expect to win wide support for ending the blame game and cost-shifting between governments.</p> <p>... A unified funding system was likely to make significant savings by cutting duplication between the 4000 staff of the federal Health Department and the 900 employed by NSW Health. Professor Dwyer cited research by a Canberra University researcher, Mark Drummond, who has estimated duplication generates \$1 billion to \$2 billion a year in needless spending. "You could train a heck of a lot of nurses for that," Professor Dwyer said.</p> <p>... Francis Sullivan, the chief executive of Catholic Health Australia, said health ministers could no longer justify their inertia when the dysfunction and cost-shifting was causing gaps in services. Disadvantaged people were increasingly at risk of inadequate care. ... "We are not talking about turning the world upside down." He said the concept of a single source of funding was not novel, given that aged care and universities received all their public funding from one source, the Federal Government.</p>
ABC radio and online 24 Apr 2004	'ALP backs national health body plan'	<p>The Federal Opposition has supported the idea of a national body to deliver health services around the country, but has rejected a radical proposal to abolish state health departments. Health groups behind the plan say a single national agency, without state health bureaucracies, would put an end to political blame shifting and duplication.</p> <p>... The Opposition's Health spokeswoman, Julia Gillard, says a new short-term federal health body, accountable to the Government, is a good idea and she would let states and territories choose its chairman. "We've called it the Australian Health Reform Commission, but we believe it should be a limited life body, a body that's brought into existence to drive the reform process and drive it to conclusion and then its work would be done," she said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 24 Apr 2004</p>	<p>'National health merger moves one step closer', by Mark Metherell</p>	<p>Health ministers have agreed to examine the case for sweeping changes to the country's struggling health system to end the split between state and federal services. The ministers agreed yesterday to consider the proposals, including creating an overarching health authority to replace state and federal health departments. ... The move came after national health leaders argued that the health system was becoming "increasingly dysfunctional" and could "no longer meet the needs of contemporary Australia".</p> <p>... The proposals were put to the ministers by the alliance, representing 28 national health and consumer organisations. The alliance chairman, John Dwyer, told the ministers that the divisions in responsibility - with states being responsible for hospitals and the Federal Government funding doctors' services - hindered efforts to focus health care more on patient needs.</p> <p>... Another advocate of change, Francis Sullivan, said yesterday that the ministers' decision was a welcome breakthrough. "They have to address the core issue, which is the creation of a single source of health funding . . . Inertia will only lead to a deeper mess."</p> <p>The health policy officer of the Australian Consumers Association, Nicola Ballenden, dismissed Mr Abbott's accountability concerns, saying: "People are very confused about the divided responsibilities now. This proposal would make it much easier to understand the system."</p> <p>After their meeting yesterday, the health ministers announced a national agreement on public hospital safety plans, a uniform plan for registering doctors and the first national strategic plan to combat shortages of doctors, nurses and other health workers.</p>
<p><i>Sydney Morning Herald</i> 24 Apr 2004</p>	<p>'For the fairies': Letter by Brian Ireland of Burleigh Heads (Qld)</p>	<p>"Call for single health body to end waste" (Herald, April 23) is a proposal for the state health ministers to consider that would replace the duplication now in place with one federal body. The article states that savings up to \$2 billion a year can be achieved. The chances of politicians agreeing to vote themselves out of a job should be filed under "fairy stories" and put in a bin at the bottom of the garden. What is the likelihood this will be sent to some committee and buried? It's only \$2 billion.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Canberra Times</i> 28 Apr 2004 (a largely similar article was published by Online Opinion on 10 May 2004)</p>	<p>'Radical overhaul of health system must be pursued', by John Dwyer (chairman of the Australian Health Care Reform Alliance and Professor of Medicine at the University of NSW)</p>	<p>When our health ministers went to bed on Friday night they were still presiding over a health system that is increasingly and, to most Australians, disturbingly dysfunctional.</p> <p>... The Royal Australian College of General Practitioners has learnt recently that 21 per cent of poorer Australians don't have their prescriptions filled and 17 per cent decline necessary investigations because of personal cost. Recent changes to Medicare will, at best, halt somewhat the pace of the decline in bulk-billing rates and do nothing to help Australians in most need of quality time with their doctors receive such care.</p> <p>... In Australia it is proving impossible to provide such desirable and professionally achievable goals because of the wretched jurisdictional inefficiencies inherent in the fragmentation of health-care responsibilities among our governments. The Federal Government's ability to provide health care directly is limited by the Constitution. It helps Australians by purchasing health from independent providers (doctors, nursing-home providers, drug companies, etc) and provides support for the hospital system delivered by state governments.</p> <p>This system, obviously inherited by the current crop of health ministers, has now reached a point where it is unworkable. At this crisis point, it is surely their responsibility to accept informed advice on how to rescue Australians from a mess, colourfully and accurately described by Federal Health Minister Tony Abbott on Friday as a "dog's breakfast" - one that has too often been placed in the "too-hard basket".</p> <p>On the Wednesday before the ministers' meeting, representatives from 28 health-related organisations met to discuss solutions to the above problems. Significantly these broadly representative and informed groups reached a unanimous conclusion. The quality and fairness Australians wish to see in the health-care system can only be achieved by restructuring the system around a unitary source of funding. Such a conclusion did not, of course, represent instant revelation but was the result of years of looking at viable alternatives to the status quo.</p> <p>In essence, the proposal calls for the establishment by July 2006 of an Australian Healthcare Corporation, which would assume all the health-care responsibilities now discharged by Federal, state and territory governments. All the taxpayer dollars used for hospital, community services and primary care would be "cashed out" by current stake-holders to be placed in the corporation "pot". It would use those dollars to create an integrated, fairer and more cost-effective service. Initial studies anticipate savings of at least \$2 billion annually. Under the proposal, the corporation will divide Australia into health-care regions based on geography, population and demographics. Each region would have a budget to run hospitals, nursing homes, hostels, community services and pay for GP and specialist services. Most importantly the regions will be able to integrate the totality of their services. Blessedly, state and territory borders will become irrelevant (they are a major cause now of the health-planning nightmare). Regions will be funded by a sophisticated resource-distribution formula that will address the correction of known poorer health outcomes.</p> <p>... To create a first budget, the AHC's proposal for the division of Australia into health regions (areas) would need to be agreed to by all Governments. All public sector money historically available to a region from both state and Federal resources would then be pooled and adjusted for anticipated inflation and growth in demand to create a five-year budget. No region could be less well resourced than at present. The flexibility to enhance funding to address inequities and inefficiencies would, however, be vital to the success of the plan. Savings from a streamlining of the health bureaucracy and the elimination of duplication would be available for such purposes.</p> <p>The corporation would replace state and Federal departments of health incorporating the existing bureaucracy it needed. It would have numerous and major central functions such as the setting, implementing and monitoring of standards for quality and safety, and collecting and publishing equity of access and outcome data. It would be able to negotiate directly with private hospitals to forge the necessary partnership between hospital sectors so lacking in the current system.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 11 May 2004</p>	<p>Editorial: 'Time to discuss who runs hospitals'</p>	<p>THE hospital system is bleeding, but we do not lack the skills to staunch the wound. What is lacking is the political will to embrace new ideas. Over the last fortnight The Australian's Diagnosis Critical series set out a plague of problems besetting our hospitals. Our hospitals save lives in ways unimaginable a generation or even a decade ago, often by harnessing the dedication of nurses. We are fortunate to have developed a tradition of high quality hospital care. Yet we also have been bombarded with horror stories where things have gone badly wrong in our \$16 billion hospital system. These are warning signs of a system badly under stress. The stress reflects the ever-growing demand for hospital services from an ageing population and from the life-saving and enhancing opportunities of new medical technologies. Not surprisingly, governments are reluctant to match this increased demand with more taxpayers' money. The result has been a clampdown on costs and longer queues for services. Acute care beds around the country declined by over 8 per cent in the five years until 2002. In Tasmania over 50 per cent of patients wait for more than a year for a cataract operation. In NSW more than a quarter have to stagger on for more than 12 months before they receive a hip replacement.</p> <p>The hospitals say they have no more bureaucratic fat to cut. But when the system is looked at as a whole, all sorts of money-saving measures and patient-focused reforms start to appear. For a start, Canberra funds the states which pass the money on to area health services which in turn pay each hospital. This double handling costs up to \$1 billion according to the Australian Medical Association. It also encourages the states and the commonwealth to blame each other for funding shortfalls – and to avoid responsibility for fixing up the problems. And each state has its own measure for everything from patient complaints to the cost of care. The result is a fragmented system with neither single national standards nor performance measures. It is a disgrace, for instance, that there is no accepted system for measuring the number of "adverse events" in hospitals.</p> <p>Last year Health Minister Tony Abbott tentatively talked of Canberra taking over direct control of public hospitals. The minister went quickly quiet – what government in its right mind would willingly take on the responsibility for places where people die. However, Mr Abbott's suggestion needs to be taken more seriously and thoroughly debated. Funding hospitals from one main source and slashing state-level bureaucratic interference might be a prescription for driving through changes that would allow our hospitals to cope with the inevitable strains on their resources. One day, your life might depend on it.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Online Opinion</i> 17 May 2004</p>	<p>'Federation, fee-for-service medicine and other problems in Australian health care', by Gavin Mooney, Chair of the Social and Public Health Economics Research Group (SPHERE) at Curtin University, Western Australia and co-convenor of the WA Social Justice Network</p>	<p>The key problems of the Australian health service at a structural level relate to two key issues: first, the existence and size of the private sector; and second, the commonwealth-states split.</p> <p>At the more macro level, the under-funding of the public system and the consequent lack of attention to equity stems from a chronically low tax base, and an all-too-little-progressive tax system. At the more micro level, problems arise because of the continuing dominance of fee-for-service medicine in general practice; a focus on bulk-billing rates rather than on equity more generally; the under-funding and lack of cultural security in health services for Aboriginal people; the lack of technical efficiency and budget integrity in our major hospitals; and inefficiencies of allocation that see mental health and aged-care services relegated to Cinderella status. Finally, it is problematical that the AMA has too often almost a monopoly voice in advocacy in health care and that the Australian citizenry's voice is so muted.</p> <p>...</p> <p>The split between the states and the Commonwealth is among the dafter parts of our system. Recently, some federal Liberal backbenchers suggested that the public hospitals should become the responsibility of the Commonwealth.</p> <p>...</p> <p>The commonwealth-states split creates problems that are much wider than simply duplication and cost-shifting, bad as these are. The extent to which one can currently pursue allocative efficiency and equity is greatly compromised by the split. One bucket of money, one system would allow a far better opportunity to pursue some common objectives. Given this split, the sheer size of the private system and its pollution of the public system and we have a recipe for what may well be one of the worst designed and least equitable health-care systems in the developed world.</p> <p>...</p> <p>While we await a time when all health services are run by the commonwealth or all by the states, a joint commonwealth-states fund should be set up amounting to perhaps 10 per cent of the existing total spend and which could be used to purchase any health services. Cost-sharing would replace cost-shifting.</p> <p>...</p> <p>The lack of compassion, and in turn resources, from government for aged care and the mentally ill are a national scandal. Do politicians ever visit aged-care facilities? Have they ever tried to get support for a relative or a friend with mental illness? Allocative efficiency is distorted by the chronic inefficiencies and lack of budget integrity of teaching hospitals. Their overspending is a function of the power of the AMA and the lack of leadership politically and administratively to control both that spending and the AMA. The opportunity cost of that to the mentally ill, the elderly and Aboriginal people is conveniently forgotten, ignored, pushed aside. Which brings me to my greatest wish for the Australian health care system: compassionate, strong leadership and good sound management. Currently we lack both.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Online Opinion</i> 17 May 2004</p>	<p>'Health reform starts with principles and must then consider practicalities', by Tim Woodruff, President of the Doctors Reform Society</p>	<p>The lack of integration of services is due to a variety of factors but at least in part it reflects the diverse funding sources for the various services, and the difficulties of determining accountability for services. Cost and blame-shifting between the commonwealth and states is rampant and a fertile ground for improvement. Estimates of the costs of the federal/state divide in health services start at \$2 billion annually, and then rise, depending on the modelling. But it's not just the cost, it's the limited accountability that is a major problem in pressuring for improved services. At the very least what is needed is a transparency and accountability of funding determined by an independent body eg the Australian Institute of Health and Welfare (AIHW). A one-off audit as recently suggested by Jeff Kennett is fine as a start but what is needed is an ongoing analysis of who is doing what with our taxes. Armed with that information the public can demand action. Currently the fog of information allows politicians off the hook.</p> <p>There are other suggestions, however, that address the funding issue more comprehensively. The concepts of pooled funding or a unitary source of funding theoretically offer a solution to the federal/state divide. Unless based on a commitment to the principles outlined above and guided by a national set of standards however, such concepts have the capacity to reduce equity and universality while removing inefficiencies and saving direct government health outlays. Thus, a unitary source of funding in the hands of the current federal government would much more rapidly take us down the path to an inequitable US-style system with huge costs paid for by consumers and increased indirect costs born by the community as our overall health status declines to that seen, for example, in the US.</p> <p>Assuming a commitment to the principles and to a national set of health system standards, a unitary source of funding as suggested by the Australian Health Care Reform Alliance (AHCRA) could be a significant reform. There are three major problems with the proposal as currently suggested. First, the commitment to principles is not consistently advocated as an essential and integral part of the proposal. Second, there is no commitment to addressing the inequity of resource transfer (\$3.3 billion annually) from public to private inherent in the current support for the private health industry. Third, it remains unclear where accountability lies in such a funding model. Inevitably, however, a unitary source of funding must reduce duplication inefficiencies and some blame-shifting and would promote integration of services.</p> <p>The concept of pooled funding has been proposed by the Labor Party prior to the last election and has been further expanded recently by Julia Gillard with the suggestion of pooled funding being spent through regions. Although they have committed to the principles outlined above, the lack of commitment to redressing the inequity of the private-health industry subsidy raises questions about the depth of commitment to those principles.</p> <p>...</p> <p>A national Primary Health Care Strategy is required. Basing this on Divisions of General Practice is a potential disaster given the recent review finding that a primary care focus was not the main focus of the Divisions. General practitioners are indeed crucial to primary care but far from exclusively so, and a move away from a doctor-controlled view of primary care is required. Primary health-care centres based on the well-functioning Community Health Centre model (with GPs) in Victoria can form the basis for the development of a functional, integrated primary health-care strategy with patients as the focus. Inadequate support to doctors to practice good medicine is a major part of the problem which has led to GP workforce disenchantment. A supportive primary health-care structure can improve that.</p> <p>...</p> <p>Aged-care inadequacies continue to waste huge amounts of public hospital resources. A major injection of funds is needed. It is a cheaper option than having aged care patients in public hospital beds.</p>
<p>ABC radio and online 20 May 2004</p>	<p>'Abbott criticised over national health scheme'</p>	<p>Federal Opposition leader Mark Latham says he opposes any move by the Commonwealth to take control of the nation's health services. Federal Health Minister Tony Abbott says it is inevitable health services will one day be delivered under a single national "umbrella". Mr Abbott believes the sooner the states are not involved, the better.</p>
<p><i>Canberra Times</i> 31 May 2004</p>	<p>'Surgeons call for federal health funding control'</p>	<p>SYDNEY: Wiping out state health bureaucracies and shifting all funding responsibility to the Federal government would give patients a better deal, according to the Royal Australasian College of Surgeons. The college vice-president Peter Woodruff said giving all funding control to the Commonwealth would save \$2 billion a year and remove unnecessary and ineffective duplication. The money could be used to slash operation waiting lists, employ more nurses and open more beds. ... Federal Health minister Tony Abbott has floated a similar plan but is opposed by state governments and federal Labor.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Adelaide Advertiser</i> 15 Jun 2004</p>	<p>'Public Hospital System: Surrendering power or a healthy option', by Craig Clarke</p>	<p>In an historic grab for power, the Federal Government is drawing plans to seize control of the nation's fragmented public hospitals from the states. Political Reporter CRAIG CLARKE in Canberra reports.</p> <p>CORPORATE Australia would view it as the opening moves of a hostile takeover. Yet the savings from ending the waste and duplication from eight separate health systems is estimated at \$2 billion a year - almost what it costs to run South Australia's hospitals for a year. The states have so far resisted pressure to surrender more power to Canberra and end the inter-government buck passing. But the lure of off-loading a sick health system may prove too tempting for some states as the cost of running hospitals skyrockets. The proposal involves public hospitals being run by local area health authorities, similar to the British regional hospital board system. Government funding contracts would be tied to performance targets. No specific proposal is believed to be before Cabinet, although Prime Minister John Howard has called for research on the issue. Health Minister Tony Abbott has made no secret of his desire to take over the running of the nation's public hospitals. Touring the Royal Flying Doctor Service in Broken Hill last month, he said the federal-state split in health was not working. "There's this mish-mash of responsibilities, nobody can decide whose job it is to oversee it," Mr Abbott said. "The sooner the states are not involved in the field of health the better."</p> <p>... SA Health Minister Lea Stevens said the plan appeared "attractive" at first glance. "(Running the health system) should be simpler if one level of government has it," she said. "We need to have a serious look at it."</p> <p>... Opposition health spokeswoman Julia Gillard said Labor was committed to help reform by creating a National Health Reform Commission. "This commission will develop the blueprint for the reform of the Commonwealth and state funding arrangements, to abolish cost shifting and blame shifting, the gaps and sharp edges and the duplication and waste," she said.</p> <p>Health ministers gathered in Canberra in April to hear a plan to create a single health system. The Australian Health Reform Alliance, a coalition of 24 peak groups, proposed the \$70 billion in state and federal health funds be pooled and a Central Australian Health Commission be created. The proposal failed to win support from the ministers, who referred it to bureaucrats to report back next month. However, hospital reform is expected to be on the agenda of the Council of Australian Government meeting this month.</p> <p>CURRENT SITUATION State Government funds and operates public hospitals.</p> <p>PROPOSAL Public hospitals would be run by local area health authorities similar to the British regional hospital board system. Federal Government funding contracts with these authorities would be tied to performance targets.</p>
<p><i>West Australian</i> 18 Jun 2004</p>	<p>'ALP plans to kill Medicare: Abbott', by Ben Ruse</p>	<p>Health Minister Tony Abbott has accused Labor of planning to dismantle Medicare and replace it with a British-style system run by unaccountable bureaucrats. He said a leaked document, prepared by the independent Allen Consulting Group for the Victorian Government and seen by Federal Labor, was evidence Labor was considering a major revamp of Medicare which would remove patient choice. The document outlines how regional health authorities could be set up to take over the health services now provided by State and Federal governments, including aged care, hospitals, GP services and community health programs. Such a move would stop duplication and buck-passing between State and Federal authorities, a practice the Australian Medical Association says costs up to \$1 billion a year.</p> <p>... In a speech last month, shadow health minister Julia Gillard said: "The principal characteristic of a unified national health system is that existing Commonwealth health monies are combined with State health monies and the combined pool of money is then applied to the population's health needs. "This would effectively end the destructive cost-shifting and mean that target programs could be introduced for individual regions."</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Age</i> 18 Jun 2004	'Abbott slams Labor health blueprint', by Michelle Grattan and David Wroe	<p>A leaked blueprint for Labor changes to Australia's health system proposes giving regional health authorities control over a budget of pooled Commonwealth and state funds ... The report, prepared by the Allen Consulting Group for the Victorian Government on federal Labor's behalf, has been obtained by federal Health Minister Tony Abbott.</p> <p>... Labor health spokeswoman Julia Gillard has supported pooled federal and state funding. She has also canvassed pushing it down to regional level, but that is not official Labor policy. Labor is expected to make an announcement on health soon.</p> <p>The report says changes would be driven by an Australian Health Commission, which Labor has said it will set up. The pooled funds under regional health authorities' control would cover acute care, primary and community care, pharmaceuticals and aged care.</p> <p>The report says the long-term continuing responsibility of one authority for the health of all people within a region "puts the emphasis on improving the health status of individuals and populations". In New Zealand and England, district authorities with budgetary, performance and organisational responsibility for the health of a catchment population negotiate primary care contracts with providers, it says.</p>
<i>The Age</i> 21 Jun 2004	'Labor may pool aged, hospital funding', by David Wroe (with Tim Colebatch)	<p>A Labor government would consider pooling money for hospitals and nursing homes under an overhaul to stop the cost shifting between the states and the Commonwealth. Labor health spokeswoman Julia Gillard told <i>The Age</i> yesterday that the sharp lines between state-funded acute care and federal-funded aged care meant that up to one in 10 hospital beds was taken by elderly patients who belonged in nursing homes. ... Responsibility for distributing the money would be handed to regional authorities, who could decide how it should be best spent. "You may want to make some decisions on a more local level, so there are not hard lines between Commonwealth and state," she said. This would not require an added layer of bureaucracy in Victoria because it could be done by the state's existing health networks, she said.</p> <p>... Mr Abbott last week seized on a leaked report commissioned by the Victorian Government, which examines pooling all health funding, creating a national health system.</p>
<i>Australian Financial Review</i> 25 Jun 2004	'PM sets battle lines for water war', by Lenore Taylor	<p>... the premiers wrote to Mr Howard on Wednesday calling for a complete overhaul of health funding to avoid "duplication and administrative waste" and seeking agreement for more positions to train doctors, nurses and other health professionals. "The current health system's funding arrangements have been in place for two decades and are no longer adequate. They neither support contemporary models of care nor provide equitable access to health services for all Australians," the premiers wrote. At the premiers' insistence, health is now on the COAG agenda.</p>
ABC radio and online 25 Jun 2004	'Abbott dismisses health funding overhaul calls'	<p>Federal Health Minister Tony Abbott has dismissed a proposal by the Labor premiers and chief ministers for a complete overhaul of Australia's health funding arrangements. The state and territory leaders detailed the plan in a letter to the Prime Minister on Wednesday, suggesting funding reform is essential to avoid administrative waste.</p> <p>... COAG is expected to discuss health funding but Mr Abbott says the health system is working well. "The Government has a very clear position on health - don't mess with Medicare," he said. "Labor, by contrast, keeps talking about reforming the health system and the Australian public are entitled to know exactly what changes they want to make."</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>Hobart Mercury</i> 1 Jul 2004	Editorial: 'Solutions for system in crisis'	<p>THE term critical mass has nothing to do with religion. But Health Minister David Llewellyn may well need divine intervention to fix the state's disintegrating health system. The expert advisory group chaired by Professor Jeff Richardson has produced a comprehensive report on Tasmania's hospitals which deserves clear bipartisan political support. Critical mass is the key issue. Tasmania cannot continue to operate a hospital system based on entrenched regional commitments where services are spread too thin and lives put in danger. "We have a diverse population," Professor Richardson says. "We cannot have centres of excellence at every hospital . . . you must have a critical mass of patients and a critical mass of doctors." The report urges radical reform which, in a state where many expect every medical service to be within range of a 10-minute drive, will require strong political will to implement. The removal of services from some hospitals to develop "centres of excellence", ending service duplication, is vital if the \$1 billion health system is to reach world's best practice.</p> <p>Duplication</p> <p>But doubts have already been sown over whether the Labor and Liberal parties have the stomach for fundamental reform. Both Mr Llewellyn and Liberal counterpart Sue Napier have ruled out "centralisation". How far are they prepared to go to create centres of excellence that can provide quality services for everyone? The report's recommendation that the Tasmanian and Federal Governments pool funds to make better use of resources is groundbreaking. It should have been implemented nationally years ago on the advice of health experts to cut waste and duplication. Tasmania's health system, like those in other states, is in crisis. Mr Llewellyn's pledge to act immediately on the report's recommendations is welcome. But Tasmania must ensure it keeps the excellent medical and nursing staff it already has while attempting to recruit specialists overseas. And governments must also act on the report's call to provide more money for medical teaching and research in the state. Tasmania spends a massive amount on health. But as Professor Richardson says, the system should be reformed first, before judging where more should be spent.</p>
<i>The World Today</i> on ABC radio 15 Jul 2004	'Latham argues for Federal-State Labor governments', by Nick Grimm	<p>ELEANOR HALL: For months the Federal Government has been warning voters that if they elect Mark Latham as Prime Minister, Labor will dominate politics both federally and across the states and territories.</p> <p>... In Canberra, Nick Grimm reports.</p> <p>... NICK GRIMM: Health and education are the two key areas under the agreement.</p> <p>On the always difficult issue of health services, Mark Latham - with the blessing of the state and territory leaders - says Labor will establish a national health reform commission to improve the funding and delivery of health services. It will also replace the Australian health care agreements with new "Medicare partnership agreements," and Mark Latham promises to free up more money for health by eliminating what he calls waste and duplication in the sector with a saving of between one and two billion dollars. New South Wales Premier Bob Carr.</p> <p>BOB CARR: There is a real urgency about these policies. If John Howard gets back, then another three years might make it too late to save Medicare. Bulk-billing will shrink right away. The shortage of nurses and doctors will grow more acute.</p>
PM program on ABC radio 15 Jul 2004	'Latham pledges end to buck passing with united Labor govts', by Catherine McGrath	<p>CATHERINE MCGRATH: Labor's plan is to lift the standard of health and education through greater cooperation between the federal government and the states. If elected it would set up a National Health Reform Commission to improving funding and service delivery for hospitals, GPs and aged care services. Labor would enter into new Medicare Partnership Agreements, and scrap the current Australian Health Care Agreements.</p> <p>MARK LATHAM: It's estimated that between \$1 billion to \$2 billion annually can be freed up by ending the waste, the inefficacy, the overlapping responsibilities. The feedback I get from the Australian people is that our health system has become very much a dog's breakfast.</p> <p>... CATHERINE MCGRATH: ... The Australian Medical Association agrees with Labor's assessment, that between \$1 billion to \$2 billion per annum is wasted through duplication in health services. AMA President Bill Glasson.</p> <p>BILL GLASSON: Well obviously from the point of view of trying to address the issue around less bureaucracy, more transparency, more accountability, and hopefully looking at trying to make the system between acute care, aged care and community care smoother, we would support. I suppose we haven't got much in the way of details, that's the trouble, and this commission they are talking about, I'd like to think that that has a limited life and it doesn't necessarily generate yet another level of bureaucracy.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 15 Jul 2004	'Latham, Labor leaders strike policy pact'	AMA president Dr Bill Glasson wants more detail about Labor's health plans but says anything designed to reduce waste in the health system would be helpful. "There's no real accountability and there's buck passing going on all the time," he said. "But if it was clearly outlined what is a state's responsibility and what is the Commonwealth's responsibility and to stop this competition between the two levels of government, then I think the system could probably be improved a lot and we could save a lot of that billion dollars that the Labor Party is talking about."
<i>The Age</i> 16 Jul 2004	'A 'new federalism' for health, schools', by Michelle Grattan	Opposition Leader Mark Latham, with ALP premiers flanking him, yesterday promised to use Labor's dominance of state and territory governments to bring Australia a new co-operative federalism that would reform health and education. ... Mr Latham, signing a "communiqué" with state leaders, said the agreement was "historic" and promised to "end the culture of buckpassing, blame shifting and bureaucratic waste" that had damaged the federal system. All Labor premiers and chief ministers have agreed to the deal. ... The ACTU welcomed the plan, president Sharan Burrow saying hundreds of millions or billions of dollars could be saved or better spent if the health care system was better integrated. Mr Latham said \$1 billion to \$2 billion could be freed by ending the waste and overlapping in the health system. If the Liberals won the election, "it is the end of Medicare," he said. ... The pooling and delivery of health funds could be at regional or state level, as decided by individual states. ... Key priorities for COAG would be a national approach to poverty and an effective new body in indigenous affairs. Premier Steve Bracks said the plan was a breath of fresh air.
<i>Australian Financial Review</i> 16 Jul 2004	'Latham plots radical \$2bn health reform', by Mark Davis and Mark Skulley	Labor leader Mark Latham plans an ambitious overhaul of Australia's complex federal system of government that aims to free up \$2 billion for health funding and ensure education spending reaches the most needy schools. Previewing his election policies on health and education, Mr Latham signed an agreement with state and territory Labor leaders that committed the ALP to a new federalism to end duplication and overlap between different levels of government. ... Mr Latham said a federal Labor government would use its relationships with its state counterparts to launch a new era of co-operation to lift the standard of health and education services and revitalise commonwealth-state relations. "Labor will end the culture of buck passing, blame shifting and bureaucratic waste that has damaged our federal system of government," Mr Latham said. ... The main elements of Labor's plan are: Federal and state Labor governments would negotiate a reform blueprint for jointly administering the \$45 billion a year they spend on health, an approach that Mr Latham said could release up to \$2 billion a year now absorbed by waste and duplication. ... But health economists and analysts have argued that there are significant savings to be made from eliminating overlapping bureaucracies both horizontally between the states and vertically between the states and the federal government. A postgraduate researcher at Canberra University, Mark Drummond, said last night that he had estimated horizontal integration of state health systems into a single national system running in parallel with the federal system would save \$2 billion a year in 2001 dollars, while horizontal and vertical integration into a single national system would save \$3 billion to \$4 billion a year. "We are currently supporting large hierarchies of departmental officials in health and finance departments across the eight different states and territories and the commonwealth," Mr Drummond said. "It's been said that the commonwealth has 4000 bureaucrats looking at the states and the states have 3000 bureaucrats looking at the commonwealth."
<i>Sydney Morning Herald</i> 16 Jul 2004	'United States of Australia: Latham's plan', by Mark Metherell and Linda Doherty	The Opposition Leader, Mark Latham, has pledged to exploit Labor's political dominance across Australia with "a new era of national co-operation" on health, education and federal-state relations. He signed a pact with premiers and territory leaders yesterday to end "the culture of buck-passing, blame-shifting and bureaucratic waste" in the federal system in the event of a Latham victory at the coming federal poll. ... Mr Latham announced details of Labor's plans for health, revealing its revamped "Medicare Partnerships Agreements" would aim for more integrated care by hospitals, doctors, community health programs and aged care services. Labor says it could save up to \$2 billion by ending duplication and cost-shifting. ... Mr Latham said he expected a "scare campaign" from Mr Howard. But he said many people were tired of the buck-passing and squabbling between different levels of government. The Premier, Bob Carr, said the health plan was urgently needed and that the Federal Government had not taken up state proposals for better co-operation which would have saved hundreds of millions of dollars.

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 16 Jul 2004</p>	<p>'Regions promised improved services', by Mark Metherell</p>	<p>Labor has promised better access to medical specialists and cancer care in under-served areas as part of its overhaul of health funding and management. An accord with all Labor premiers announced by the Opposition Leader, Mark Latham, yesterday includes broad plans to get local doctors and health services to co-operate more effectively by removing divisions between state and federal governments on health funding. The "Working Together for Medicare" pact would save up to \$2 billion a year by abolishing duplication and cost-shifting, Labor says, citing a figure produced by a University of Canberra researcher. Under the proposed scheme, states and territories would be able to draw on Medicare funds to establish outpatient clinics linked to public hospitals to improve specialist services. A beefed-up regional system would also be able to get new money from the state-federal cash pool to boost cancer and radiotherapy services, which are often in short supply outside the bigger cities.</p> <p>...</p> <p>The Health Minister, Tony Abbott, who has described the existing funding system as "a dog's breakfast" said Labor's blueprint foreshadowed the demise of Medicare and its replacement by a bureaucratized system accountable to neither state nor federal electors.</p>
<p><i>Canberra Times</i> 16 Jul 2004</p>	<p>'\$1b pledge to health, education: Latham deal with states offers windfall', by Ross Peake</p>	<p>Parents are being promised a \$1 billion windfall for education and health if Australia has Labor governments across the nation after this year's federal election. Labor Leader Mark Latham vowed yesterday a federal Labor government would forge genuine federal-state cooperation to end bickering and buck-passing over funding. He signed an agreement with state and territory leaders to reform education and health funding, with an extra \$1 billion to be gained from eliminating inefficiencies and duplication, and to improve the Council of Australian Governments, the summits that have largely replaced the premiers' conferences.</p> <p>...</p> <p>... Mr Latham said having nine Labor governments would be an advantage for Australia and said Mr Howard was conducting a scare campaign. ... "The feedback I get from the Australian people is that our health system has become very much a dog's breakfast, where people can't understand the lines of demarcation and they can't understand why more isn't done to improve the efficiency of the outcome."</p>
<p><i>Courier-Mail</i> 16 Jul 2004</p>	<p>'United Labor front on health', by Stefanie Balogh</p>	<p>LABOR leaders have signed a federal-state accord promising to improve spending on health and education. But the Federal Government warned the Labor love-in could spell the end of Medicare and was a ploy to bail out state governments under pressure on health and public hospitals. Opposition Leader Mark Latham's new-style of federalism, which was first flagged by former ALP leader Kim Beazley almost four years ago, would introduce national benchmarks in health and education. Mr Latham said yesterday reducing waste and duplication through more federal and state cooperation could save up to \$2 billion a year in health spending. Under the joint Labor deal, Mr Latham would set up a National Health Reform Commission within a month of winning government. The commission would have a year to improve the funding and delivery of state-run health services in hospitals, aged care homes and by doctors before being wound up. Labor also wants to scrap the Australian Health Care Agreement, which distributes Commonwealth money to the states, and replace it with a new but yet-to-be detailed pool of funding. Joint Medicare accounts would be established and administered through a new Medicare Partnerships Agreement. NSW Premier Bob Carr said: "If John Howard gets back, then another three years might make it too late to save Medicare. "Bulk-billing will shrink right away. The shortage of nurses and doctors will grow more acute." But federal Health Minister Tony Abbott went on the attack, saying that Mr Latham had previously described more commissions and reviews as low-grade politics. Mr Abbott said the ALP could end up reforming Medicare out of existence. "It seems that almost everything will be up for grabs -- the Medical Benefits Scheme, the Pharmaceutical Benefits Scheme and aged care subsidies as well as the Health Care Agreements," he said. Education Minister Brendan Nelson said it was no wonder the "premiers were smiling . . . they're going to have a novice getting control of the Australian taxpayers' chequebook".</p>
<p><i>Adelaide Advertiser</i> 16 Jul 2004</p>	<p>'Labor united on health, education', by Craig Clarke</p>	<p>LABOR leaders yesterday signed a pledge to overhaul education standards and end up to \$2 billion a year in waste from the health system. Led by Opposition Leader Mark Latham, Labor promised to end the "culture of buckpassing, blame shifting and bureaucratic waste" by entering a new era of Commonwealth-state relations. A communiqué was signed in Melbourne by Mr Latham and state and territory leaders, including Mike Rann, to shake up the health and education systems under a federal Labor government. Labor will set up a National Health Reform Commission to improve health services while replacing the Health Care Agreement with a Medicare partnership. Mr Latham has promised to free up money for health by eliminating between \$1-to-\$2 billion of duplication and waste. ... Mr Latham said the pledge was an "historic opportunity" to end federal-state squabbling over health and education issues. "The Australian people want problem-solving, they want a cooperative federal-state approach that gets on with the real task of doing the things that have a positive impact in their lives," he said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Age</i> 16 Jul 2004	'Rewriting the rules on paying for hospitals', by David Wroe	<p>Labor leaders have vowed to build one national health system through a blueprint for reform that would pool Commonwealth and state money and push funding decisions to a more local level. If elected, federal Labor would overhaul the health system by scrapping existing hospital funding agreements between the Commonwealth and states and replacing them with "Medicare partnership agreements" that would pay for hospitals, aged care and some GP services. Regional authorities could then use their local knowledge to decide how best to spend the money.</p> <p>Labor leader Mark Latham said the reforms would end years of bickering between state and federal governments and streamline the health system, potentially saving \$2 billion a year, which could be pumped back into vital services. "The Australian people want problem solving," he said. "They don't want blame shifting and buckpassing."</p> <p>Australian Medical Association vice-president Mukesh Haikarwal said the announcement was "short on detail but with high-hitting aims".</p> <p>... Many experts have agreed for years that Australia's health system is fraught with waste because of the Commonwealth-state divide. For example, elderly patients often take up expensive acute-care beds in state hospitals because there is no place in a Commonwealth-run nursing home.</p>
<i>The Australian</i> 16 Jul 2004	'\$2bn in health red tape, says ALP', by Michael Bachelard and Samantha Maiden	<p>LABOR says it can save up to \$2 billion a year by reducing overlapping federal and state bureaucracies in the health system and spending the savings on hospitals, the elderly and community health. ... Pledging to slash cost-shifting in the health system, Mark Latham outlined a plan to establish national health standards to lift performances in hospitals and provide after-hour services for families in areas where there were few GPs.</p> <p>... Mr Latham would not put a figure on how much extra funding that meant for the states, saying only that "we're not planning to send anything broke, we're actually planning to free up resources". In health, he said that removing the "buck passing, blame shifting and bureaucratic waste" between the state and federal health systems would mean fewer public servants "shuffling paperwork" and more at the coal face.</p> <p>... Latrobe University professor of health policy Stephen Duckett said ... "This can only be a beneficial program - there is no evidence it is a centralised arrangement."</p>
<i>Hobart Mercury</i> 16 Jul 2004	'Labor plan no backflip, says Wriedt', by Jane Lovibond	<p>Labor's communiqué, which also included a bid to cut waste in the national health system, was signed in Melbourne by state Labor leaders, including Tasmanian Premier Paul Lennon. Federal Labor leader Mark Latham said the pledge was a "historic opportunity" to end federal-state squabbling over health and education issues. If elected, Labor will set up a National Health Reform Commission to improve health services while replacing the controversial Health Care Agreement with a Medicare partnership. Mr Latham has promised to free up more money for health by eliminating between \$1 billion to \$2 billion of duplication and waste. Tasmanian Health Minister David Llewellyn said a proposal for integrated primary health teams in areas with few GPs would greatly benefit many parts of the state. And he said the pooling of federal and state funds would enable Tasmania to better target health spending.</p>
<i>Courier-Mail</i> 17 Jul 2004 p. 4	'Libs mock nationalised health plan', by Chris Jones	<p>LABOR'S claim that its new federalism could save up to \$2 billion a year in health spending was based on the unsubstantiated views of one academic, the Federal Government said yesterday. Finance Minister Nick Minchin ridiculed the new federal-state accord signed between Labor leaders on Thursday. Senator Minchin said Opposition Leader Mark Latham's claim that reducing waste and duplication through more federal and state cooperation could save up to \$2 billion a year in health spending was "simply not believable". "The claim was based on one academic's working paper presented to Labor's health summit last year," Senator Minchin said. "However that paper identified no specific savings which could be made from existing state and federal health administrations; rather the savings were calculated using theoretical statistical analysis." Senator Minchin said that in order to identify real savings from which to fund new spending, Labor had to detail to voters the specific programs it would cut. Under the joint Labor deal announced on Thursday, Mr Latham would set up a National Health Reform Commission within a month of winning government. The commission would have a year to improve the funding and delivery of state-run health services in hospitals and aged-care homes and by doctors.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Australian Financial Review</i> 17 Jul 2004</p>	<p>'Backlash on Latham's \$2bn health plan', by Lisa Allen with AAP</p>	<p>Opposition Leader Mark Latham faces a public-service backlash against his plan to save \$2 billion in health spending by eliminating "waste and duplication" from the federal and state bureaucracies. The ambitious overhaul of the \$77 billion health system received strong backing from the Whitlam government's architect of Medicare, John Deeble, but was greeted with "deep concern" by unions. Academics said the federal departments of health, finance and Treasury would be hardest hit in terms of job cuts. One academic said the bureaucratic battle would be fought in the Treasury because Labor's health policy was likely to make commonwealth spending more uncertain. But Professor Deeble, of the Australian National University, said: "The commonwealth bureaucracy could be the strongest opponent [to the Latham plan] because it has never given up its right to determine how much money will be spent on health." Latham's policy was "really the only way to go because the commonwealth hasn't got the ability to run the hospitals and the states haven't got enough of their own revenue to run them either," he said.</p> <p>But the federal government and the Australian Medical Association disparaged the plan, saying it lacked significant detail and the claimed \$2 billion in savings had not been backed up by any specific measures. Prime Minister John Howard said that when he proposed at last year's Council of Australian Governments conference to have an inquiry into federal-state overlaps in the health system, the state leaders had walked out. "All they are promising to have is an inquiry, which will last a year, and we don't know what the result of that inquiry is, and in a sense we are going to the next election with a blank cheque on health," he said.</p> <p>Mr Latham has agreed with state and territory Labor leaders to examine an overhaul of the federal system of government in a bid to free up \$2 billion in health funding and ensure education spending reached the neediest schools. The former commissioner of the National Hospital and Health Services Commission, Paul Gross, said the policy was "a facade" and "absolutely laughable" for masking the need for real change. Mr Gross, a health economist who was a commissioner under the Whitlam and Fraser governments, said a measure producing less than \$2 billion in savings "can hardly be viewed as relevant or earth-shattering". Stephen Duckett, professor of health policy at La Trobe University, said the policy was a good thing but added "whether it's going to save \$1 billion to \$2 billion worth of bureaucrats, we have to wait and see". Unions fear the plan will cost jobs. Jenness Gardner, national health secretary of the Community and Public Sector Union, said it was damaging to talk about inefficiency every time an election spending commitment was announced by either party. Federal secretary of the State Public Services Federation, David Kerry, said the union would be "vigilant" if the introduction of the policy was a cost-cutting exercise.</p>
<p><i>Sydney Morning Herald</i> 29 Jul 2004</p>	<p>'Abbott dismisses plan to pool health funds', by Mark Metherell</p>	<p>Facing fresh pressure for a revamp of the nation's health system, the federal Health Minister, Tony Abbott, says he would only consider major reform if the states were prepared to hand funding powers to the Commonwealth.</p> <p>... "If the states do not think they are capable of running the health system, they can come to me and ask the Commonwealth to take over," Mr Abbott told the Herald. He said the Federal Government's role in health services, Medicare, the Pharmaceutical Benefits Scheme and aged care was working well and it was the states which were having "terrible problems" in running their public hospitals.</p>
<p><i>Sydney Morning Herald</i> 30 Jul 2004</p>	<p>'Abbott rejects integrated health plan', by Mark Metherell</p>	<p>The nation's health ministers, including Mr Abbott, yesterday agreed to investigate ways of bridging divisions between state-run hospitals and federally financed private doctors which are blamed for impeding treatment of the chronically ill. State-appointed medical experts called on the ministers to integrate services - often split between federal and state governments - to improve care, and ministers agreed "to explore mechanisms to engage clinicians in the development of the national reform agenda ...". But Mr Abbott, who has firmly resisted calls for national reform and pooling of resources pushed by Labor, said he would not favour any new mechanisms for spending federal money if the Federal Government did not have control. However, he acknowledged that parts of the health system were beset by duplication, dysfunction and cost-shifting.</p> <p>... The chairman of the Australian Health Care Reform Alliance, John Dwyer, said he believed that despite Mr Abbott's resistance "reform is definitely in the air and there is no retreat now from making changes to the system".</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 30 Jul 2004</p>	<p>Editorial: 'The right remedy for health'</p>	<p>The planned amalgamation of NSW's area health services continues a rationalisation that began almost 20 years ago. That was when the first area health services were created to streamline administration by taking over from a host of separate hospital boards. By 1995 the original 23 metropolitan areas had been cut to just nine. The following year 23 country areas became just eight. Now the process continues - and not before time - with the 17 remaining area health services to become eight larger administrations with responsibility for all of NSW's hospitals and other health institutions. This will save \$100 million a year, says the Health Minister, Morris Iemma, by eliminating duplication. The money is to go to extra clinical services. The sum may seem a modest increment to a \$10 billion-a-year health budget. But it is enough to fund thousands of overdue operations at a time when Mr Sendt says the number of people waiting more than a year for surgery has doubled.</p> <p>As well, larger administrative areas should mean better care for more people via a more equitable distribution of services. Larger units can engage a wider range of clinicians and other health professionals, and ensure they are better distributed and co-ordinated.</p> <p>... The new area health services will dispense with boards of directors, overcoming at a stroke the long-standing problem of boards that were too often unwieldy, under-qualified and uncertain of their role. One thing the boards did provide, however, was a conduit to local communities, a role that is now to be filled by a network of advisory councils. And, of course, the streamlining of area health services must be complemented by further savings through the sharing and centralising of activities between them.</p> <p>The demand for medical care created by an ageing population plus more - and more costly - services and procedures will not ease in the foreseeable future. These pressure may yet lead to a national reorganisation of the way health care is provided, redefining the roles of state and federal governments. In the meantime, the leaner health administration proposed for NSW is an overdue step in the right direction.</p>
<p><i>Australian Financial Review</i> 2 Aug 2004 p. 5</p>	<p>'ALP points to ways to save on health', by Lisa Allen</p>	<p>Opposition Leader Mark Latham and the state premiers are trying to counter the federal government's "wall-to-wall Labor" scare tactics by implementing a raft of health budget savings that will be redirected into better health services before the federal election. NSW Labor's plan to save \$100 million in health costs under massive statewide reforms involving the loss of 650 administrative jobs is expected to lead to more direct funding, such as the hiring of 1600 extra nurses. The plans dovetail with federal Labor's proposal for a \$2 billion money-saving plan to eliminate "waste and duplication" from the health system in the commonwealth bureaucracy, and with a recent report on an overhaul of South Australia's health system. Federal opposition health spokeswoman Julia Gillard and NSW Health Minister Morris Iemma have developed an "excellent working relationship" in terms of synchronising policies that will eliminate duplication across the \$77 billion health system, say political sources. NSW Health Minister Morris Iemma said the cutting at state and federal level was entirely consistent. "Both the federal proposal to reduce duplication and inefficiency between the state and federal bureaucracy is identical to the plans to reduce duplication and unnecessary inefficiency in the NSW area health services. "The money [savings] in both cases will be directed towards front line services," said Mr Iemma. He said he was eagerly awaiting the election of a Latham government so the benefits between state and federal reforms could be synchronised. The NSW plans mirror reforms of the South Australian health system recommended in a recent report by John Menadue, including the slashing of the state's health bureaucracy. The chairman of the Australian Health Care Reform Alliance, John Dwyer, applauded Labor's two-tier strategy to fix the system, saying it was a "sensible approach", in an interview on Friday. But Professor Dwyer said it was a "bit too sophisticated" to appeal to the public. "I don't think it will resonate with voters," he said. "There is a unique opportunity to show that genuine collaboration could work and the experiment could only be possible if you had all Labor governments." Even Health Minister Tony Abbott is trying to convince voters a federal coalition government can work with Labor states. He issued a statement last week claiming the commonwealth and state governments had agreed to work more closely to address potential workforce shortages. Mr Abbott and Education Minister Brendan Nelson met state health ministers including Mr Iemma, Victoria's Bronwyn Pike and Tasmania's David Llewellyn to discuss training and workforce needs for health professionals on July 21.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
AM Program ABC Radio 30 Aug 2004	'Mark Latham defends his leadership skills', by Tony Eastley	<p>TONY EASTLEY: Well, to the Opposition leader now and Mark Latham is in our Sydney studio. ... You say health and education are your strong points? But won't voters look at state governments, Labor state governments around the country and point the finger and say well, these governments bear a good deal of the responsibility for health and education, which in some cases we are not happy with?</p> <p>MARK LATHAM: Well, they've had a billion dollar funding cut to public hospitals out of Canberra, which obviously makes it hard. But I think you've got a chance here to have cooperation between the different levels of government. So I've moved around the country - people are sick and tired of the buck passing and the blame shifting. They actually want federal and state governments to work together and the two big issues that affect their families, that affect the opportunities for their children - health and education. And unless you've got governments working together and actually solving problems then we're so much diminished as a nation in those key areas of social provision. So let's get together with a cooperative framework for Australian federalism and get more done in health and education, particularly cleaning out the areas of waste and duplication in health where you can save up to \$2 billion and put that money into front line services for the benefit of the people.</p>
<i>The Australian</i> 1 Sep 2004	'Health rebate stays, Gillard pledges - Election 2004', by Sid Maher	<p>LABOR pledged yesterday to maintain the 30 per cent private health care rebate, even if the proposed national health reform commission recommended its abolition. Labor health spokeswoman Julia Gillard maintained Labor's pledge to keep the rebate, despite Opposition Leader Mark Latham's earlier description of it as "bad policy".</p> <p>... Ms Gillard said Labor's national health reform commission, which is expected to run for a year if Mr Latham wins office, would be able to find savings of between \$1 billion and \$2 billion by eliminating duplication and cost-shifting between the state and federal systems. "The principal aim of the reform commission is to get the gaps and the holes and the waste and the duplication that currently happens," she said. But she said the costings of Labor's health initiatives were not dependent on achieving these savings. Ms Gillard claimed Labor's initiatives would invest more in the health system than the Coalition's -- despite Labor's opposition to the Government's \$440 million extension to the private health insurance rebate for people over 65 and its policy to abolish the Medicare safety net.</p>
<i>Australian Associated Press General News</i> 4 Sep 2004	'Fed: Labor spurns claims it would kill Medicare', by Miranda Korzy	<p>SYDNEY, Sept 4 AAP - Labor today spurned claims it would kill Medicare in its present form, saying it was the government that had tried to destroy it. Federal Health Minister Tony Abbott today made the claim, responding to a new essay about Opposition Leader Mark Latham's books that outlines his purported radical ideas for change in the health system. Researcher Margaret Simons said in the essay Mr Latham favoured the pooling of all federal, state and local health resources. However, Labor health spokeswoman Julia Gillard rejected the suggestions totally. Labor would keep Medicare as we have it now but rebuild it," Ms Gillard said.</p> <p>... In an extract from the current Quarterly Essay printed in <i>The Age</i>, Ms Simons said the states, through regional authorities, would be responsible for all service delivery.</p> <p>... Ms Gillard said Labor was also committed to protecting the PBS, and strengthening the public hospital system through developing better relationships with the states and addressing the problems. "What we have then talked about is ironing out the federal-state duplication that causes problems between community care, aged care, and care in public hospitals," she said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Australian Associated Press General News</i> 8 Sep 2004</p>	<p>'Vic: Paramedics call for ambulance service merger', by Ben Packham</p>	<p>MELBOURNE, Sept 8 AAP - Victorian paramedics have called for the state's three ambulance services to be merged into a single entity to save money and prevent confusion. About 400 paramedics today passed a resolution seeking the change, before marching on Premier Steve Bracks' office to demand a better pay offer. The move came as the state government wrote to the Australian Industrial Relations Commission (AIRC) asking it to arbitrate the paramedics' dispute. Depending on where they live in Victoria, patients can be attended by paramedics from the Metropolitan Ambulance Service, the Rural Ambulance Service or the tiny Alexandra Ambulance Service, in the state's north-west. Ambulance Employees' Australia state secretary Rod Morris said it was ridiculous having three ambulance services, with three chief executives, payroll departments and fleet managers. "There is enormous duplication. It's an absolute waste of resources," Mr Morris said. He said the money saved from merging the services could go towards a paramedics' pay rise and the hiring of more staff. Mr Morris said each service operated on a different radio frequency, causing problems when they needed to communicate with each other. "Imagine how stupid it would be to have more than one police force in the state of Victoria," he said. "Imagine the problems crossing the borders with who is responsible for which crime, who is responsible for pursuing criminals." Mr Morris said paramedics, who travelled to Melbourne from across the state for a mass meeting, rejected the government's latest pay offer of three per cent plus a \$20 skills allowance. A spokesman for Health Minister Bronwyn Pike said the government wrote to the AIRC on Monday, asking it to settle the dispute if paramedics did not accept the offer. He said the call for a merger of ambulance services was a "distraction" from the real issues in the dispute. "There are no plans to change the current arrangements. They serve Victorians well," the spokesman said. Mr Morris said the union hoped the AIRC would not decide to arbitrate the dispute, as they believed there was still hope for a resolution. Paramedics imposed work bans earlier this month over their pay and conditions dispute with the government. But they lifted the bans after the AIRC declared them illegal and the state government threatened to take the union to the Federal Court.</p>
<p><i>The Australian</i> 9 Sep 2004</p>	<p>'Abbott calls hospital debate', by Matthew Denholm</p>	<p>TONY Abbott has called for a fresh debate on a federal takeover of public hospitals, arguing inefficiencies will plague state health systems until the issue is tackled. The Health Minister resurrected the contentious issue yesterday, saying he would encourage a debate and describing a commonwealth takeover as "an attractive option". "I would love to see the state premiers justify how they can possibly blame the federal Government for everything that goes wrong in their (health) systems while at the same time maintaining their existing role," he said. "And certainly, if people in the community want to say they're sick of the mess the state governments have made and it's about time the federal Government took it over, I'd certainly welcome the debate."</p> <p>Earlier, Mr Abbott told senior doctors at Launceston General Hospital that inefficiencies would continue while hospital funding was a 50-50 shared federal-state responsibility but states had 100 per cent control of how the money was spent. "The states blame the feds and – because they can blame the feds – there is less incentive for them to be efficient," he said.</p>
<p><i>Australian Financial Review</i> 15 Sep 2004</p>	<p>'Labor to cut duplication, waste and waiting lists', by Marcus Priest</p>	<p>State and territory health ministers have been talking to the federal ALP about new financial initiatives a Labor government could offer to public hospitals to reduce waiting lists. Mr Latham said yesterday the initiative would be funded from \$1 billion to \$2 billion of savings made by cutting "waste and duplication" from state and federal health services. "I can't guarantee what the states do but we'll have a federal policy that brings down waiting lists and helps take the pressure off our public hospital system," Mr Latham told 3AW radio.</p> <p>... In July, Mr Latham and the state health ministers signed an agreement to end duplication and overlap between different levels of government. While hospital waiting lists are a state responsibility, Mr Latham yesterday ruled out any "federal takeover" of hospitals and said the initiatives would be worked through with state governments. "We think there's between \$1 billion and \$2 billion that can be freed up to actually go into the frontline services," Mr Latham said. "There's terrible waste and duplication in the system now so we want to work with the states, and I think we can, to try and overcome that problem." A spokesman for NSW Health Minister Morris Iemma said the minister had been working with opposition health spokeswoman Julia Gillard on a number of matters in relation to "synchronising" state and federal approaches to health. These discussions focused on what a federal Labor government could deliver and how to "maximise the benefits of Mark Latham's health policy for NSW". Labor has promised to establish a national health reform commission to develop a blueprint for reform of commonwealth and state funding arrangements. This process will include examination of a proposal to pool state and federal health money.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Canberra Times</i> 18 Sep 2004</p>	<p>'\$1b demand for hospitals', by Danielle Cronin</p>	<p>A public call went out yesterday for an immediate \$1 billion injection to reduce the strain on public hospital emergency departments and boost bed numbers in the overstretched system. In a show of solidarity outside Canberra Hospital's emergency department, delegates from eight peak bodies - representing health workers and service providers - demanded a better deal for Australia's public hospitals. Australian Medical Association president Bill Glasson said public hospitals were the heart of the health system. "The clear message today is that we want three things - we want beds, beds and beds, full stop. "We cannot get patients into hospitals; we can't get patients out of hospitals because essentially we don't have the beds to treat our patients." Catholic Health chief executive Francis Sullivan said too many patients were waiting on trolleys in casualty departments and in some areas, even trolleys were not available. "[Prime Minister] John Howard and [federal Labor Leader] Mark Latham sit in their offices and cuddle a very fat Budget surplus, yet last year the Australian Government, its own report, found that 1.3 million Australians waited too long in a public hospital emergency ward." Health Minister Tony Abbott recently said the Coalition had discharged its responsibility on public hospitals. The Commonwealth had provided states and territories with "rivers of gold" from the GST and \$42 billion over five years to run public hospitals under the Australian Health Care Agreement - a 17 per cent increase. Labor health spokeswoman Julia Gillard said the party would scrap the agreements in favour of Commonwealth-state partnerships to reduce waste and duplication. A National Health Reform Commission would be set up to end the buck-passing between the levels of government. Also yesterday, the AMA, Catholic Health, Australian Healthcare Association, Australian Salaried Medical Officers' Federation, Australian Nursing Federation, Royal College of Nursing, Australasian College for Emergency Medicine and Australian Society for Geriatric Medicine issued a six-point plan.</p> <p>The Coalition and Labor must produce policies that delivered more beds in public hospitals, more sub-acute, rehabilitation and geriatric beds, more doctors and nurses into the public hospital system. The organisations called for more efficient discharge arrangements, better integration of residential and community care, and genuine cooperation between all levels of government. Dr Glasson said the organisations wanted a long-term vision, not policies to patch up the system until the next federal election. "We will become louder and more powerful unless the federal and state Governments get off their backsides and, basically, thoroughly address the issue in a constructive way," he said. "So we've had a gutful. Patients have had a gutful; electorates had a gutful; and when they go to that ballot box, they want to know exactly what the parties are doing."</p>
<p><i>AAP Bulletins</i> 23 Sep 2004</p>	<p>Latham vows to upgrade public hospitals'</p>	<p>Labor leader Mark Latham has promised to pump \$3 billion more into public hospitals by reducing waste and duplication in bureaucracies, reports say. Labor leader Mark Latham has promised to pump \$3 billion more into public hospitals by reducing waste and duplication in bureaucracies, The Australian Financial Review has reported. The newspaper said the \$1 billion boost announced by Mr Latham on Wednesday comes largely from redirected state funding and would be used to provide 2.4 million more free specialists' consultations and better hospital equipment, along with extra nurses and doctors. But the paper said Mr Latham has also flagged Labor could add up to \$2 billion more to health care spending if savings from the reduction of waste and duplication in state and federal health bureaucracies were redirected. An international health economist and former health commissioner under federal Labor and Liberal governments Paul Gross has told the paper the policy showed Labor was still thinking in the 1970s. Mr Gross told the paper Labor had not addressed the types of funding shortfalls public hospitals faced. "Why throw \$1 billion at something which is just a great big splat on the mat without asking what do public hospitals need to do?" Mr Gross told the paper.</p>
<p><i>The Australian</i> 24 Sep 2004</p>	<p>Editorial: 'Health system needs a vision'</p>	<p>BOTH Labor and the Coalition seem to have found billions of extra dollars for the country's creaking health system during the election campaign, but neither has found what looks remotely like a blueprint for the future. ... In short, it's a patchwork quilt rather than a coherent vision, much like our fragmented \$70 billion health system.</p> <p>... Since the federal government already looks after Medicare, aged care and pharmaceutical benefits, there is an argument for eliminating bureaucratic duplication - estimated to cost \$1 billion a year - and giving Canberra responsibility for hospitals. But who really believes immense and distant bureaucracies are good for your health? An idea the boffins have been toying with involves pooling federal and state funds into regional health authorities, which would manage all care for their populations. Such a plan, which Mr Latham and the state premiers have agreed to investigate, deserves serious consideration.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>Sydney Morning Herald</i> 24 Sep 2004	Editorial: 'Cutting to core of health need'	<p>Policy reform does not get harder than in health.</p> <p>... The solution is not in money alone, although for generations the public health debate has been snagged on the size of public subsidy, its sources and distribution, and on jurisdictional disputes about which tier of government is responsible for what. The debate has engaged self-interest lobbies - specialists, GPs, insurers, private and public hospitals - with governments and oppositions. The public mostly has been in the dark. For all this, however, no substantial health lobby argues against substantial reform. To be effective, such reform must simplify lines of accountability, ensure providers and policymakers sing from the same song book, develop financial incentives for good health, get rid of the duplication, cost and blame-shifting that characterises Commonwealth-state health funding arrangements, and do away with the pretence that political initiative can erase hospital waiting queues and times.</p> <p>We need a new mould. Labor's promise of a health reform commission to examine the public health hotchpotch offers encouragement but raises questions about why the Opposition is content this election to restrict its health rhetoric to bulk-billing and public hospital resources, to insist the election is a referendum on Medicare. The Health Minister, Tony Abbott, stuck out his head to suggest a federal takeover but quickly retracted it, citing his concern that removal of health responsibilities would "infantilise" the states. That's a risk Australians might find tolerable. First, however, they need inclusion in a debate that sheds light on the health system's potential, as well as its faults.</p>
<i>Canberra Times</i> 29 Sep 2004 p. 19	'Coalition a nose in front on health', by Tim Rankin, a GP in a country practice	<p>More money is being spent on health in this country than at any time in our history. The problem is that the system is fragmented. There are seven state, two territory and a Commonwealth bureaucracy. And there are the hundreds of area health bureaucracies, each and every one of them is empire building and wasting billions in futile duplication and paper chasing. It is clearly absurd in this country that we have a national universal health insurance for Doctors who are registered and administered by the states, who prescribe drugs subsidised by the Commonwealth and practise in hospitals run by the states, which are paid for with Commonwealth taxes. Forget Medicare. Medicare is merely an insurance scheme. Nationalised health insurance. It is only a part of the picture. It's really not that important. What we really need is a truly national health policy, medical costs, manpower, hospitals, pharmaceuticals.</p>
ABC radio and online 4 Oct 2004	'Call for national standards to assess overseas-trained doctors'	<p>A senior researcher has called for national standards to assess doctors trained overseas before they are hired in Australia. Dr Bob Birrell, from Melbourne's Monash University, says his latest report reveals Australia lags behind Britain, Canada and the United States in setting benchmarks for doctors brought here to fix shortages. He says doctors trained in China, Iraq, India and Egypt are being put into the front line without the proper assessment of their training and skills. "This is anomalous because in the case of our own Australian-trained graduates you cannot practice or bill on the Medicare system as a general practitioner until you've completed an internship and three years of post-graduate training in family medicine," he said. "But we now have a fast track system for overseas trained doctors that does not require that assessment."</p> <p>The Australian Medical Association (AMA) has supported calls for a national assessment standard for overseas-trained doctors.</p>
<i>The Australian</i> 17 Oct 2004	'Aged-care policy cures health dysfunction', by Mike Stekettee	<p>ALTHOUGH you wouldn't know it from the election debate, Labor's proposal to eliminate hospital waiting lists for Australians aged 75 and over deserves more attention than being dismissed as just another bribe for older Australians. ... By integrating public and private hospital care for over-75-year-olds, Medicare Gold should improve efficiency and reduce overall costs, including by enabling private hospitals to spread their fixed costs over a larger proportion of occupied beds.</p> <p>... the proposal would tackle another divided responsibility – that between federal and state governments which jointly fund public hospitals. With the commonwealth assuming all the costs for over-75-year-olds in public as well as private hospitals, this would reduce the duplication, cost shifting and buck passing between different levels of government that are endemic in health.</p> <p>... Medicare Gold creates an incentive to clear one of the major blockages in public hospitals – the 2000 patients, on Labor's reckoning, waiting in hospital sometimes for a year or more for nursing home beds. The NSW Government estimates a hospital bed costs \$427 a day, compared with \$80 a day for nursing home accommodation. Because the commonwealth funds nursing homes and the states run hospitals, it suits the commonwealth for the aged to tie up hospital beds. But with the commonwealth paying for both, it will want to move as many as possible into nursing homes.</p> <p>... If more of the aged go into nursing homes and private hospitals, this should reduce waiting lists for the rest of the population. Labor also says that by taking over the private health insurance costs of the heaviest users of the health system, premiums can fall by at least 12 per cent – a reduction it would enforce through the Government-owned Medibank Private.</p> <p>... Medicare Gold would be expensive in the long run as the population ages. But arguments that it is unsustainable because it provides free care overlook the fact that this already is the case for public patients.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 19 Oct 2004</p>	<p>Editorial: 'Health system can do with new ideas'</p>	<p>AMONG the vistas opened up by the new reform mandate are improved ways of delivering public services such as health and education. These cannot be seen in isolation from a rejuvenated program of microeconomic reform, since that is how we grow the economic pie in order to be able to afford the high-quality hospitals, schools and universities we want. But in health, particularly, new ideas are desperately needed.</p> <p>... As Health Minister Tony Abbott contemplates life without a recalcitrant Senate, he should return to a thought-bubble he floated earlier this year: commonwealth control of public hospitals. At the moment our hospitals are funded by the commonwealth, but run by the states. The result of having two layers of hospital bureaucracy is not just endless blame-shifting, but an additional burden on the \$16 billion system to the tune of around \$1 billion a year. Rationalising the administration of public hospitals is the first step towards containing health costs and cutting waiting-lists.</p>
<p>The AM program on ABC radio and online 20 Oct 2004</p>	<p>'Bob Carr calls for federal-state cooperation over health system', by Tony Eastley</p>	<p>TONY EASTLEY: The New South Wales Premier, Bob Carr says John Howard has a real mandate for change, and he believes the Prime Minister should start with Federal-State relations. Mr Carr says the current funding and operation of Australia's health system is dysfunctional and the Commonwealth should enter into negotiations as soon as possible to solve the problems. He says ideally the Howard Government should take over the States' responsibilities, and he thinks Premiers in other states would be keen to consider that proposal.</p> <p>BOB CARR: The biggest challenge is health, this is the biggest source of pressure on state and commonwealth budgets, the ageing of the population and personnel shortages, the difficulty of getting GPs and specialists and nurses and getting them in the right places ensure that it will continue to be a huge budgetary challenge for state and commonwealth governments. We can redesign this system, we can make it a whole lot better, acknowledge and respect the Prime Minister's mandate, his position of political strength, I think it's an opportunity for him to open up negotiation in this whole area of dysfunctional federalism.</p> <p>... TONY EASTLEY: Because Tony Abbott, the Federal Health Minister did say earlier this year that a federal takeover of health was the debate, I think, that we had to have.</p> <p>BOB CARR: Well, Tony Abbott has nibbled at the area on a couple of occasions, and it is a debate that's worthwhile.</p> <p>TONY EASTLEY: Have you spoken to other premiers about this idea?</p> <p>BOB CARR: It's been on the agenda when premiers and chief ministers have got together going back to the time when Jeff Kennett was Premier of Victoria and I was in my first year as Premier of New South Wales. The fact is health is the biggest source of pressure on state and commonwealth budgets. It's where both levels of government are simply shoving more money each year at a largely dysfunctional system. It's a great challenge, I think, for the Howard Government, and I recognise its mandate, its unrivalled strength to initiate the sort of talks, the sort of probing, not another boring report, but actual negotiations designed to make the system work efficiently.</p> <p>... TONY EASTLEY: While I've got you here, yesterday John Anderson, the National Party leader suggested that there should be a national approach to water issues, water conservation. Do you agree with that?</p> <p>BOB CARR: Water's clearly one area where we need a more cooperative approach, and again that can be added to the agenda. I think it's probably easier to get it in water than it is in health. But let's not have a parallel commonwealth bureaucracy. Many of these things can be achieved by the catchment management authorities that the states have already got up operating ...</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 20 Oct 2004	'Carr floats move to trade powers'	<p>New South Wales Premier Bob Carr is offering to hand control of the state's hospital system to the Federal Government in exchange for state control of schools and TAFE colleges. ... "The overlap in responsibilities, the endless buck-passing and blame-shifting between Commonwealth and state governments should end," he said. "The Prime Minister is in a position where he could enter negotiations with the states from an undisputed position of strength - political strength. "We ought to be able to get this on the agenda as never before." He says the health system in particular could benefit from the change. "We need this most in health, where the Commonwealth is responsible for GP numbers and health insurance and aged-care beds but the state's responsible for the hospital system, which these other factors affect most drastically," Mr Carr said. "We can have serious negotiations about this."</p> <p>Mr Carr has suggested recruiting former New South Wales and Queensland premiers Nick Greiner and Wayne Goss to investigate the suggestion. Mr Greiner has backed the NSW Premier's call, saying the proposals have merit. "We ought to have a genuine look, without any precommitments, preconceptions, and see if we can remove some of the duplication, not only between the federal and state but also local government," he said. "I think the initiative that Mr Carr's taken, perhaps mugged by the reality of John Howard's win and the fact that the federal Liberal Government is likely to be there for a while, I think it's a good initiative."</p> <p>... The director of the Institute of Health Economics and Technological Assessment, Paul Grose, says the idea is commonsense. He says it would lead to a rationalisation of funding for hospitals, doctors, nurses, nursing homes and drugs. "With the dominance of the Howard Government at the moment in the Senate and in the House, it's an opportune time for him and the Health Minister in Canberra to talk about the financial resources and the types of organisation changes that we absolutely need now to deal with an era of chronic illness and ageing," Mr Grose said. "In that respect, it's time we had this debate."</p> <p>The national president of the Australian Medical Association, Bill Glasson, has welcomed the idea, on the proviso that new ways of delivering health care take precedence over new funding models. "It's a very promising move and I congratulate Bob Carr for driving this agenda," Dr Glasson said. "I think out of the federal election the Australian people want to get a solution to this, because they hear it in the media every day what's happening in our public hospitals and they know they are personally being affected by this. "They want a solution and we need the leaders like Bob Carr and [Health Minister] Tony Abbott to actually drive this agenda through."</p> <p>The Rural Doctors Association has also welcomed the proposal. Its chief, Sue Page, says the move would streamline funding and improve services in regional areas. "All of a sudden you've got the same person for both sides of health - what happens in hospitals but also what happens outside of hospitals," she said. "It makes it much more easy to move the funding to where you get your most cost-effective outcomes."</p> <p>... ACT Chief Minister Jon Stanhope has supported a call by the New South Wales Premier to hold a conference on whether health should become the sole responsibility of the Commonwealth. Queensland Premier Peter Beattie has called for national reform of the health system.</p>
The World Today program on ABC radio and online 20 Oct 2004	'Peter Beattie calls for health system overhaul', by Ian Townsend	<p>HAMISH ROBERTSON: Queensland Premier Peter Beattie has joined New South Wales Premier Bob Carr in challenging the Federal Government to overhaul the Australian health system, and to resolve federal-state tensions over the issue, that go back to Federation more than a century ago. Mr Carr says it's time the Federal and State governments renegotiated who's responsible for what, in the health system. And this morning, Mr Beattie joined the bandwagon, calling on the Federal Government to convene an early meeting of the Council of Australian Governments – or COAG – and put reform of the health system at the top of the agenda.</p> <p>... IAN TOWNSEND: With the Federal Government in such a strong position, looking likely to control both houses of parliament for a change, New South Wales Premier Bob Carr thinks it's a good time to take another look federalism – the sharing of state and federal responsibilities. On AM this morning, Bob Carr called the current state of federalism "dysfunctional," the best example of which is the condition of the Australian health system.</p> <p>... And this suggestion of starting with health already has the backing of the Australian Medical Association. AMA President Bill Glasson says he thinks it's a good idea, and he'd like to see all the health ministers sit down together soon to find a better model for the Australian health system.</p> <p>BILL GLASSON: It's a very promising move and I congratulate Bob Carr for driving this agenda. I think out of the federal election the Australian people want to get a solution to this, because they hear it in the media every day, what's happening to our public hospitals and they know they are personally being affected by this, and they want a solution and we need the leaders like Bob Carr and Tony Abbott to actually drive this agenda through.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
The World Today program on ABC radio and online 20 Oct 2004	'Doctors agree federal-state health system must change', by Michael Vincent	<p>HAMISH ROBERTSON: As we've been hearing, today's move by Peter Beattie follows that overture by Bob Carr to his state counterparts and the Federal Health Minister to begin a complete redesign of the health system.</p> <p>According to Mr Carr in an "ideal" world, the Federal Government would take it over completely. That proposal has been met with interest by doctors, nurses and health analysts who are all frustrated by the inefficiencies inherent in a duplicated system.</p> <p>... MICHAEL VINCENT: And for the patients the dual-fed-state system is a nightmare as well.</p> <p>Acting Federal Secretary of the Nursing Federation, Ged Cowin, says the duplication of services such as record keeping, is a daily occurrence.</p> <p>GED COWIN: What we find ourselves doing is repeating tests, repeating questions, searching for files that exist elsewhere, really the whole system is just a mish-mash of things. And what we find it boils down to in the end is just a bit of cost shifting here and there, you know – it's cheaper to have this patient under Commonwealth funding so we've got them in here so they don't (inaudible) people who are under a state-funded system and it just gets all terribly complicated and impossible for the patients to work through this maze, and it's almost impossible for health professionals to work through it.</p> <p>... MICHAEL VINCENT: Stephen Duckett is a Professor of Health Policy at La Trobe University and was the Secretary to the Commonwealth Department of Health in the mid-1990s. He says the Federal Government should not take over the entire health system. But it should be responsible for all the funding.</p> <p>STEPHEN DUCKETT: I think takeover is sort of a confrontationalist word, and the Commonwealth is, I think, well placed to be the funder of the system, to actually set the overall parameters and to fund hospitals, to fund doctors, to fund nursing homes and so on.</p>
The World Today program on ABC radio and online 20 Oct 2004	'John Dwyer says health system overhaul could save billions', by Alison Caldwell	<p>HAMISH ROBERTSON: Billions of dollars could be saved if the duplication in Australia's health system were stamped out, according to one of the nation's most senior clinicians.</p> <p>Professor John Dwyer is the Chairman of the Health Care Reform Alliance, which has been examining ways to streamline the delivery of health care services.</p> <p>... JOHN DWYER: Well, I think those of us who have been thinking about it for a long time don't think it's that complicated. ... essentially, it would have to be done continuing the current zones or health care regions that, on a population basis make so much sense in terms of delivering care. But you would then of course have a single source of funding – i.e. the Commonwealth – which would have received state contributions for running the hospital system, but you'd have a single source of funding and a single administrative unit that would be able to sit down and plan carefully and in a patient-focussed way integrate hospital, community and primary care. And I have no doubt that the system that would develop quickly, over say a year of planning, would be infinitely better than what we're currently dealing with.</p> <p>ALISON CALDWELL: So let's talk about this ideal system that you can imagine. How would it work?</p> <p>JOHN DWYER: ... Now, I think it has to be done on a regional basis, particularly in a country the size of Australia, so you'd still need the equivalent of what we have in New South Wales area health services. ... We could save I estimate, across Australia, if all states were to embrace this move, we could save between \$2 to \$4 billion just in getting rid of duplication and current inefficiencies, which could be ploughed back into health. We would have a vast reduction in the number of health bureaucrats involved, there are something like 4,000 health bureaucrats in Canberra for the federal system alone, and then there's 700 to 800 in each state. There'd be amazing reduction in the inefficiencies and the time lag and associated with trying to get cooperation between various bureaucracies. So, a single source of funding and a single source of brain power to administer health for Australians would certainly be a step in the right direction.</p> <p>ALISON CALDWELL: How do you read this? Do you see it as a genuine attempt by Bob Carr, by Peter Beattie to take advantage of this new reality?</p> <p>JOHN DWYER: I do believe that New South Wales are serious in taking a leadership role in trying to find a way to end this wretched jurisdictional inefficiencies that so hamper our efforts to give Australians a cost-effective system that's a fairer system and patient-focussed.</p> <p>I do believe that Mr Abbott was interested in the concept before the election. He's described the system as a dog's breakfast of a system himself, and I think from a political point of view, the real issue here is going to be where is the Prime Minister on this? The Prime Minister seemed to pour cold water prior to the election on any such takeover of the health care system by Canberra. Those of us interested in health care reform regard this as a very serious issue, and we're delighted to have this on the table for serious public debate, and I think both federal and state politicians will be regarded as heroes by the Australian people if they sold once and for all this mess that we're in.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
7.30 Report on ABC TV 20 Oct 2004	'Carr calls for centralised health system', by Jonathan Harley	<p>KERRY O'BRIEN: It's not often that a state Premier volunteer to surrender power to the Commonwealth, but that's what NSW Premier Bob Carr appears to have done with his offer to hand control of the state-administered public hospital system over to Canberra. He says it's time to accept and respect the Howard Government's election mandate, but he goes further, and says a way has to be found to end the buck-passing and blame-shifting over the growing pressures on public hospitals. Ironically, the concept of federal control was first raised earlier this year by Health Minister Tony Abbott, only to be dismissed by the Prime Minister during his televised debate with Opposition Leader Mark Latham.</p> <p>... PAUL GOSS, HEALTH ECONOMIST: It's an incoherent mess of financing, a web of overlapping organisations and it's totally inappropriate to the health needs of Australians in 2004.</p> <p>JONATHAN HARLEY: Many carers, economists and politicians agree - Australia's health care bureaucracy is wasteful and confrontational. The crucial job of caring for the sick has been reduced to a frustrating political blame game.</p> <p>PROFESSOR JOHN DWYER, HEALTH CARE REFORM ALLIANCE: There's at least \$2 billion, maybe as many as \$4 billion to be saved by getting rid of duplication and getting the efficiencies that we need.</p> <p>... BOB CARR, NSW PREMIER: The starting point for this is that the public, as I read it, the public is sick of the buck passing and the blame shifting between Commonwealth and state Governments especially on health.</p> <p>JONATHAN HARLEY: Why now? Bob Carr argues the Howard Government's crushing election win gives it the clout to push through such major reform.</p> <p>... PETER BEATTIE, QUEENSLAND PREMIER: I'm not prepared to give up our health services to the Commonwealth because I don't think they can run them effectively.</p> <p>... JONATHAN HARLEY: ... On the face of it, Health Minister Tony Abbott should have been receptive. This was him earlier this year.</p> <p>TONY ABBOTT ... FEBRUARY 24: Why not solve the problem by offering to the Federal Government to vacate the field and let the Federal Government run the health system all together?</p> <p>... JONATHAN HARLEY: Health funding is a tangle of money and medicine. Pharmaceuticals prescribed in a hospital are paid for by the States. But pharmaceuticals prescribed outside a hospital, say by a GP, are paid for by the Commonwealth. When you visit a GP, the bulk-bill fee is paid by Canberra under Medicare. The difference is picked up by you or your health insurer. Aged care nursing homes are funded mostly by the Commonwealth, but the big money and the nub of this debate, is concentrated on public hospitals. A public patient is paid for by the States, but with Commonwealth money.</p> <p>PROFESSOR JOHN DWYER: The win-win for hospitals and of course more importantly for patients is to remodel things so that we do a much better job for people in the community.</p> <p>... PROFESSOR JOHN DWYER: Because with a unitary source of funding and the savings we're anticipating, we introduce new models of care into the community that would enable doctors and health professionals to do a much better job of preventing illness in the first place.</p> <p>JONATHAN HARLEY: But that's not that simple says health economist Paul Gross, who's worked in state and Federal health systems and now consults Governments around the world.</p> <p>PAUL GOSS: There is a crisis in the teaching hospital system that is palpable. We have let world-class teaching hospitals descend into an abyss that I don't even see in third world nations.</p> <p>... JONATHAN HARLEY: ... advocates of centralised national health, argue that doesn't have to mean direct control from Canberra.</p> <p>PROFESSOR JOHN DWYER: In a big country like Australia we would continue to have zones or area health services. You'd have to make this doable, you wouldn't have all the system being run literally from Canberra. You would have regional authorities.</p>
ABC radio and online 21 Oct 2004	'Medical staff back health reform call'	<p>One of the country's leading medical authorities has backed a call from New South Wales Premier Bob Carr to give the Federal Government complete control of the health system. ... NSW Medical Staff Council chairman Professor John Dwyer says the proposal would be a lot more effective than the current system. "Until we have one set of brains that controls one pot of money, who create a patient-focused system where your health care is integrated from GP office through the community services to hospitals, we're not going to give Australians the health care system they need and deserve," he said.</p>
ABC radio and online 21 Oct 2004	'Health handover plan arouses PM's suspicions'	<p>Mr Carr this week wrote to Mr Howard asking that a panel be set up to review the current system in a bid to reduce duplication and blame-shifting.</p> <p>... Premier Carr says he hopes the Federal Government will give serious consideration to his proposal to redefine the roles of State and Federal governments. ... "It's a very good time to have a serious look at Federal-State relations, with Mr Howard participating from a position of undisputed political strength," he said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 21 Oct 2004</p>	<p>'PM agrees to power talks with premiers', by Louise Dodson and Anne Davies</p>	<p>The Prime Minister, John Howard, will discuss a radical new power-sharing deal with the states but is adamant that any changes must not undercut his election promises. He also stresses that major changes in responsibilities - such as the states ceding control of health spending - would have serious financial implications.</p> <p>The cautious response follows an unexpected call from the Premier, Bob Carr, for a rethink of federal and state responsibilities. Mr Carr told the Herald this week he wanted the federalism system overhauled to reduce duplication and bring about clearer lines of responsibility. His ultimate plan is for Canberra to assume total responsibility for health, including maintenance of the public hospital system. In exchange, the states would take control of education, except for universities.</p> <p>... South Australia's acting premier, Kevin Foley, was more enthusiastic. He described the proposal as "a bold plan that had lots of merit" and said South Australia would commit itself energetically and constructively with all states and the Federal Government to advance the plan.</p> <p>Mr Carr has nominated two former premiers - Queensland's Wayne Goss and NSW's Nick Greiner - to act as the states' emissaries in promoting reform. Mr Greiner said the Carr proposal was a good initiative. "We ought to have a genuine sort of look without any pre-commitment, preconceptions and see if we can remove some of the duplication not only between federal and state but also local government, which in many cases you've got a triplication of services and of costs," he said.</p>
<p><i>Sydney Morning Herald</i> 21 Oct 2004</p>	<p>'Federal health control just what the doctor ordered', by Mark Metherell, Kelly Burke and Cosima Marriner</p>	<p>The Premier, Bob Carr, has won support from doctors but divided education groups over his proposal to cede state control of health to the Commonwealth in return for the states assuming responsibility for schools. The Australian Medical Association and rival supporters of health reform hailed Mr Carr's plan as a necessary first step to fix the disjointed state-federal administration of medical care. ... The Australian Medical Association president, Bill Glasson, said the Carr solution to end the blame-shifting and cost-shifting of the federal-state health administration was an "exciting" development which could yield a more effective health system. Dr Glasson said he believed the Health Minister, Tony Abbott, who was on leave yesterday and unavailable for comment, was "desperate to get change".</p> <p>The chairman of the Australian Health Reform Alliance, John Dwyer, said a single funder would help unify a health system in which patient care was hindered by the administrative barriers between hospitals, doctors, community care services and nursing homes.</p> <p>During the election both sides had "thrown money at a dysfunctional health system". Mr Carr had offered "a real opportunity for the Federal Government to move on reform", Professor Dwyer said.</p> <p>Prue Power, the executive director of the Australian Healthcare Association, representing public services, also welcomed the proposal.</p>
<p><i>Sydney Morning Herald</i> 21 Oct 2004</p>	<p>'Plan has merit, but scale of overhaul likely to swamp it', by Matt Wade</p>	<p>The proposal of the Premier, Bob Carr, to hand the Federal Government full responsibility for the health system in return for control over schools and TAFEs would require a radical overhaul of Commonwealth-state financial relations.</p> <p>Economists said the extent of the financial reforms - including possible adjustments to existing GST arrangements - meant the plan was unlikely to succeed, but they praised the idea for the considerable efficiency gains it promised. Chris Richardson, a director of Access Economics, said Australia would be "massively better off" if it had one health system. "This is the make-or-break long-term policy issue in Australian public policy," he said. "Centralising health, or as much of it as we can, in the hands of the Commonwealth has the potential for the sort of expenditure savings and long-term productivity improvements that would rank up there with the largest gains under national competition policy and maybe even recent tax reform."</p> <p>... "Basically this will increase the net spending of the Commonwealth, so it will require a new set of federal financial arrangements," Mr Richardson said. "How likely is it? Not very likely. How important is it? Bloody important."</p> <p>... One study has found that centralising health administration could save as much as \$2 billion a year.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 21 Oct 2004</p>	<p>'Carr may steer Abbott to act on reform', by Mark Metherell</p>	<p>The Premier's offer to hand over responsibility for health to the Commonwealth removes the main reason the federal Health Minister, Tony Abbott, has given for retreating from the sweeping reform he had earlier flirted with. In February Abbott suggested that if the Federal Government caused state health systems so much grief, the states should offer to pass control to the Commonwealth. Abbott later suggested his comments were rhetorical, but the idea was seized on by some Government backbenchers who argued that the Federal Government got blamed for faltering public hospitals over which it had no control.</p> <p>... Now the election is over, and if Abbott retains the health portfolio, it is likely he will revisit the issue of reform - but on Commonwealth terms.</p> <p>... However the Howard Government will have to deal with the swelling campaign from influential health groups who argue that public hospital troubles are just the most glaring example of the shortcomings of the "dysfunctional" health system. The Australian Medical Association's president, Bill Glasson, says he expects Abbott to exploit the Coalition's strengthened mandate to lead changes. The chairman of the Australian Health Reform Alliance, Professor John Dwyer, says it is time for the Government to act on the logic of unifying health care.</p>
<p><i>Sydney Morning Herald</i> 21 Oct 2004</p>	<p>Letters, under the heading 'Integrated health system would provide the best care'</p>	<p>Bob Carr is talking a lot of sense with his offer for the Federal Government to take over the state public hospital system ("Carr offers to trade powers with Canberra", Herald, October 20). The current division of health care responsibility is wasteful and inefficient. Australia needs to fully integrate the services of general practitioners, specialists, public and private hospitals and community care to provide the most effective and efficient health care for all Australians. Dr Ian Arthur, Sawtell, October 20.</p> <p>Working every day in an environment of constant cost-shifting and inefficiencies produced by lack of cohesiveness between state and federal departments of health, I fully support Mr Carr's call to unify the health system. However, apart from people like Mr Greiner and Mr Goss, I hope those at the coalface will be asked to contribute to the debate. Dr Bernie Bourke, Chairman Medical Staff Council, Gosford Hospital, Gosford, October 20.</p> <p>Bob Carr, why stop with the public hospitals? What about releasing your state responsibility for the trains, schools, buses, water, road systems and power infrastructure. Come on, Mr Carr, do us a favour and give it all to the Federal Government. John Lazoglou, Stanmore, October 20.</p> <p>At last someone's talking sense on the chronic public hospitals "crisis". I recall Peter Smark pointing out nearly 20 years ago that the public hospital system problems could never be resolved while the system was funded by the Federal Government but run by the states. Is this an idea that has finally found its time? Margaret Harris, Turramurra, October 20.</p> <p>As one who is in the middle of the public health system, I sincerely hope that this latest overture from Bob Carr to the Federal Government to reform the distribution of responsibilities in health care gets off the ground.</p> <p>The health system is like a much beloved Leyland P76 ... what it really causes for most consumers is duplication of services, inequality in timely access to health care, increased expense for all and cost-shifting.</p> <p>There is no way that the current mess will ever be miraculously able to cope with the increasing demand over the next 20 years. If nothing is done, the current inequalities in care will become more entrenched, as society becomes divided between a decreasing number of health "haves" and the larger number of "have-nots". ... Andrew McDonald, Menangle, October 20.</p> <p>Bob Carr's offer to hand over responsibility for health services to the Commonwealth must surely rank as the ultimate admission of failure by a politician. But why stop with health? Given his government's abysmal record in delivering efficient and cost-effective service outcomes in areas such as transport, roads, water, power, taxation and urban planning and renewal, we'd all be better off if he handed the whole lot over to Canberra, turned the lights out and moved to New Zealand permanently. John Richardson, St Ives, October 20. ... Bob Carr's offer to trade powers with Canberra is a step in the right direction, but why stop there. A merger of the NSW and Commonwealth parliaments would be real progress. P. Tomlins, Hornsby, October 20.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>West Australian</i> 21 Oct 2004</p>	<p>'WA in fear of short-change over hospitals', by Ben Ruse</p>	<p>The State Government will not support a proposal to hand over control of public hospitals to the Federal Government, saying it feared WA would be short-changed if the plan went ahead. NSW Premier Bob Carr has proposed that the Federal Government take over the entire health system, relieving the States of their role running public hospitals, in return for giving the States more power over other areas such as schools. Mr Carr said the current system was untidy, led to waste and duplication and he urged a full conference of State and Federal governments to reshape federalism. The proposal is unlikely to happen, with other Premiers opposing it and the Federal Government already seeking to increase its influence on schools rather than reducing it. Mr Carr said change would not happen overnight, but said that reasoned discussion would leave open the prospect of reform, and could end "buckpassing and blame-shifting" in the health system. Premier Geoff Gallop said he would support any discussion on the issue, provided it was not just another talkfest, but said he did not believe WA should hand over its control of public hospitals. "There is a history of Western Australia being disadvantaged under Commonwealth-run schemes," he said. ... At present, the Federal Government pays half the cost of running public hospitals through grants to the States but has no say in how they are run.</p>
<p><i>The Australian</i> 21 Oct 2004</p>	<p>'States urge a health bypass', by Sid Maher and Patrick Walters (additional reporting by Michael Bachelard)</p>	<p>SUPPORT is growing for a major overhaul of the health system after two states yesterday backed NSW Premier Bob Carr's call for urgent reforms. In a letter to John Howard, Mr Carr called for sweeping reform of federal-state responsibilities in key service areas including health, education, housing, community services, aged care, disability care and childcare.</p> <p>South Australia's acting Premier, Kevin Foley, described Mr Carr's proposal as a "bold plan" with "a lot of merit" And Queensland Premier Peter Beattie urged the Prime Minister to call an early meeting of COAG "and put reform of the health system on top of the agenda". But Mr Carr's offer to hand over responsibility for the health system in return for state governments gaining full control over schools and TAFE drew a lukewarm reception from Mr Beattie and Victoria.</p> <p>The chairman of the Australian Health Reform Alliance, John Dwyer, said ending the duplication between the state and federal health systems could save billions. Professor Dwyer cited research by Canberra University's Mark Drummond, that estimated ending federal-state duplication could save between \$2 billion and \$4billion.</p> <p>But the Howard Government signalled it would force the states to back down from their decision last month to dump a \$500 million water reform initiative before proceeding on other issues. Deputy Prime Minister John Anderson told National Party MPs: "We have to get the states back to the table." And the Prime Minister, speaking in Indonesia, called water "the greatest conservation issue of our time". Mr Howard said his Government did not rule out initiating its own projects and dealing with industry and local councils.</p> <p>Mr Carr said health service delivery clearly demonstrated there were significant problems with cost-shifting between the commonwealth and the states. "There are increasing pressures from the ageing of the population and technology advances that make it imperative to reform healthcare co-operatively, and not in a piecemeal way," Mr Carr said. Citing previous micro-economic reforms that had underpinned Australia's strong financial performance, Mr Carr suggested a small high-powered panel headed by former premiers be commissioned to find solutions.</p> <p>But Australian Medical Association president Bill Glasson said reforms should focus on more than just funding, for example achieving a medical model capable of providing adequate provision for aged care, and for people to be treated in the community for as long as possible.</p> <p>Mr Beattie supported talks on overhauling the health system at the next COAG meeting. But he said Queensland had created one of the best public hospital systems in the world and would continue to run it.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Age</i> 21 Oct 2004</p>	<p>'States not keen on new federalism', by Misha Schubert, Josh Gordon and Jewel Topsfield</p>	<p>The states have split over a radical plan to overhaul state and Commonwealth relations, with at least four refusing to hand control of their public hospitals to the Commonwealth. Victoria, Queensland, Western Australia and the Northern Territory yesterday poured cold water on a dramatic rethink proposed by NSW Premier Bob Carr for states to relinquish hospitals in exchange for complete control of schools and technical colleges. While Prime Minister John Howard refused to comment during his trip to Jakarta, premiers agreed there was a desperate need for reform of federalism to eliminate duplication, waste and mismanagement. But despite calls from major health lobby groups to explore the proposal, several states said they simply did not trust the Howard Government to deliver better public hospital services. Federal Health Minister Tony Abbott has previously urged a federal takeover of hospitals, saying it was inevitable that major reform would happen eventually. Mr Carr nominated former NSW premier Nick Greiner, an advocate for reform in the early 1990s, who has said he would help drive the plan, along with former Queensland premier Wayne Goss or former Tasmanian premier Robin Gray. Acting Victorian Premier John Thwaites voiced reservations. "We haven't supported the Commonwealth running of hospitals because we don't think they would manage it properly, just as they haven't been able to manage running nursing homes," Mr Thwaites said. "We believe the best way forward is a co-operative approach where the Commonwealth does its fair share in its areas of responsibilities, which are aged care and bulk-billing, and provides sufficient funds for hospitals as part of the Medicare agreement." Queensland Premier Peter Beattie was just as adamant. "I'm not prepared to give up our hospitals to the Commonwealth because I don't believe they can run them effectively," he said. But the prospects of some reform plan are not dead yet. Last week Victorian Premier Steve Bracks wrote to his counterparts in other states, proposing a permanent federal council to deal with areas of overlap and co-operation between levels of government. And while Western Australia was also unimpressed about handing over hospitals, South Australia's acting Premier Kevin Foley said Mr Carr's proposal was "a bold plan with a lot of merit" which his state was willing to discuss. But NT Chief Minister Clare Martin dismissed the idea, saying the Territory would be worse off than it was before self government. "The Territory is not even prepared to consider that," she said. Australian Medical Association president Bill Glasson welcomed a federal takeover of health, but urged leaders to come up with a clinical model of care rather than a funding deal. "If you start with the money first, it's the cart before the horse," he said. Australian Health Reform Alliance chairman John Dwyer warned that the states might have to sacrifice revenue to make the swap work.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Australian Financial Review</i> 21 Oct 2004</p>	<p>'States call for shake-up of health care', by Morgan Mellish and Jennifer Hewett with Chris Milne and Mark Ludlow</p>	<p>Labor premiers have offered an olive branch to the re-elected Howard government and called for talks on radical reforms to relieve pressure on the nation's health system. NSW Premier Bob Carr has proposed handing over responsibility for hospitals to the federal government, and Queensland's Peter Beattie has called for an early meeting with Prime Minister John Howard on hospital and education funding.</p> <p>... Most politicians and health experts agree the division of the health system between the two levels of government leads to inefficiencies and duplication. The states have responsibilities for running hospitals but the commonwealth looks after areas such as the pharmaceutical benefits scheme, Medicare and aged care. However, Mr Carr who is proposing the reforms be driven by a panel including former state premiers Nick Greiner and Wayne Goss concedes that overhauling the complex system will not be easy. "In an ideal world, you'd say the commonwealth would take responsibility for everything in health," he said.</p> <p>...</p> <p>THE SPLITS: WHERE FEDERAL AND STATE POWERS OVERLAP</p> <p>HEALTH</p> <p>State Responsibilities</p> <ul style="list-style-type: none"> * Run all public hospitals * Community responsibilities, such as managing 572 community health centres; 74 early childhood centres; and 18 nursing homes * Run public health programs some funded by the federal government <p>Problems</p> <ul style="list-style-type: none"> * Health inflation running at 3 per cent above CPI * Chronic global shortage of doctors and nurses * Long waiting lists * Rising pharmaceuticals and medical equipment costs * Insufficient surgical trainees <p>Solutions</p> <ul style="list-style-type: none"> * Commonwealth assume full responsibility for all aged care funding * Better integration between primary GP care and the hospitals * Stop protectionist medical colleges deciding how many specialists allowed * Commonwealth to run the health system <p>Federal Responsibilities</p> <ul style="list-style-type: none"> * 5-year funding to states to run public hospitals * Medicare * \$6 billion Pharmaceutical Benefits Scheme * Regulate private health insurance <p>Shared responsibilities</p> <ul style="list-style-type: none"> * Aged care

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Australian Financial Review</i> 21 Oct 2004</p>	<p>'Key players give thumbs-up to saving \$1 billion', by Lisa Allen and Morgan Mellish</p>	<p>THE NEW FEDERALISM ANALYSIS</p> <p>Health executives, senior clinicians, private health insurers and doctor lobby groups have welcomed NSW Premier Bob Carr's offer to cede the state's health system to the commonwealth, saying it would save up to \$1 billion a year.</p> <p>... Graeme Stewart, director of clinical immunology at Westmead Hospital in Sydney, estimated the facility would reap up to \$30 million a year if the waste were stopped. Professor Stewart said one body controlling health funding would eliminate the system in which the elderly are stuck in state-run hospitals because of insufficient beds in less expensive commonwealth-run nursing homes. "Public hospitals are not easy places for the elderly to be in," he said. "If they are ready to be in a residential-style environment it's heartbreaking seeing them stuck in hospitals." Professor Stewart said it was not just poor communication between the states and the commonwealth that is leading to duplication and waste. There was a financial incentive on the part of the commonwealth to underfund nursing home beds because patients then remained in state-funded hospital beds. "There's no pressure on the commonwealth to fix it," he said. "If the funding was from just one entity there would be a clear incentive not to waste money." The budget in May allocated an extra \$2.2 billion over five years for aged-care hostels and \$461 million to at-home carers but this compares with \$42 billion in federal spending on hospitals. "To pool the funds and distribute them as they are best needed is more important than whether the governance is coming from the state or commonwealth," Professor Stewart said.</p> <p>Mr Carr also wants more GPs working in hospitals. Another source of inefficiency is that people with minor problems that could be treated cheaply by GPs often clog emergency wards in state hospitals. The coalition pledged during the election to spend \$393 million to offer incentives for GPs to stay open longer, providing an after-hours alternative to public hospitals. Francis Sullivan, chief executive of Catholic Health, said it was a natural fit for the commonwealth to take a fuller role in aged care. "There would be gains for the commonwealth in the fiscal side and accelerating access for the aged to essential care," he said. "The commonwealth needs to take a stronger role in the financing responsibility and this includes taking care of the hospital needs of the aged." Australian Medical Association president Bill Glasson said duplication was costing the health system \$1 billion and the states were trying to claw money from the commonwealth by every means they can.</p>
<p><i>Sydney Morning Herald</i> 22 Oct 2004</p>	<p>Letters, under the heading 'Shift health powers, then stop shifting the blame'</p>	<p>Premier Bob Carr is certainly offering a bold solution to the woes of our health system by suggesting handing over responsibility to the Federal Government. One can only hope that the handing over of powers doesn't stop there and we finally see an end to the buck passing and blame shifting between the levels of government. It is time to trim the fat from our system of government and introduce singular accountability at a national level.</p> <p>Mathew Riley, Crows Nest, October 21.</p> <p>Inspired move, Mr Carr. Every Australian should be able to expect equality of outcomes in the health system. All aspects of health, particularly public health "prevention" programs and the legislative clout to deliver healthy environments, should be managed by the Commonwealth.</p> <p>Lynda Newnam, La Perouse, October 21.</p> <p>... With a bit of luck the Federal Government will take over responsibility for water and electricity as well as health when the PM meets the state premiers. Let's face it, those services are in just as bad a state as health care after a century of poor management by the states. And why do we have a State Government at all if the best it can do is build roads (and there is some argument against this statement).</p> <p>Ross Fyfe, Lane Cove, October 21.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Age</i> 22 Oct 2004</p>	<p>Editorial: 'A door opens to a modern federalism'</p>	<p>Federation has worked for Australia, but now has glaring dysfunctions that demand reform.</p> <p>The Prime Minister ventured earlier this year that "if we were starting this country all over again" Australia wouldn't have state governments but would have a larger number of regional governments. John Howard is not known for idle musings in public, but his remarks caused none of the furore that once greeted Gough Whitlam's strangely similar views on the matter. That was probably because Mr Howard made it clear he thought Australia was stuck with the arrangements adopted at Federation in 1901. By contrast, Health Minister Tony Abbott did get people's attention when he suggested the states should hand over responsibility for hospitals. He moved to cool speculation by saying the states would never agree to the idea. This week, though, NSW Premier Bob Carr offered to do just that. Of course, there was a catch: he would offload a political liability for the state in return for control over schools and TAFEs, a proposal at odds with the thrust of Coalition policy. Such a swap doesn't look remotely likely, but Mr Carr has added to a reforming momentum that was created by the unexpectedly decisive nature of the federal Coalition's election victory. A Senate majority means the Commonwealth has the authority to drive reforms of a sort that had been assumed to be forever out of reach.</p> <p>Even premiers who oppose a handover of hospitals would agree with Mr Abbott that health systems are a "mish-mash of responsibilities". They would probably also agree with Mr Howard that "there's a lot of dysfunctionality about the federal system". Federal-state relations have become a byword for buck-passing and cost shifting in almost all areas of shared responsibility: health and aged care, education, transport, courts, industrial relations, community services, housing and the environment (most notably water policy). Last week, Victorian Premier Steve Bracks proposed an approach that is broadly in accord with what Mr Carr concedes is the more realistic goal of a conference to "tidy up" the system. There is an overwhelming public interest in clarifying areas of responsibility and reducing duplication (which carries a cost of about \$2 billion a year in health services alone). The Commonwealth and states could start by investigating common funding pools for schools and health services to ensure transparent and efficient distribution of public money according to need.</p> <p>Many current problems are the result of stop-gap attempts by one level of government to compensate for another's deficiencies, or to bypass outdated arrangements that were seemingly set in stone a century ago. Yet Federation did not arrive as a fully formed vision; it was the result of a long, painful and imperfect process. The union of the colonies could have ended up in the too-hard basket had this country not had leaders with the political courage, vision and persistence to pursue the idea for decades after it was raised. The key question for Australia today is whether our leaders can live up to the reforming example of their political forebears.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 23 Oct 2004</p>	<p>'Under New Management', by Anne Davies, Robert Wainwright and Mark Metherell</p>	<p>A century after Federation, Australia is facing a revolution in the way our money is spent. ... In the brave new world of Bob Carr's federalism, Maggie would probably not have suffered the pain and indignity of bed sores. She may also have avoided a fall which broke her hip, a blood infection and subsequent renal failure. Maggie is not a figment of a bureaucrat's imagination, but a flesh and blood 73-year-old; a patient tracked by State Government health experts as she battled for treatment in the Hunter area, north of Sydney. Her frustrating and shameful case is a litmus test for Carr's argument that the system of delivering health and education, not to mention roads, water, child care, disability services and dozens of other services could be vastly improved by a revolutionary framework of funding, restructure and accountability between state and federal governments.</p> <p>When Maggie suffered heart failure two years ago she saw her GP, who changed her medication. Within hours of returning home she was feeling dizzy, but because it was difficult to get back to the surgery she persevered. A week later, Maggie had a fall and broke her hip. She ended up in the emergency department of John Hunter Hospital, where her condition was about to become much more complicated. With the orthopedic surgeon not immediately available, Maggie spent several hours lying on a trolley, from which she developed pressure sores. As her condition and confused emotional state deteriorated she didn't eat. Her diabetes, unknown to hospital staff, spun out of control. Kidney failure followed. Her hip was treated but she spent nearly two months in hospital on kidney dialysis and in rehabilitation.</p> <p>... Maggie's journey is a walk through a health system littered with split funding, poor resources and shared responsibilities - but no political accountability: "You can learn a lot about how the system disconnects by walking a patient's journey," one health bureaucrat notes. "You start to see where the gaps are between state and Commonwealth responsibility. It is frightening."</p> <p>Another says: "All points of the system force patients like Maggie into the public hospital system and yet, ironically, the public hospital system is the most expensive place for her to be treated. "It costs taxpayers \$350,000 a year to run an acute hospital bed in a public hospital. The same facility in a nursing home costs taxpayers \$60,000." He added that primary care, such as community-based GP services, also cost much less because they are occasional care. "The perverse incentive is that the Commonwealth looks after primary and acute care, both of which are in the hands of small business. A small investment in either of those two areas would save a massive amount of money in the middle - the public hospital system. But that ain't going to happen in the current system. "The system is perverse in economic and health terms. There are 900 patients like Maggie in acute beds each day waiting for nursing home beds. The cost to the taxpayer - the difference between the cost of an acute bed and a nursing home - is almost \$300 million a year."</p> <p>And consider these statistics. Elderly patients spend almost twice as much time in hospital as patients half their age. And the number of people aged over 75 will double in the next 20 years.</p> <p>... Maggie has a son, Barry, who often visited his mother during the 53 days that she spent in hospital and has also faced the anomalies of the system. For his daughter's birth, Barry and his wife wanted a midwife present, but his health fund would not provide a rebate unless he also paid for an obstetrician. Instead, Barry's wife opted to enter as a public patient, covered by the state, which provided a midwife automatically.</p> <p>... Carr's offer to hand the health reins over to the Commonwealth comes after a dare by the federal Health Minister, Tony Abbott, in February suggesting that very idea. Abbott described it as the "debate we had to have".</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 23 Oct 2004</p>	<p>'Cure for sick system', by Ruth Pollard</p>	<p>Just for a moment they dare to dream the impossible dream. One health department, a single government administrator, no cost-shifting, and no state-federal split to excuse the failures of a system under pressure.</p> <p>Rarely has there been such universal support for such major reform from most of the key players - doctors, nurses, allied health workers and consumers.</p> <p>What's missing is a firm commitment from the Federal Government to do more than just consider the proposal for states and territories to hand responsibility for health to the Commonwealth - an idea first raised by the Health Minister, Tony Abbott, in February and championed by the Premier, Bob Carr, this week.</p> <p>No one who has spent time in hospital or who suffers a chronic illness could have emerged unscathed by a system run by two levels of government - where health care is compromised for political purposes, and many patients and consumers find themselves stuck in the middle, the responsibility of no one.</p> <p>The chairman of the Australian Health Reform Alliance, John Dwyer, said throwing more money at such a dysfunctional system was unsustainable and that fundamental reform was the only option. "Everybody, including a lot of politicians, are fed up about the constant bickering over health care - this is not just about running hospitals, this is about bringing together all the elements of health care to be run in a patient-centred manner." ... A health system under federal control would operate from a central bureaucracy in Canberra, with the equivalent of area health agencies delivering services at a regional level, he said.</p> <p>... According to the NSW Health Minister, Morris Iemma, a single health administration would remove the incentive for governments to cost-shift and underinvest in patient care. "The classic [example] is aged care, where there is an incentive ... not to invest more in community care for aged citizens ... because they are dealt with for extended periods of time in the acute care sector, which is the state's responsibility," Iemma says. ... "If we had one jurisdiction ... the chances of the colleges ... ending some of their restrictive practices would be improved." The Australian Medical Association - a traditional foe of the expansion of nurses' roles - would also be prevented from playing governments against each other if there were one administrator running health.</p> <p>The Public Health Association's NSW president, Jim Hyde, said federal administration of the health system was "an extremely good idea".</p>
<p><i>The Australian</i> 27 Oct 2004</p>	<p>'PM faces music on reform', by Katharine Murphy and David Uren (additional reporting by Sid Maher)</p>	<p>REFORM of the health system is at the top of a bold blueprint for reinvigorating economic reform delivered yesterday to Treasurer Peter Costello by the Productivity Commission. The commission has called for an independent public review of the entire health system and, echoing comments by NSW Premier Bob Carr, said there may be an argument for Canberra taking over responsibility for hospitals, while the states would look after other health services, including after-hours GP clinics.</p> <p>Its draft report, to be released this morning, concludes the controversial Hilmer reforms opening government utilities to competition, which are estimated to have already added \$20 billion to the Australian economy over the last decade. "It is now generally accepted that Australia's health system is beset by structural problems that require nationally co-ordinated action," commission chairman Gary Banks said.</p> <p>... The Productivity Commission was asked by Mr Costello to review the competition reforms that commenced with the Hilmer report -- and resulted in electricity, gas and transport markets -- and to recommend new areas for action. And it concludes the reform agenda should push outside those original national competition policy boundaries, moving into areas like education, aged care and natural resource management. ... It finds that if Australia can match the productivity performance of the US, household incomes could rise \$22,000 a year. ... "The reality, however, is that there is a pressing need for further reform to enable higher living standards across Australia in the face of some major challenges that lie ahead."</p> <p>Driving the commission's concern for tackling health is Australia's ageing population, which is expected to add up to \$1000 billion to the government-funded component of healthcare spending over the next 40 years. The commission says the Council of Australian Governments should conduct a public review of the health system examining how health is financed between the commonwealth and states, the co-ordination of care -- including aged care -- and the relationship between public and private sector services.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Australian</i> 27 Oct 2004	'Are polities up to the challenge?', by Alan Wood	<p>AFTER the Gadarene spending rush of the election campaign, Australia's political class has been given an opportunity to redeem itself. That opportunity comes with the Productivity Commission's review of national competition policy.</p> <p>... Outside the NCP framework, the commission suggests the two highest national priorities for co-ordinated federal-state reform are health care and natural resource management.</p> <p>... Since Paul Keating bought the agreement of the states to competition reform with buckets of money in 1995, the gains have exceeded the losses and there have been many more winners than losers. Competition policy has been blamed for outcomes that have largely been the result of other economic and social forces, such as declining prices for rural commodities, tariff reductions, financial market deregulation and local government amalgamations.</p>
<i>The Australian</i> 27 Oct 2004	Editorial: 'Competition is good for health'	<p>The NCP [National Competition Policy] was created to reduce economic inefficiency caused by government regulation which protected the interests of industries rather than the public in everything from electricity generation to dairy farming. Certainly, implementing NCP caused economic pain in communities and industries that suddenly had to compete in the open market. But sectional suffering was secondary to the benefits of lower prices and improved services flowing from deregulation. According to the Productivity Commission, NCP has generated a permanent increase to Australia's GDP of 2.5 per cent, worth about \$20 billion.</p> <p>With most of the work to implement NCP coming to completion, the most important question is whether there are other gains on offer. In a discussion paper released yesterday the Productivity Commission says there are, and that we must pursue them to keep Australia competitive in the ever-more competitive global economy. In particular, the commission proposes a national approach to the management of natural resources to follow on from work under way on water management. And the commission calls for state and federal governments to consider a national health care strategy focused on containing costs and adopting new ways of funding and delivering health services.</p> <p>... how to get maximum benefit from spending on the environment, and especially health as the population ages, is a debate we must have. And senior figures at both levels of government know it. Federal Health Minister Tony Abbott and NSW Premier Bob Carr have both recently put a national approach to health on the agenda. Good. As the Productivity Commission makes clear, the more efficient the use of all our resources, the farther they will stretch.</p>
AM program on ABC radio 27 Oct 2004	'Productivity Commission calls for review of healthcare system', by Stephen Long	<p>TONY EASTLEY: The Productivity Commission is calling for a review of the health care system in Australia to eliminate wasted resources and inefficiency. In a report released today, the commission identifies health care and better management of natural resources as Australia's highest priorities for reform.</p> <p>... GARY BANKS: We really have no choice but to move forward and to do more reform. I mean, the past reforms have brought benefits, by and large, which we think have greatly outweighed the costs. But looking forward, if we don't undertake more reform given the pressures of globalisation and the ageing society, we're in danger of actually going backward.</p> <p>STEPHEN LONG: This time, the reform agenda's targeting the inefficiencies that come when different tiers of government have a finger in the pie. And chief among the Productivity Commission's concerns is the healthcare system.</p> <p>GARY BANKS: We've got the public system versus the private system, we've got hospitals versus other forms of care at home, in aged care, care from GPs and so on. These interfaces are not working well, and part of the reason for that is the roles and responsibilities that different governments have and what tensions that creates.</p>
<i>The Age</i> 29 Oct 2004	Editorial: 'Senate control and its consequences'	<p>The Coalition's historic victory brings with it greater opportunity - and responsibility.</p> <p>... It is the first time the Coalition has enjoyed this degree of freedom since the Fraser government, when Mr Howard, who was then treasurer, was frustrated at the legislative opportunities lost. This week the Productivity Commission called for a new wave of reform to reinvigorate the economy in the areas of health, aged care, education, energy and the environment. The commission criticised the waste and duplication in service delivery between the federal, state and territory governments, particularly in the field of health, and called for an independent review of the system. Mr Howard has already expressed an interest in examining this issue, which has been left untouched, partly because of the difficulties in implementing change. How he uses the opportunities that Senate control provides him will be the most important challenge of his fourth term.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>Central Coast Express Advocate</i> 4 Nov 2004	'Remedy is needed': Letter by B. Mahony of Pearl Beach	THANK goodness, here in Australia at least, we can rest free from election campaigning hype. However it has brought home to us all the urgent necessity for the commonwealth and state governments to reform the national health service which has reached crisis stage. Almost daily we read of critically sick people forced to wait in hospital corridors and even ambulances because of a lack of beds. At the same time, in one state, a large private hospital organisation could immediately provide 6000 beds under the ALP-proposed Medicare Gold system. Also of major concern is the duplication of services between state and federal governments and even triplication with local governments. What a disgraceful waste of money and services. I am sure all of us await Prime Minister John Howard's response to NSW Premier Bob Carr's recent initiative. Mr Howard must put a stop to these needless, and at times, tragic situations.
<i>Sydney Morning Herald</i> 17 Nov 2004 p. 48	'Only radical surgery will halt the bleeding', by Ross Gittins	<p>Spending more money on health makes sense. Wasting it does not, writes Ross Gittins.</p> <p>... What is terrible is this: the bucket into which we're going to be pouring all this extra money leaks like mad. Our health system is quite inefficient and permits a lot of waste. Far too much of the extra money ends up fattening the incomes of health workers (particularly medical specialists) without doing much to give us better health.</p> <p>... But what would a system that gave us better value for money look like? Dr Vince FitzGerald tells us in his report to the Victorian Government, <i>Governments Working Together</i>. He presents for debate an amalgam of the latest and best thinking by health economists and others about the system we should work towards. It's one the Kiwis have started adopting but, be warned, it's radical stuff. The big problem with our health "system" is that it's so fragmented. This would be true even if responsibility weren't divided between the Commonwealth and states. We look after different aspects of health out of different boxes: boxes for general practitioners, specialists, other health professions, public hospitals, private hospitals, the Medical Benefits Scheme, the Pharmaceutical Benefits Scheme and aged care. This fragmentation means no one in the "system" accepts ultimate responsibility for the health of the individual. You can get doubling up, but you can also get people slipping between the cracks (such as when hospitals simply discharge sick people they don't believe they can help any further). So you get a lack of co-ordination and continuity of care. You get huge scope for wasteful cost-shifting games and you don't necessarily get the most appropriate treatment from the most cost-effective source.</p> <p>FitzGerald argues that the answer to divided federal and state responsibilities is not for roles to be rationalised but for much greater co-operation between governments. To this end he suggests the setting up of a national body, the Australian Health Commission, to design, drive and monitor the reform process. The reform means establishing a completely integrated health-care system. And the key element would be up to 30 "regional health agencies" across the country. The federal and state governments would pool all the money they presently put into all those different boxes and divide it up between the 30 regional health agencies. It would be split on a per-head basis, after allowing for the health characteristics of the people in each region. Thus the regional agency would be the "budget-holder" - it would hold all the money that any government was going to spend on health care or aged care for everyone in its region.</p>
<i>The Australian</i> 25 Nov 2004 p. 11	'Howard's big bogy', by David Uren	<p>The greatest obstacle to economic reform is finally being tackled, reports David Uren</p> <p>DYSFUNCTIONAL, feral and failing: this is how federalism is described by John Howard, Tony Abbott and Peter Costello respectively. The view from the states is scarcely better, where the eight Labor premiers and chief ministers use some of the same epithets as they rail at what they perceive to be the commonwealth's reluctance to lead real reform.</p> <p>Both Health Minister Abbott and NSW Premier Bob Carr have despaired of commonwealth and states ever being able to collaborate effectively in the delivery of services, advocating that the commonwealth take over health -- lock, stock and barrel -- while the states take on education.</p> <p>...</p> <p>Many areas overlap. In health, the commonwealth looks after general practitioners and aged care while the states look after public hospitals.</p>
<i>The Australian</i> 27 Nov 2004	Editorial: 'Unhealthy spending can't continue'	... sensible politicians are calling for change. Health Minister Tony Abbott and NSW Premier Bob Carr question the arrangement where Canberra funds, and the states run, public hospitals, adding \$1 billion in unnecessary administration to the \$15 billion system. The Victorian Government has a major report proposing reforms to state and federal funding. And health management experts say preventative and primary care could keep people out of hospital, saving \$4 billion. Health reform will be hard, but with control of both houses of parliament Mr Howard is uniquely placed to do it.

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 15 Dec 2004	'Hospital calls for national drug overdose register'	<p>The Royal Adelaide Hospital says there is no national system to find out how many people overdose from party drugs each weekend. A leading drug authority says that most hospitals around the country do not record such incidents as overdoses, which is harming any chance of tackling the problem.</p> <p>Last weekend 10 people overdosed in Adelaide from party drugs like ecstasy and fantasy. According to the Royal Adelaide's emergency research fellow in toxicology, Dr David Caldicott, that is a typical weekend. In his quest to find out how big the problem is nationally, he has found only the Victorian ambulance service keeps records of overdose numbers, along with a few hospitals. He says most just record the symptoms such as chest pains and dehydration. "There's certainly reasonable death data, but as far as a doctor is concerned, once the person has died, the horse has bolted," he said. "We really need to know how many people are being injured by illicit substances and that data is missing at the moment."</p> <p>Dr Caldicott says statistics are kept at the Royal Adelaide Hospital and most hospitals need to follow suit.</p>
<i>Sydney Morning Herald</i> 24 Jan 2005	'Federalism isn't working: Abbott', by John Garnaut	<p>Conservatives no longer believe in Australia's tiered federal system because the states were wasteful and inclined towards socialism, the Health Minister, Tony Abbott, has said. Pushing for the Federal Government to wrest control of public hospitals from the states – as a first step in regaining "leadership" over other federally funded state projects – Mr Abbott redefined conservatism as a radical force for deployment when other measures failed. "Conservatism is about accepting responsibility, not avoiding it," Mr Abbott told a Young Liberals conference in Hobart on Saturday. "Conservatism is sceptical about the state rather than enamoured of states. "Conservatives believe in small government rather than many governments, especially when those governments seem hooked on state socialism." ... He wanted federal funding to be matched by federal control in a range of unspecified joint projects, beginning with hospitals. "Once the Commonwealth Government is engaged in any particular area of responsibility, how can it avoid the demand to provide leadership?" he asked. ... He said the leadership of the Prime Minister, John Howard, - through gun control, rebuilding countries in the region and fighting terrorism - had fostered a new "sophisticated" conservatism that embraced causes previously associated with the left. "A very significant part of Howard Government's achievement has been to massage away the pessimistic and narrow-minded aspects of Australian conservatism," he said.</p>
ABC radio and online 28 Jan 2005	'Abbott unmoved on hospital funding'	<p>Australia's health ministers ... agreed to fund a national authority to establish an electronic database of personal health data. "Heath Connect" has been discussed and piloted over seven-years. The Federal Health Minister Tony Abbot says \$18 million will be spent to establish the national authority, which will set deadlines to get the IT database running. "Upwards of 3,000 people a year die prematurely because of inadequate information and record keeping," he said. "We also have very heavy expenses with the duplication of diagnostic tests."</p>
<i>Sydney Morning Herald</i> 29 Jan 2005	'Health funding is state problem: Abbott', by Ruth Pollard	<p>The Federal Government has rejected any increase in its funding of public hospitals, saying the financial pressure from the rising costs of health care and increasing demand on the system is the responsibility of the states and territories. ... It seemed the only progress to come out of yesterday's ministerial council was an agreement on a timetable for a national electronic medical record system and a "small but significant" change to the organ donation register that would allow families to veto a donation but not require them to approve it. "We believe that upwards of 3000 people a year die prematurely because of inadequate information and record-keeping," Mr Abbott said. "We are never going to entirely eliminate that ... but we think that we can avoid quite a few of those unnecessary deaths if we have an integrated, IT-based, national health record system." He said the costs of duplication of diagnostic tests would also come down once the system was in place, in three years.</p>
<i>The Australian</i> 10 Feb 2005	'The centralist contradiction', by Mike Steketee	<p>The Government's centralist bent is now unmistakable. Health Minister Tony Abbott periodically floats the idea of the commonwealth taking over hospitals - a position long advocated by Whitlam. It has not happened because the commonwealth lacks the constitutional power and the states have never all agreed to relinquish responsibility. But the Government has one alternative up its sleeve: giving its share of funding directly to public hospitals, rather than through the states.</p>
<i>The Australian</i> 14 Feb 2005	Editorial: 'Health system going for broke'	<p>The introduction of a degree of managed care – in which a public or private insurer, rather than the patient, contracts with providers – could further contain costs, as could the end of the cost-shifting and duplication between the states and commonwealth on public hospitals.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The West Australian</i> 11 Mar 2005 p. 19</p>	<p>'It's time to end funding fiasco', by Ben Ruse</p>	<p>State-Federal squabbling over money needs to be resolved, and a bold plan like Bob Carr's is worth looking at.</p> <p>Be warned, this column is about one of the dullest issues on the political agenda - funding arrangements between the State and Federal governments. Sorting out State-Federal financial relations is the political equivalent of cleaning out the garage: you know it's important but in practice it tends to get put off in favour of something more fun. But the issues do not affect just economists and people who read the Constitution for entertainment. For example, the Australian Medical Association believes that \$1 billion could be saved each year if inefficiency and overlaps between the two tiers of government were abolished. That's a lot of hospital beds.</p> <p>...</p> <p>Health is probably the best example of what's wrong with the current system and its problems are made worse by the fact that the costs are increasing faster than inflation and neither the States nor the Federal Government want to be stuck paying for the extra costs and both sides are suspicious of the other. As an example, a patient with the flu who goes to a doctor costs the Federal Government while a patient who goes to a hospital emergency room costs the State Government. An elderly patient in a hospital bed costs the State Government but a similar patient in a nursing home costs the Federal Government. As a result, the States are continually accusing the Federal Government of trying to shift patients into hospitals to avoid paying for them.</p> <p>Health Minister Tony Abbott has a long-held desire to nationalise the hospital system but this is not going to happen in the short term because States will rightly argue they are perfectly capable of running hospitals if they are given enough money. So what's the solution? Last year, NSW Premier Bob Carr made a surprise offer to the Federal Government, saying he would consider a simple trade: State governments taking all responsibility for schools, if the Federal Government took responsibility for the entire health system. The advantage of this system would be that responsibilities were made clearer - the public would know exactly who was to blame if hospitals were inadequate. Combined with the GST it might also give the States enough independence to finance schools without the help of the Commonwealth. The idea obviously needs fleshing out and one obvious flaw is that health costs more than schools and the Federal Government would want to cut State grants accordingly. Unfortunately this idea appears to have died and has not been supported by any other State leaders. It's a pity because some kind of bold reform is needed unless you want to be reading these sorts of columns at the beginning of the 22nd century.</p>
<p>Australian Financial Review 14 Mar 2005</p>	<p>Federal system wastes \$2.4bn', by Mark Davis</p>	<p>Australian governments could save \$2.4 billion a year in public spending by eradicating duplication and overlap in their responsibilities for health and education, according to new research on the costs of the federal system of government. ... The new economic modelling confirms that Australia's federal system which gives overlapping powers and responsibilities to national, state and local governments is imposing significant costs on the community.</p> <p>... Modelling by University of Canberra researcher Mark Drummond is the first attempt to calculate the cost of the division of responsibilities of Australia's different tiers of government compared with alternatives such as a unitary national government or shifts of responsibilities between different levels of government. ... Handing over responsibility for education to one tier of government would save \$1.4 billion a year, according to his estimates, and doing the same in the health portfolio would save \$1.04 billion a year. ... Mr Drummond said his research also suggested reforming federal-state relations could benefit the private sector by cutting the cost of handling separate federal and state regulation. Federalism also added billions of dollars a year to total public outlays because of the fixed cost of maintaining several government bureaucracies. Extra costs were also generated by the duplication of government effort and the need to spend money co-ordinating government activities.</p> <p>Health and aged care were pressing areas for reform because of the significant divisions between state- and territory-run hospitals and emergency services and the commonwealth's responsibilities for Medicare and general practitioners, pharmaceutical benefits and aged care. "The fragmented nature of the present [health] system generates problems in accountability, with issues of cost-shifting and buck-passing as well as cost problems associated with duplications of bureaucracy and regulation and potentially deadly delays when state borders impede health-care decisions, especially in emergency situations," Mr Drummond said.</p> <p>Mr Drummond won expert support for his estimates of the savings in health spending. Professor of health policy at La Trobe University Stephen Duckett said the \$1 billion estimate sounded "reasonable". "More importantly there are opportunity costs because when there are multiple levels of government involved, it makes it more difficult for sensible rationalisation of services and sensible planning of services to take place," he said.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Australian Financial Review</i> 17 Mar 2005</p>	<p>'Carr to PM: I'll cut tax if you fix health', by Andrew Clark with Mark Ludlow and Mark Skulley</p>	<p>NSW Premier Bob Carr has put the federal government and business on notice that there will be no cuts to taxes until they support a major reform of health services. ... "The harsh reality is there won't be cuts in business taxes by the federal government or the state government until we sort out and reform the delivery of health services in the Australian federation," Mr Carr told <i>The Australian Financial Review</i> in an interview to mark the 10th anniversary of the election of the NSW Labor government. ... "There is no greater tragedy in modern federalism than the commonwealth's neglect of health funding," Queensland Premier Peter Beattie said. "The states now receive \$1 billion less for public hospitals than we would have received if the terms of the previous agreement had continued." Mr Beattie said there was an urgent need to tackle federal/state duplication in the health sector. ... Mr Carr last year called for a new deal on federalism after the Howard government's election and offered to hand over responsibility for the health system to the commonwealth. In return, Canberra would give the states total control over schools and TAFE. The states fund and manage public hospitals while the federal government funds Medicare and the pharmaceutical benefits scheme and subsidises aged-care beds, old people's homes and private health insurance.</p>
<p><i>The Australian</i> 21 Mar 2005</p>	<p>'Money no cure for health system', by Clara Pirani</p>	<p>The National Healthcare Reform Alliance, which represents 22 national health groups, argues that the first step should be the creation of a single organisation to manage the entire system. It claims the move would save an estimated \$2 billion a year on duplicated administration. Administration is one of the fastest-growing items of spending in hospitals. In 2001-02, hospitals nationally spent \$992 million on administration – the third-biggest item behind wages and medical-surgical supplies.</p> <p>... Many argue that money saved on administration could be spent on public health schemes designed to prevent illnesses. In January 2004 a year long study of patients admitted to Sydney's Prince of Wales Hospital revealed 79 per cent of elderly patients could have been kept out of hospital if they'd received earlier treatment by a GP.</p> <p>The cumbersome structure that exists – whereby the federal Government funds GP services, aged care, private health insurance and the Pharmaceutical Benefits Scheme while the states run the hospitals – must be ripped apart. ... Governments need to stop funding inquiries into the health system and make a bold decision about who will be solely accountable for the health of all Australians.</p>
<p><i>The Age</i> 25 Mar 2005</p>	<p>'Australia doesn't need states: Howard', by Tim Colebatch and Farrah Tomazin</p>	<p>Australia would be better off without state governments, Prime Minister John Howard declared yesterday as he strongly backed Treasurer Peter Costello's demand that the states abolish \$2.5 billion in business taxes. Speaking on radio about the federal-state tax deadlock, Mr Howard said it would be better if Australia had no state governments - adding that it was "unrealistic" to wish for that now. ... Health Minister Tony Abbott has proposed a federal takeover of public hospitals, although Mr Howard has opposed this on the pragmatic ground that running hospitals is a political minefield.</p>
<p><i>The Australian</i> 6 Apr 2005</p>	<p>'States out in health shake-up', by David Uren</p>	<p>THE Howard Government is considering bypassing the states to directly fund regional health bodies in the most revolutionary overhaul of health funding since the introduction of Medicare 21 years ago. Without consulting the states or industry, John Howard's special health taskforce, set up after the last election, has advised the Government to introduce competition for government funds to the health sector. The taskforce, headed by former public service commissioner Andrew Podger, has presented a range of options to the Government, including the commonwealth taking over state hospitals. ... While Health Minister Tony Abbott has raised the prospect of shifting hospital funding to the commonwealth, he has argued against setting up regional health authorities, fearing they would establish another tier of bureaucracy.</p>
<p><i>Australian Financial Review</i> 7 Apr 2005</p>	<p>'Carr knocks health overhaul', by Morgan Mellish and Annabel Stafford</p>	<p>The NSW government has criticised a proposed national overhaul of regional health funding, saying it would lead to another layer of bureaucracy between the commonwealth and the states. NSW Premier Bob Carr said the idea to set up a body to allocate funds directly to public and private health care providers in regional areas thus bypassing state governments would increase waste. "This appears to add another layer of complexity," Mr Carr said. "You'd have an extra platform the hospitals will be involved in." The proposed overhaul, also criticised by Queensland, is one of several options placed before the federal government by the Prime Minister's special health taskforce. The committee, led by former public service commissioner Andrew Podger, is looking at ways to fix the health system, which is jointly run by both state and federal governments. Another option on the table is the commonwealth taking total responsibility. However, federal Health Minister Tony Abbott described media reports about the Podger review's proposals as "highly speculative". Mr Carr, who has been outspoken on the need for reform, said the states were unlikely to hand over responsibility to the commonwealth. "In an ideal world you'd have one government responsible for all health services," he said. "That's not going to happen. There will always be a sharing of responsibilities between the state and federal levels." Health professionals were also skeptical about whether the regional funding option which would involve health-care operators bidding for federal funds would be adopted by the Howard government. The head of the Australian Health Care Reform Alliance, John Dwyer, said the proposal seemed inconsistent with previous details about the Podger review's contents. Academics argue that reforms to commonwealth/state funding to remove duplication and cost shifting could save the health system more than \$1 billion a year.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Advertiser</i> 22 Apr 2005 p. 20</p>	<p>'Leadership needed to stop ping-pong', by Lea Stevens, the South Australian Health Minister</p>	<p>STUFFED. I've discovered this week that this is an extremely powerful word. On Monday, I used it to describe a fundamental aspect of the nation's health system - the divide of responsibilities between federal and state governments - when I joined New South Wales Premier Bob Carr to call for national reform. The issues I raised are not new. But it took that one word to grab people's attention.</p> <p>Let me stress I am not talking about the dedication and hard work of our health workforce. Nor am I talking about our hospitals and health services. Our health professionals and the services they provide are world-class. But the system surrounding them - the arbitrary divide of responsibilities between the tiers of government - is not. Let's look at some day-to-day examples.</p> <p>Everyone knows it is getting increasingly difficult to see a GP. The numbers of GPs being trained, where they are distributed and how they are paid are regulated by the Federal Government. The Federal Government has deliberately restricted the number of GPs being produced in Australia, creating a shortage. It did so to restrict the number of GP visits it would have to pay for through Medicare. But when there is a shortage of GPs, what happens? People get sicker and end up in hospital, the cost borne by the State Government, not the Federal Government. If the system was working sensibly, the incentive would be for the Federal Government to properly fund the GP system, and keep people out of hospitals. The same is true for aged-care beds. When the Federal Government does not fund enough aged-care beds, where do our elderly stay? In the state's hospitals. On average, each day there are about 100 elderly people in South Australian hospital beds who are well enough to be in an aged-care place, but have no place to go.</p> <p>The system itself, the way it is divided, mitigates against sensible outcomes. This means taxpayer dollars spent are not spent effectively enough. Politicians can blame each other rather than take responsibility for fixing problems, and the benefits of reforms that require co-ordinated effort from both sides are not realised.</p> <p>Three years ago, we held the Generational Health Review in SA. We now have a 20-year blueprint for improving the state health system, have brought together separate hospitals and health services and co-ordinated them in regions. Within those regions we are developing primary healthcare networks to work with GPs to better manage disease in the community. Before these changes, hospital and health services largely operated in isolation from each other. Essentially, we have put some "system" into the system. In the process, we have gone from a dozen separate health boards in the city to just four. We need a similar commitment to reform at the national level. We cannot continue with two tiers of government going about their business in isolation from each other. It is my view that we either decide that one level of government or the other takes full responsibility for health care, or both levels of government must seriously commit to a national process to co-operatively address the problem. We must stop this game of ping-pong and work effectively together to better the health of all Australians. This requires national leadership. If we don't act, we will have a bigger problem to deal with in 25 years. The time for action is now, or the system will be "stuffed".</p>
<p>ABC radio and online 27 May 2005</p>	<p>'Beattie 'over' Canberra ambitions'</p>	<p>Queensland's Premier Peter Beattie has revealed that he considered running for Federal Parliament because he wanted to fix the national health system. ... "The reason I thought about it was really I'm frustrated by the lack of reform in health. "We waste billions of dollars every day and I wanted to make a contribution and I thought a Labor government would be the best to reform the health system but I have to tell you I'm over it." Mr Beattie says he now realises reforming Queensland's troubled health system is a big enough challenge.</p>
<p><i>Sydney Morning Herald</i> 30 May 2005</p>	<p>'Health law is essentially flawed', by Tom Faunce and Warwick Neville</p>	<p>Rights to a rudimentary level of care should be enshrined in the constitution to protect people and prices, write Tom Faunce and Warwick Neville.</p> <p>... There is rising concern that multinational corporate interests, particularly exerted through multilateral trade agreements, unduly restrict government control over health costs. A similar effect arises from protectionist intellectual property provisions in bilateral (otherwise more genuinely) free trade agreements. These pressures appear difficult for governments to resist without constitutional assistance. Constitutionally, 109 countries recognise a right to health. It is also mentioned under international instruments ratified by Australia, such as the Convention on the Rights of the Child, the Convention on Discrimination Against Women and the International Covenant on Economic, Social and Cultural Rights.</p>
<p><i>The Australian</i> 30 May 2005</p>	<p>Editorial: 'First, do no harm is ignored by hospitals'</p>	<p>As the Australian Institute of Health and Welfare reported last week, public hospital patients are waiting longer than ever to have surgery. ... And there was a nationwide increase in what health professionals ominously call "adverse events", with 224,794 documented cases of harm caused by hospitals, up by about 15,000 on the previous year. The commonwealth and the states set up the Australian Council for Safety and Quality in Health Care in 2000 to deal with these problems. ... But one factor inhibiting the council's work is clearly the feral federalism that is holding back the entire health system. The council has not one but nine masters – the federal, state and territory health ministers – and they cannot all agree on a single reporting system. What this means is that even getting an accurate, comparative picture of hospital performance is hard enough, never mind improving it. This is an impossible situation for those concerned to improve quality control in hospitals ...</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Australian</i> 3 Jun 2005	Editorial: 'Federalism must not COAGulate'	In recent months, the Prime Minister and the premiers have behaved like debutantes at the ball, coyly holding out, then promptly withdrawing their offers. The commonwealth wants to take over hospitals. Then again, hospitals are a money-pit and a minefield, so maybe not. NSW Premier Bob Carr thinks he might be prepared to give up industrial relations. No, hang on, his union backers wouldn't like that, so perhaps he won't. ... Worst of all, our health system is a confusing Venn diagram of independent but intersecting fiefdoms. The Productivity Commission predicts rising health costs, driven by an ageing population, will send federal budgets into the red to the tune of 7 percentage points of GDP by 2045. But instead of trying to make the system more cost effective – with less emphasis on fee-per-service, and more on keeping people healthy in the first place – the states and the commonwealth engage in a pointless triennial ritual of blame-swapping and cost-shifting. Indeed, the duplication of bureaucracies alone is estimated to add costs of \$1 billion a year to our \$16 billion public hospital system.
<i>The Australian</i> 24 Jun 2005	'Government club overdue for reform', by John Brogden, NSW Opposition Leader	... After 104 years, our federal system is broke. It is a confused, duplicated and irresponsible mess of failed public administration. By refusing to acknowledge the crisis in our federal system, COAG risks becoming a club of Australian governors rather than a reform vehicle. ... I advocate a 15-year program of reform including: * Commonwealth control of health. Tony Abbott is right. The level of government that controls Medicare, the pharmaceutical benefits scheme and aged care should also be responsible for hospitals and that's the commonwealth.
<i>Australian Financial Review</i> 3 Aug 2005 p. 1	'Iemma vows to fight Howard', by Lisa Allen and Jennifer Hewett	Incoming NSW Premier Morris Iemma has moved quickly to abolish the state's unpopular real-estate vendor tax and vowed to champion a High Court challenge against the federal government's industrial relations reforms. ... The new Premier also announced a raft of measures including a finance audit of the state's bloated bureaucracy and the creation of a specialist unit reporting directly to him to address the \$34 billion infrastructure backlog. ... Mr Iemma said he wanted to discipline the government sector to cut waste and duplication in the public service, using the example of his ability to reduce \$100 million from the health portfolio by cutting administration costs. He has set up a new Finance Ministry to audit and report on government inefficiencies and waste by the end of the year.
ABC radio and online 14 Aug 2005	'National health reform needed: Beattie'	Queensland Premier Peter Beattie says two health inquiries in the state will have been a waste if there is no reform at a national level. ... "The facts are unless we have national reform of health, then we're still going to be wasting billions of dollars every year," he said. "Just like pouring it down the Brisbane River or into the Sydney Harbour." Mr Beattie says there has to be major changes in the way services are run. "It would be better if either the Commonwealth or the states completely ran health," he said. "It would be better because then we could actually fix the problems. "We have these huge divides."
ABC radio and online 14 Aug 2005	'ACT rejects call for national abortion laws'	The Australian Medical Association (AMA) says uniform national legislation on abortion is urgently needed after a New South Wales doctor was charged with manslaughter. ... AMA president Mukesh Haikerwal says the case highlights the inconsistencies and confusion about abortion laws which vary from state to state.
ABC radio and online 26 Aug 2005	'Beattie offers health reins to Commonwealth'	Queensland Premier Peter Beattie has challenged the Federal Government to take over the state's health system. Mr Beattie has previously said there is too much duplication because both levels of government share responsibility for health. Former New South Wales premier Bob Carr floated a similar idea earlier this year. Federal Health Minister Tony Abbott has said the Federal Government will consider taking over if Mr Beattie asks. Mr Beattie has done that today. "I'm saying to Mr Abbott today if you are genuine and serious as opposed to some political posture, we are prepared to transfer ... the Queensland health system to the Commonwealth but we want it done by the end of the year," Mr Beattie said. "I would like it achieved by Christmas. "If the Minister is not prepared to complete that by Christmas, he should get out of the road and hand federal responsibility to the states so that we can fix those issues that overlap." But Mr Abbott says the challenge smacks of desperation. Mr Abbott has told the Queensland Media Club he thinks Mr Beattie is panicking. "The last thing we need is to make a bad situation worse by poor decisions taken in panic and that's what we've seen from Premier Beattie this morning - an attack of political panic driven by a succession of bad headlines," Mr Abbott said.

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 26 Aug 2005	'Abbott rebuffs Beattie's challenge to run health system'	Federal Health Minister Tony Abbott has rejected Queensland Premier Peter Beattie's challenge on running the health system. Mr Beattie says the Commonwealth should make good on its offer to take full control of health, and do it by Christmas, or hand over its health duties to Queensland. He says it is idiotic for two levels of Government to have overlapping responsibilities. But Mr Abbott says the Premier is desperate and panicking. "It does make sense for one level of government to be responsible for the health system, but I've also made it clear that if it's ever going to happen, it's got to happen because the states ask for it and it's got to happen through a considered policy process," he said. "It's not going to happen because Premier Beattie has a problem one morning."
ABC radio and online 29 Aug 2005	'Beattie wants quick action on national health reforms'	Queensland Premier Peter Beattie says the State Government cannot wait another three years for national reforms to the health system. ... "The truth is the health system has dreadful overlaps between the Commonwealth and the state. "Everyday we waste millions of dollars in Australia."
ABC radio and online 29 Aug 2005	'MP urges Commonwealth control of Tas health system'	There are calls for the Federal Government to take charge of Tasmania's health system after a similar call in Queensland. Queensland Premier Peter Beattie says public health should be run solely by the Federal or State Government to prevent billions of dollars being wasted. The Federal Member for Braddon, Mark Baker, says the Tasmanian Government has shown itself to be incapable of running the state's health system and it should be managed by the Commonwealth.
ABC radio and online 4 Sep 2005	'Abbott renews call for control of public health system'	The Federal Health Minister has again called for Commonwealth control of public hospitals, arguing it is the only way to resolve disputes over funding and responsibility. Recently Tony Abbott challenged Queensland's Premier Peter Beattie to hand the state's hospitals to the Federal Government or accept responsibility for their problems. Mr Abbott has told the ABC's Insiders program Commonwealth control would lead to fewer complications and better overall management. "It makes sense to have one level of Government in charge of the health system," he said. "All sorts of problems in the health system arise from the fact that there are two different funders, two different groups of people trying to cut their costs and avoid blame for problems. "I think that sooner or later the blame game has got to end."
ABC radio and online 4 Sep 2005	'Beattie rejects talk of federal control of health'	Queensland Premier Peter Beattie has again dismissed the federal Health Minister's call for the Commonwealth to take over public hospitals. Tony Abbott has reignited the debate with Mr Beattie about which level of government should totally control health. He says giving it to Canberra would resolve funding disputes but says the transfer would have to follow a proper process. Mr Beattie says Mr Abbott is not serious. "If Tony Abbott was anything more than hot air, he would actually start a major summit about reform of the health system," he said. "If he's serious then let him suggest to the Prime Minister it go on the next COAG agenda and we will reform the federal state relations on health. "Frankly it would be better if they gave it to the states. If they gave it to the states then we could actually repair it properly."
<i>Australian Financial Review</i> 5 Sep 2005	'Abbott stirs states over control of health system', by Annabel Stafford with AAP	Federal Health Minister Tony Abbott has repeated his view that Australia's health system would be better run by one level of government, but again flicked the responsibility for this type of reform to the state governments. "It makes sense to have one level of government in charge," he told ABC's Insiders program. "If the states don't think they can do it any more, they ought to ask the feds to take charge. "The ball is in the states' court because the federal government has no constitutional power to take over the state public hospital systems. "If we are ever to do that, the states have got to give it to us." Queensland Premier Peter Beattie made an offer to do just that last month. But Mr Abbott yesterday declined to accept Premier Beattie's offer, calling it "a desperate offer designed to distract attention from the terrible problems of the Queensland public hospital system" and suggesting Mr Beattie write to the Prime Minister and the Council of Australian Governments if he was serious. Mr Beattie, in turn, told reporters: "I actually said to him publicly on the record, if he wanted the Queensland health system I'd give it to him by Christmas, or he could give me the federal powers by Christmas and we'd move on." "He's not serious about reform, and I get tired of wasting my breath trying to get the commonwealth to face up to real reform." A spokeswoman for Mr Abbott declined to say whether he was actually encouraging the states to hand over their constitutional powers. "If they believe that's what they want to do [then they should do it]." Mismatch and duplication caused by the division of the health system into federally run GP services and aged care and the state-run public hospitals has been estimated to waste around \$1.04 billion a year, according to recent research from the University of Canberra.

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sunday Telegraph</i> 11 Sep 2005</p>	<p>'Softly Does it', by Linda Silmalis</p>	<p>In an exclusive interview, Premier Morris Iemma sets out his agenda in the lead-up to the next State election. Linda Silmalis reports.</p> <p>... A major restructure is also underway in health with a focus on cutting waiting times for surgery and reducing waste in the bureaucracy.</p> <p>... "The biggest challenge we face is overcoming a very tight budget," he said. "The state's balance sheet is very, very strong but we do face an issue with our operational budget. "There are no novel ideas (to overcome this) -- it's just a hard grind to find areas of inefficiency, duplication and to bear down on all those non-frontline expenses and to maintain discipline." Already an investigation into the area health services has uncovered unnecessary spending on non-essential services such as magazine subscriptions, books, couriers, stationary, consultants and travel, he said. A directive has been issued for the department to reach a seven per cent savings target in this area. Similar savings targets in the areas of goods and services are expected to be implemented in other departments. Mr Iemma has also forecast his own public service cuts, slashing as many as 4000 jobs, although this would be done without violating Labor's long-standing no-forced redundancy policy.</p>
<p><i>The Australian</i> 16 Sep 2005</p>	<p>'Health plan puts patients first', by David Uren</p>	<p>THE Victorian and federal governments will co-ordinate care for chronic conditions such as arthritis and cancer under a breakthrough deal on state-commonwealth health funding. The Victorian proposal - designed to provide care on the basis of patient needs rather than the source of the funding - has won the support of officials from the Department of Prime Minister and Cabinet and federal Treasury because it is practical and promises to lower total health costs.</p> <p>... Under the proposal, care for people with chronic diseases and cancer would be based on the needs of the patient rather than on whether the services were funded by the commonwealth or state governments. The proposal has emerged from Victoria's experience in the past five years with a program to reduce public hospital admissions by investing in community support and better co-ordination of care. The program kept hitting problems because the commonwealth controlled funding of general practitioners and pharmacies, which were essential for co-ordinated care for patients. If the state, for example, tried to tackle arthritis by investing in self-help groups and facilities for gentle exercise, the commonwealth benefited from lower demand for pharmaceuticals but did not contribute to the cost. Preventative health programs are mainly funded by states.</p> <p>... The Council of Australian Governments' meeting in June concluded that overlaps and gaps in commonwealth and state health services were creating problems for patients, and established a taskforce of state and commonwealth officials.</p>
<p><i>Australian Financial Review</i> 1 Oct 2005</p>	<p>'Beattie puts tax rises on table', by Mark Ludlow</p>	<p>Queensland faces tax rises or spending cuts after a report called for \$1.5 billion of extra government health spending each year to fix problems exposed by the "Dr Death" scandal. The federal government is also under pressure to contain an explosion in health costs nationally, with warnings the growing burden could make it hard to offer tax cuts. Queensland Premier Peter Beattie admitted the government could not afford all the 388 recommendations made in the 490-page Forster report, tabled in parliament on Friday.</p> <p>... The review of Queensland Health by consultant Peter Forster found that the state's health system was chronically underfunded and understaffed, with a culture of bullying and intimidation. He found that while the standard of Queensland's health system was no worse than other states, it was underfunded by about \$1.2 billion per head of population compared with other states.</p> <p>... Mr Forster called for an extra 160 to 180 doctors a year and an extra 3000 nurses over three years to deliver patient care. At the same time, central office should shed up to 160 staff as part of a streamlining of health administration. The wide-ranging review, set up after the scandal over deaths linked to doctor Jayant Patel at Bundaberg Hospital, criticised duplication between commonwealth and state governments in providing health services. Figures this week showed health costs across Australia had blown out to [by?] more than \$6 billion [60 billion?], with health spending accounting for 9.7 per cent of Australia's economy and growing faster than both inflation and economic growth.</p> <p>... Mr Beattie also wrote to Prime Minister John Howard on Friday asking for more medical places at universities. The Forster review called for a national system of registration for medical practitioners; the commonwealth to become the sole funder of doctors; and the development of universal service obligations for small rural communities.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 21 Oct 2005</p>	<p>'Abbott plan has PM cold', by Amanda Hodge and staff reporters (additional reporting by AAP)</p>	<p>JOHN Howard has called for a unified effort to solve the nation's mental health crisis, rejecting calls from his own Health Minister and some states for the commonwealth to seize responsibility. The Prime Minister said yesterday he was concerned by a report into Australia's mental health system that warned of higher rates of suicide, homelessness, incarceration and poverty unless improvements were made.</p> <p>... Health Minister Tony Abbott used the report to push the states to cede responsibility for health to the federal Government, claiming the health system was bedevilled by "constant cost-shifting and blame-pushing". Just as the federal Government was moving strongly towards a national workplace relations system, it was inevitable that "sooner or later one level of government will be responsible for the entire health system". "Given the spate of reports about the weaknesses and inadequacies in the way states have handled things like mental health ... now is as good a time as any," Mr Abbott said.</p> <p>... NSW Health Minister John Hatzistergos said he was prepared to cede responsibility to the commonwealth if it committed to providing more funds. But Queensland, Victoria, South Australia and Western Australia dismissed Mr Abbott's demand as political posturing and accused the commonwealth of mismanagement and underspending on policy commitments.</p>
<p>PM program on ABC radio 21 Oct 2005</p>	<p>'Wayne Goss calls for cooperative federalism', by Mark Colvin</p>	<p>MARK COLVIN: Federalism, once the preserve of constitutional policy wonks, is right at the forefront of the national debate at the moment. ... we have the continuous sniping between State and Federal Governments over health policy. It came to a head again this week with the mental health report, and also with the bickering between Tony Abbott and Queensland's Peter Beattie. One of Mr Beattie's predecessors, Wayne Goss, gave a speech today to Sydney University's Graduate School of Government in which he urged a greater focus on cooperative federalism to deliver real national reform.</p> <p>... MARK COLVIN: But in the meantime you've got Peter Beattie saying he's got to raise special taxes, at one point offering Tony Abbott the opportunity to take over the whole state tax system, Tony Abbott saying that he wants health to be a federal responsibility generally, but then apparently backing away when it comes to specifics. I mean, how are we ever going to sort out a system where we get a streamlined health system both on a Federal and State level?</p> <p>... WAYNE GOSS: ... The problem with health, is that as we all know, the cost of delivering health services is rising at a much greater rate than the rate of revenue. In other words, the medical ethics, namely deliver the service, will never coincide with the public policy ethic, if you like, of trying to deliver within the available resources.</p> <p>MARK COLVIN: But you could make a huge saving just by cutting out one layer of government.</p> <p>WAYNE GOSS: Absolutely. And I think that's one of the things I've talked about when I used to be somebody and namely, whether it's education or health or wherever it is, can you cut out a level of government or can you structure a policy solution.</p> <p>WAYNE GOSS: With health, take health. ... the Commonwealth Government is too remote to deliver it to regional areas. Do you deliver at the regional level? Well, that's the problem, you've got states in the way.</p>
<p><i>The Age</i> 23 Oct 2005</p>	<p>'Who will help the forgotten?', by Peter Ellingsen</p>	<p>LAWRIE HORNER did not have to be told Australia's mental health services are "broken and failing". Like most of the hundreds of thousands of others with some form of mental illness, he knew it from years of being bounced around a merry-go-round of indifference. From doctors who would not listen, to psychologists who played power games, he has witnessed much of what the Mental Health Council of Australia last week described as "a pattern of continuing neglect".</p> <p>In a landmark report written with the Human Rights and Equal Opportunity Commission, the council accused state and federal governments of ignoring and trivialising the basic needs of mental health sufferers. Such an "appalling indictment" demanded an extra \$5 billion for mental health by 2011, it said. But instead of a budget boost, federal Health Minister Tony Abbott hinted that the answer was for Canberra to take over mental health from the states.</p> <p>Sitting among bookshelves he built to furnish the Maidstone shop he calls home, Horner, 52, was not surprised. Since being belatedly diagnosed with high-functioning autism, borderline schizophrenia and depression 13 years ago, he has seen how governments fudge rather than face mental health issues. For him, mental health services mean "bureaucracy, confusion and ignorance". "Why can't they have a genuine interest in patients?" he asks. The answer, as last week's report and a similar one by former Human Rights and Equal Opportunity commissioner Brian Burdekin in 1992 found, is compassion and money.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 12 Jan 2006 p. 10</p>	<p>'Health needs radical surgery', by Mike Steketee</p>	<p>REFORM of Australia's "buckling" health system could produce much bigger returns than those the Howard Government has just pushed through the Senate in industrial relations and welfare and which it says are essential to the nation's future. There is widespread agreement on what is required. One is a significant integration of federal and state responsibilities, with health exhibit No.1 in our dysfunctional federal system. Divided funding means that rational decisions cannot be made on, for example, whether \$10 million is better spent on primary care through GPs or on hospital treatment. Another reform is finding alternatives to hospital treatment, with the rate of hospitalisation in Australia one of the highest in the world. According to one international estimate, up to half the people admitted to hospitals could be better and more cheaply treated through proper monitoring and care at home. A third imperative is breaking open the doctors' closed shop to allow more health to be delivered by other professionals. The Productivity Commission has pointed out that the introduction of nurse practitioners to take over some of the responsibilities of GPs is still encountering resistance from the medical profession, despite their working successfully in other countries for 40 years. That is just a small selection of worthwhile reforms. The Council of Australian Governments meeting in four weeks involving the Prime Minister, premiers and chief ministers will make some decisions on health. There will be moves to co-ordinate care for the aged, who are often stuck in hospitals when they should be in nursing homes. There will be a greater commitment to mental health. But what will be missing is the boldness that many argue is required.</p> <p>The suggestion that the system is collapsing comes not from the usual suspects but from a member of the Government: Liberal Alex Somlyay. Last March, as chairman of the House of Representatives committee on health and ageing, he announced an inquiry into what he called the unnecessary complexity of health funding. While Australians' health was among the best in the world, "ever-increasing pressure in funding and expectations are causing the system to buckle," he said at the time. As a former economist in the federal Health Department, Somlyay has some idea of what he is talking about. But his view is not the official Howard Government line.</p> <p>Elaborating yesterday, he said: "We are not setting the national agenda in health. John Howard says we have a world-class health system and we do in that we have world-class clinicians. But I would not say we have a world-class health system judging by what has happened in public hospitals in Queensland and the debacle in NSW. We need major expenditure on health, which has to go into manpower and into bricks and mortar. I think the Government has to consider very carefully when considering tax cuts whether people want improved health facilities through the public sector or tax cuts. "My view is that the commonwealth should take a national approach to this and that the commonwealth should be running public hospitals. I think I share the same view as [Health Minister] Tony Abbott. We have to get rid of the cost shifting and blame shifting. At this stage we are getting about 20c in the dollar of spending actually getting through to the patient." Somlyay is in good company in making these points. Howard commissioned a report last year from former Health Department head Andrew Podger canvassing a re-ordering of federal and state responsibilities in health. It was too bold for the Prime Minister, judging by his reaction: he has neither released it nor acted on it. But a good indication of Podger's thinking came at a discussion hosted by the Productivity Commission in October, when he said his preferred option for systemic reform in health was the commonwealth taking full financial responsibility. As Somlyay suggested, it has also been canvassed by Abbott. But he has been put back into his box by Howard on several occasions and yesterday, he was faithfully spouting the party line: "As I am from time to time forcibly reminded by my colleagues, the federal Government has no plans whatsoever to take over the public hospital system." After talking to Abbott, John Dwyer, who chairs the Australian Health Care Reform Alliance, representing 53 bodies involved in the health system, is pessimistic about the prospects for significant reform. He recalls Abbott telling him last year: "I don't like to hear about reform. I'm a problem solver. We have a few problems and I'm trying to solve them." Abbott says he respects Dwyer and his shrewd analysis of the problems. It is just that his solutions are not practical. For example, the Alliance's proposal (which happens to be the same as Labor's) of solving federal-state divisions by putting funds into a single pool would be a "bugger's muddle" involving the creation of a whole new bureaucracy. That, no doubt, is what attracts Abbott to the proposal that Canberra should take over the health system lock, stock and barrel. This would be the cleanest and best solution, if it were achievable. But it would involve a complete renegotiation of funding between the commonwealth and the states and perhaps a new system for hospital administration. There are other considerations. Not every politician in Canberra is keen to cop the blame in future for the inevitable mishaps in hospitals, which make life misery for state health ministers. Abbott's success in health has been to substantially neutralise an issue that has long favoured Labor. This makes it tricky for him to proclaim himself as the best friend Medicare ever had and advocate wholesale reform at the same time. But this just puts off the day when governments will have to come to grips with a significant outstanding area that needs change.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 13 Jan 2006</p>	<p>Editorial: 'Condition critical'</p>	<p>The Prime Minister must move to fix the health system</p> <p>BARELY a day passes without news of a breakthrough in the world of medicine, yet there remains regretfully little innovation where it's needed most – in the administration of the health system itself. In Australia, rigid and outdated cost-sharing arrangements between Canberra and the states continue to cripple the delivery of healthcare. Run by nine ministers, 6000 bureaucrats and closed-shops of medical professionals, this system is built for inefficiency and buck-passing but not for the best care of patients. It offers John Howard an opportunity to show leadership, and make some history, by moving to take over the state-run public hospital system. Currently, Canberra sets health policy, the states run the hospitals and both levels of government contribute to the cost of administering a dysfunctional and inefficient system. Each blames the other for problems, and each tries to shift costs to make the other pay more. The Prime Minister should take a first step at next month's meeting with Labor premiers by releasing the report he commissioned (but has kept secret) from former federal health department head Andrew Podger. Mr Podger reportedly believes Canberra should take control of the system. Research by the University of Canberra suggests such a move could save \$1 billion in improved efficiency.</p> <p>Mr Howard's reluctance to reveal the Podger report is regrettable. It's clear there are political problems in such a move – after all, if Canberra takes over the hospitals, it has nobody to blame when things inevitably go wrong. But it's also the most sensible way of solving the problem. Federal Health Minister Tony Abbott was right when he told <i>The Australian</i> last August that the only big reform worth considering in health was the federal Government taking responsibility for the entire health system. These days, Mr Abbott toes the Howard line. But others are not so restrained. Alex Somlyay, a Liberal MP and former health department economist, calculates that the cost-shifting between Canberra and the states means only 20c out of every dollar spent actually reaches the patient. If this federalism fiasco wasn't bad enough, there's a long list of other problems: the shameful treatment of the mentally ill, the chronic shortage of doctors, the surge in obesity, the skyrocketing cost of cholesterol drugs and the steady rise in private health insurance costs. Yet the country already spends a fortune on healthcare, more than 9 per cent of gross domestic product, and that is forecast to be driven up by an ageing population and increased costs to about 15 per cent by 2040.</p> <p>The evidence is inescapable that the need for root-and-branch reform of the health system is essential and urgent. The federal Government has worked hard to open competition throughout the workforce and economy, and it should apply the same principles to medical professional organisations. Part of the reason the nation has a shortage of doctors, including highly paid specialists, is that the medicos themselves control their own standards and numbers – a cosy arrangement that needs to stop. Increasing the number of obstetricians, some of whom are reportedly charging patients five times the Medicare scheduled fee, is one way of increasing competition. Another commonsense approach is to allow more nurse practitioners, who are trained in a wider range of medical skills, despite resistance from doctors.</p> <p>It is also perplexing to see Mr Abbott warning off large companies such as Woolworths that want to move into selling medical services, and criticising corporate medical service providers. Overservicing should not be tolerated, yet if companies add competition to the marketplace and choice to the consumer, providing they are properly policed, that is a good thing.</p>
<p><i>The Australian</i> 19 Jan 2006</p>	<p>'Health plan calls for bypass of GPs', by Adam Cresswell</p>	<p>MEDICARE could be thrown open to health workers such as nurses, physiotherapists and speech pathologists to ease pressures on the health system. A landmark report out today, commissioned by the federal Government, proposes allowing more patients to bypass their GP and go straight to the relevant health worker for a Medicare-funded consultation. Doctors should also be allowed to refer patients to a wider range of health workers under Medicare than they can now.</p> <p>... The report also seeks to fix problems with access to healthcare in the bush, by exploring new ways to combine state and federal funds for hospital, GP and other services. Waste and duplication would also be cut, for example by merging Australia's 90 existing registration boards for health professionals into one national entity. A single national accreditation board would also take over responsibility for doctors' and health workers' education and training, and responsibility for overseas-trained doctors. Nurses and allied health groups such as physiotherapists greeted the findings with jubilation. The Australian Physiotherapy Association said that if implemented, the report would "lead to better use of the health workforce and better access for all Australians". The Productivity Commission's Mike Woods, who chaired the study, said in five to 10 years "we would be looking at patients being able to go to a wider range of health professionals".</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Australian</i> 19 Jan 2006	Editorial: 'Rational health'	IT sounds almost too good to be true. The Australian Medical Association wants Medicare funding to be capped. Yes, you read correctly: the nation's most powerful trade union has proposed that its members receive no more pay rises, in order to help the federal government meet the health costs of a greying nation. Actually, we suspect the AMA didn't think through the logic of its argument when it raised its objections to the Productivity Commission's push to open up the Medicare system to physiotherapists, nurses, speech pathologists and the like. But such is the mindset of the monopolist that it would prefer to argue against its own rational interest if that is what it takes to retain control of the medical market. As the commission reveals today in its report into Australia's health workforce, there was "generally strong support" for an independent review body to decide what services should receive taxpayer support under the \$9.9 billion Medicare Benefits Schedule. ... The [Productivity Commission] recommends a national body to handle the registration of all health professionals. At the moment there are more than 90 boards covering every conceivable occupational group. The commission also wants a separate board to provide accreditation for the universities and other training. At the moment, this task is spread among more than 20 bodies. These are commonsense proposals. That they need to be raised at all should tell voters the health system has been run, for too long, on the patronising assumption that doctor knows best. The commission does not spare federal and state governments from its critique. It finds a lack of co-ordination between education and health departments, which is exacerbating the bottlenecks in the health workforce. It also says the funding model for rural and remote services needs changing, for both white and black voters. These ideas are overdue for debate.
ABC Radio and Online 19 Jan 2006	'Doctor shortage woes require national fix: report'	The Productivity Commission has recommended an overhaul of Australia's health workforce to help overcome shortages of medical professionals. In its final report to the Federal Government on the country's medical workforce, the Productivity Commission has recommended health ministers establish a new national agency to increase multi-skilling for medical professionals. It also wants national registration and accreditation boards. If the recommendation is accepted, 90 individual boards around Australia would be scrapped and replaced by a single organisation to set standards across the country. Commissioner Mike Woods says the changes will make the system more efficient. "Training more of the same is needed in some areas, but it's not the most efficient long term solution," he said. "For instance, nurse practitioners have been evolving for the last ten years and yet we still only have 100 of them in Australia. "By having a national accreditation process and a national registration board, innovations that are found to be a national significance can then be quickly rolled out right across the country."
<i>ABC radio and online</i> 3 Mar 2006	'Think tank to lift level of health debate'	The new Menzies Centre for health policy research will consider whether the Commonwealth should take over the health system from the states as its first project. Director Robert Wells says the policy think tank will be launched today in Canberra. The centre is one of three independent groups funded by the Menzies Foundation. He says other issues likely to be considered by the group include whether people get the best treatment for major diseases and if the Government's investment in private health insurance is effective. Mr Wells says the aim is to lift the level of debate about health issues in Australia. "This is a joint venture between the ANU and the University of Sydney so we've got a lot of other expert academics we can draw on to help us formulate our questions [and] undertake the research," he said. "We'll have a small research team ourselves but what we really want to do is work across with other people already working on health questions and try and get them to look at some of the major issues of the day." Mr Wells says Public Service Commissioner Andrew Podger will kick off the centre's first major project in a speech at today's launch. "He's going to look specifically at the split between the Commonwealth and the states and how might a health system operate if as many people argue the Commonwealth should take it over, so that will be our first thing really a question of Commonwealth state relations and funding streams," Mr Wells said.

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Australian Financial Review</i> 4 Mar 2006 p. 62</p>	<p>'National health model is the best remedy', by Andrew Podger, a former Health Department secretary who wrote a report for the federal government on funding the health system.</p> <p>This is an edited extract from last night's [3 March 2006] Menzies health policy lecture.</p>	<p>Setting a preferred model for the health system is no easy challenge. There is a serious lesson in the old Irish joke that "if you want to go there, I wouldn't start from here". An Australian model has to fit with our history, our culture and our institutional arrangements, even as it sets something of an ideal we might aspire to.</p> <p>It is important to remind ourselves that Australia ranks highly on a number of indicators of system performance. But, despite our strengths, we have significant structural problems: a lack of patient-oriented care that crosses service boundaries easily; allocative inefficiency; poor use of information technology; and poor use of competition.</p> <p>A model health system, with the commonwealth as the single government funder, would be based on distinguishing between the funder, purchasers and providers. While purchaser/provider splits are not universally supported, they have considerable advantage in terms of clear accountability and the capacity for competition and/or benchmarking among providers. At the national level, the Australian government as funder would articulate the policy objectives and the general principles, set the conditions within which health-care services would be purchased and provided, and establish the framework for reporting on performance.</p> <p>The policy objectives and principles should include the requirements of equity in terms of geographic access, copayments, safety nets and acceptable queues etc, and the requirements of value-for-money - such as cost-effective processes for listing and pricing drugs and health services. Economies of scale would also support a national approach to most areas of health regulation, at least in standards if not in day-to-day administration. National regulation has the advantage of reflecting the national nature of many health and health-related industries. Economies of scale also suggest a national role in developing good-practice protocols, particularly in the areas of chronic disease management and public health and ensuring cost-effectiveness as well as health effectiveness.</p> <p>The national administrative framework needs to meet a number of key requirements:</p> <ul style="list-style-type: none"> * Political oversight and accountability. * Policy-advising capacity, well-informed by health and medical expertise. * Professional integrity in setting and administering regulatory standards. * Dedicated effort and appropriate management and technical expertise for operations, particularly nationwide purchasing. <p>There are many options for the national structure, but I would favour something along the following lines:</p> <ul style="list-style-type: none"> * A policy department responsible directly to the health minister, advising on the various health functions, on infrastructure and on strategic issues. * A suite of regulatory authorities with statutory responsibilities but guided by the government's policy framework. * An agency responsible for the purchasing of services and with oversight of regional purchasing units, supported by a national information and payments agency. * A strong national advisory body with links to advisory bodies associated with the major regulators and with resources for independent research and reporting. <p>The key to improving allocational efficiency is the incentive framework created by regional purchasers who have responsibility for the health objectives for their populations and the flexibility to allocate funds according to their most cost-effective use. Their flexibility may be constrained, nonetheless, by national policy requirements such as copayment limits and safety nets and nationally negotiated prices for particular services. Flexibility might also need to be constrained if there is a risk of poor management or of short-term pressures outweighing longer-term, more cost-effective priorities. An option to consider is the UK concept of "earned autonomy", where sustained good regional performance is rewarded by increased flexibility.</p> <p>Regional purchasing arrangements need to meet the following requirements:</p> <ul style="list-style-type: none"> * Close connections with providers and community organisations to ensure purchasing is well informed and responsive to regional requirements. * Clear accountability back to the national operational agency and compliance with national policies. * A population large enough so regional purchasers can accept responsibility for the vast majority of health risks and so there are not too many purchasers for the national operational agency to oversee. * Sufficient clout to negotiate cost-effective deals with providers such as hospitals and specialists. <p>The regional budget would identify estimates for component parts but with specified levels of discretion where the regional purchaser can substantiate claims that savings in one component might be better employed elsewhere, or can substantiate claims of the positive impact of a</p>

	<p>proposed investment. Regional purchasers would be required to publish annual reports on performance.</p> <p>While, in most respects, provider arrangements would not be substantially changed – with most doctors and other professional health providers continuing to operate as independent private businesses, and hospitals and aged-care providers continuing to operate with a degree of independence – some important changes could be expected over time. To take best advantage of this more integrated approach, Australians would need to participate in the national patient information record system, which, through smartcard technology, would allow considerable patient control over the information, including who has access to it and who can add to it or vary it. Over time, such a system has the potential to enhance patient control over their own care, without jeopardising professional influence about effectiveness and cost-effectiveness.</p> <p>While some in Australia would prefer private health insurance to play a residual or supplementary role, without any government assistance and without community rating regulation, I doubt it is a politically realistic option or that it is the most cost-effective solution in the long run - given the extent to which the system would then rely on the quality of government decision-making to contain demand and to allocate resources to services that are genuinely responsive to individual needs and preferences. I suggest a sustainable model for private health insurance could best be developed within the context of a single government funder for the overall health system. It would involve funds being fully responsible for the hospital-related costs of their members and being able to cover more than in-hospital services - but not being allowed to offer exclusionary products. Government support would be set at no higher than the costs the public system would otherwise bear, and funds would continue to be subject to regulation for lifetime community rating.</p> <p>I believe the Australian health system is generally very good, but it faces new challenges that require substantial reform if the system is to remain affordable and effective. There are some sensible, practical, incremental improvements that can and should be made, but I would like to see the national government also grasp the nettle to accept full financial responsibility.</p>
--	---

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p>Australian Financial Review 4 Mar 2006</p>	<p>Editorial: 'Prognosis poor without leadership'</p>	<p>The federal government should have a better plan for reforming health care. Federal Health Minister Tony Abbott gets annoyed when people blame problems in hospitals on lack of federal funding. But don't sympathise too much with Mr Abbott. As the principal purse holder he's the one person who could really get a constructive debate going on health-care reform. Yet all we got from him at the past week's AFR Health Congress was a suggestion that the next lot of health-care agreements will not resemble the present lot. Eighteen months out from an election, and with health now well and truly on the Council of Australian Governments (COAG) agenda, the federal government should have a better plan for reforming the system.</p> <p>At one level we have it pretty good: Australia ranks third among rich countries for life expectancy and health system effectiveness. And - hard to believe, but true - waiting times in emergency departments are shorter in Australia than in Britain, Canada or the United States. On other measures we lag. Treatment rates for chronic disease, management of the frail and elderly, and ballooning rates of obesity suggest we don't get value for the \$79 billion we spend on health care each year. Death from preventable diseases is five times greater among poorer Australians than among the rich, and 20 times greater among Aborigines.</p> <p>Federal-state duplication of health services is reckoned to cost \$2 billion a year. The commonwealth pumps \$3 billion a year into private insurance but public waiting lists get longer. Total spending on health – federal, state and private – is 10 per cent of gross domestic product. Another 5 per cent is spent on aged care and veterans. Cost shifting and buck passing are endemic. Structural change is needed to free up money wasted through duplicated bureaucracy. COAG is looking at this.</p> <p>But as pressure on the health budget intensifies, spending decisions will have to better reflect the needs of patients and the community rather than the interests of doctors. Most health economists say a single fund-holding authority is the answer. Problem is, health systems using this model – in Britain and the US – have problems we don't want. In Britain the state dominates to an unhealthy extent, spending is stingy and choice is rare; in the US it's the other way around. In both cases overall outcomes are inferior.</p> <p>Making fund-holding bodies responsible for the health of their local populations is the way to go, but we have to fashion it to get the best from the overseas systems, to avoid the worst, and to adapt the model to local needs. We also need to get over the myth that we can "fix" health care when we cannot even agree, as a community, on priorities. Is individual choice or population health more important? How can we incorporate crucial preventive health measures - to further reduce smoking, obesity and other lifestyle risks - into a system based on individual choice?</p> <p>Health care should be as much about encouraging people to adopt healthier lifestyles as about treating their ailments. A system in which three out of every five people court diabetes and heart disease - the two biggest killers - by being overweight is unacceptable.</p> <p>The present model - where doctors and hospitals keep meeting demand instead of trying to stem it at its source - doesn't address this need. Former Health Department secretary Andrew Podger, whose report on the health system has not been released, wants the commonwealth to provide services direct to regional health-care purchasers, with the states all but disappearing from the mix. This would solve many problems, but we are a long way from agreement on how to get there, and most states wouldn't want to surrender all control when they'll be blamed for shortcomings anyway. Former NSW premier Bob Carr volunteered to in 2004, but he had a career-threatening shambles to deal with. There may be other ways to achieve the same goal. Health-care reform is on the agenda but the debate needs more leadership from the federal government, and more realism from the public.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Canberra Times</i> 4 Mar 2006</p>	<p>'Call for states to hand over health', by Danielle Cronin</p>	<p>People should be forced to use their private health cover at hospitals and the 30 per cent rebate should be capped, according to a medical specialist and former top public servant. Andrew Podger delivered last night the inaugural Menzies Health Policy Lecture at Old Parliament House to mark the launch of a new research hub at the Australian National University and University of Sydney. Mr Podger had a 37-year career in the public service including a six-year stint as secretary of the federal Health Department. He was also appointed by Prime Minister John Howard to head a taskforce on health reform. Last night, Mr Podger made the case for states and territories to hand over the funding and managing of the health system to the Commonwealth. The Commonwealth would provide the funds, set policy and purchase health services through up to 30 specialist regional bodies across the country.</p> <p>States and territories would need to return more than one-third of the GST revenue, which was \$35 billion in 2003-04, to the Commonwealth. Mr Podger said private health insurance was important but the current arrangements could hardly be described as cost-effective or coherent. People with private cover would have to use their insurance for hospital treatment, while the Government's regional purchaser would pick up the tab for uninsured patients. "Patient decisions would be based purely on whether they are insured, what cover they have and the level of service they choose," Mr Podger said. "They would not be influenced by the games the hospitals or funds currently play to press people to go public or to go private." The 30 per cent private health insurance rebate - which costs about \$3 billion a year - should not apply to all extras cover. The rebate should be capped by setting a ceiling on the premiums that would attract the subsidy. Older people received a 35 per cent rebate, but this extra subsidy should be scrapped. There was no policy justification for this program, which was counter to the intention of lifetime cover designed to attract and keep young people with private health funds. Last night's lecture was part of the launch of the new Menzies Centre for Health Policy.</p> <p>ANU scored a coup last year, securing \$130,000 a year for health research from the Sir Robert Menzies Memorial Foundation. The ANU-University of Sydney bid beat about 60 other applicants for the ongoing grant to set up the third Menzies centre in Australia. ANU health specialist and Menzies Centre for Health Policy co-director Robert Wells said the aim was to lift the level of debate about these issues. Projects were already in the pipeline, such as a study on delivering health care in the bush given the serious shortage of medical professionals. The centre also planned to investigate shortcomings in the system that affected the treatment of people with chronic health problems - cardiovascular disease, asthma or diabetes. There was a need for this type of thorough and dispassionate research. "We spend now around 10 per cent of our total wealth on health in Australia," Mr Wells, who has about 20 years' experience in the federal Health Department, said. "We need someone ... independent of government or independent of any particular part of the health system to step back and say, 'are we spending it the best way?' "So it's to ask those bigger questions but then to focus down on specific topics such as rural health or disease management." A search was under way for up to four part-time staff to work at the new centre at the ANU.</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Canberra Times</i> 9 Mar 2006 p. 3</p>	<p>'Corbell hits out at bid to take over ACT health', by Danielle Cronin with AAP</p>	<p>A suggestion that the NSW Government should take over Canberra's public health system was "silly", ACT Health Minister Simon Corbell said yesterday. NSW Health Minister John Hatzistergos said the NSW Government was keeping the territory's health system afloat by paying the ACT Government "generous" amounts to look after NSW patients in Canberra's hospitals. NSW should take over the ACT's health system, which was one of the most inefficient. Mr Corbell called the comments silly, saying NSW needed ACT public hospitals to provide medical care for its residents. "I think they've got enough troubles running their own hospital system," Mr Corbell said. The NSW Government has been criticised over the flow of its funds into the ACT health system.</p> <p>Liberal Member for Bega Andrew Constance is a vocal critic of the current situation, saying it is a questionable use of NSW taxpayers' funds. "We could have two new hospitals built on the Far South Coast for the money that is being spent in the ACT health system," Mr Constance said recently.</p> <p>Mr Hatzistergos said yesterday that many patients in southern NSW were routinely sent to Canberra Hospital for major medical treatment. "It arises as a consequence of the Australian Health Care Agreement which requires each state and territory to reciprocate medical services for each jurisdiction's citizens," Mr Hatzistergos told the NSW upper house. "We have no choice in relation to those people who go to Canberra for treatment. Similarly, we have to treat those people from the ACT who come to NSW for treatment." Mr Hatzistergos said he was willing to take over the ACT system if the territory's Government agreed to his radical offer. "Under the Australian Health Care Agreement, it is true that the ACT receives a generous payment from the NSW Government - much more generous than I would like," he said. "The only way that system stays afloat, I can tell you, is the money that we give them. This is a fact of life. "I'd offer to take over the ACT tomorrow. I'm more than happy to take it over if they want to because I tell you what, it's one of the most inefficient systems."</p> <p>Mr Corbell said about one in four people treated in ACT public hospitals came from NSW. About one in three people on the waiting list for elective surgery in the ACT were from NSW. NSW handed over \$53.7 million in 2003-04 to cover the cost of its residents' care. Mr Corbell said his NSW counterpart should focus on reversing the flow of patients across the border rather than making such suggestions. Mr Hatzistergos said the NSW Government was redeveloping Queanbeyan Hospital to reduce the need for patients to go to Canberra. Figures provided by Mr Hatzistergos's office showed NSW taxpayers paid the ACT \$63.5million to look after NSW patients in 2003-04, while the ACT owed \$9.5 million. Both governments were considering arbitration to resolve the dispute over the new cross-border agreement.</p>
<p>ABC radio and online 1 Jun 2006</p>	<p>'States can no longer afford to manage health: SA Treasurer'</p>	<p>South Australian Treasurer, Kevin Foley, believes a future Commonwealth takeover of public hospitals is inevitable, unless more funding is provided. Mr Foley says the ageing population and the rising cost of treatment and technology mean that no state will be able to keep running the health system. He says the cost will only be manageable for the next 10 years. "A decade or more on, and as we head towards two to three decades out, the cost will be so huge in this nation that it's beyond the capacity of the states, under our current funding arrangements, for us to meet those needs," he said.</p> <p>However, the Opposition's health spokeswoman, Vickie Chapman, says health should remain under state control. "This is an important issue for our state and, as a smaller state, it's a critical issue, she said. "We do not support the concept of just abandoning this and saying 'Look Mummy I've run out of pocket money so you have to give me some more!'"</p>
<p>ABC radio and online 2 Jun 2006</p>	<p>'PM rejects federal takeover of hospitals'</p>	<p>Prime Minister John Howard has ruled out any Federal Government takeover of state-run public hospitals. The New South Wales and South Australian governments have reportedly asked the Commonwealth to consider taking full control of health to provide more efficient services to patients. Federal Health Minister Tony Abbott has been a long-term supporter of the idea.</p> <p>Mr Howard has told Southern Cross Radio that he is surprised the two states are interested in such a move, but says it is not one he supports. "This is not responsible government," he said. "This is cheery-picking federalism when you hang onto the things that go smoothly and where you can make big fellas of yourself, but when it comes something that involves a bit of grinding, day-to-day efficient administration, well you say we'll hand it over to the feds. "I don't wear that."</p>

Table 4B-1 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 2 Jun 2006 p. 6</p>	<p>'States ask Canberra to run hospitals', by Patricia Karvelas and Adam Cresswell</p>	<p>A COMMONWEALTH takeover of state-run public hospitals has been put back on the national agenda, this time by two Labor state governments. NSW and South Australia have said the federal Government should consider taking full control of health to provide more efficient services to patients nationwide.</p> <p>Health Minister Tony Abbott, who has raised the idea many times, yesterday said the states and territories would need to take a proposal to John Howard, through the COAG process, if they wanted a federal takeover. "There's a process and if they are serious they should put a proposal to COAG," he said.</p> <p>In Canberra yesterday, NSW Premier Morris Iemma said yesterday the state was still interested in pursuing a national health takeover. "If it leads to better healthcare for the people of Australia and the people of NSW, then NSW is prepared to cede power or jurisdiction," Mr Iemma said. Mr Iemma said there was an urgent need for a health overhaul because of an increasing demand for services, adding that if the average increase in health spending of 7per cent over the past five years continued, then by 2033 health would consume the entire NSW budget. "We cannot afford not to reform our healthcare system," he said. The same message came from South Australian Treasurer Kevin Foley, who said a federal takeover of health would have to be taken seriously. "At some point in the decades ahead, a national debate on health will come down to who has the best capacity, who has the money (and) who has the resources," he said.</p> <p>The Queensland, West Australian and Victorian governments are against the idea. A spokeswoman for Queensland Premier Peter Beattie said the state was no longer interested in a federal takeover. "The reform of the Queensland health system is well advanced. The Queensland Government will continue to take responsibility for the state system. Queensland is no longer interested in federal Government games on the issue and has moved ahead to solve the problems itself," the spokeswoman said.</p> <p>West Australian Health Minister Jim McGinty said the state had allocated more than \$3.6billion to rebuild and upgrade public hospitals without federal assistance. "We do not share the views of Tony Abbott and the Howard Government that waiting list delays are inevitable," Mr McGinty said. "Given that the Howard Government shows little interest in health care in Western Australia, it is the West Australia Government that can deliver the best health system for Western Australia people."</p> <p>A spokesman for Victorian Health Minister Bronwyn Pike said the Bracks Government would not trust Canberra to run the health system.</p> <p>The peak bodies representing doctors, public hospitals and healthcare organisations and Catholic health groups have backed a federal takeover, with some reservations. Prue Power, executive director of the Australian Healthcare Association, which represents public hospitals and health organisations, said a single funder would "certainly improve accountability" and reduce delays. "But there's another side to the story. The responsibility (for hospitals) would need to be devolved down to at least a regional level, because it's clear the federal Government would not have the expertise to run services from Canberra," Ms Power said. "We may see very little change." Australian Medical Association president Dr Mukesh Haikerwal agreed, saying bureaucracy would not decrease.</p>
<p><i>The Advertiser</i> 3 Jun 2006 p. 5</p>	<p>'Health system yours, PM tells states', by Greg Kelton</p>	<p>PRIME Minister John Howard has rejected moves by the states to give back health funding to the Commonwealth. That was despite suggestions by Health Minister Tony Abbott that a federal takeover of the hospital system was an option. Mr Howard said in a radio interview state governments proposing a federal takeover of public hospitals "are dodging their responsibilities and should consider their own continued existence". His comments came after reports NSW and SA were interested in handing back their health systems.</p> <p>SA Treasurer Kevin Foley said the state faced spiralling health costs over the next 30 years. He said SA probably could manage it for the next 10 but, unless the Commonwealth increased funding, he was prepared to hand over the system to federal control.</p> <p>Mr Howard said: "If you get to a stage that the states want to hand over their health systems to the Commonwealth, you've got to ask what is the purpose of having states at all? "It's such a core, fundamental business of states that you can't really believe a state is serious about a strong participation in the federation if it wants to vacate an area like public hospitals." Mr Howard said it was "cherry picking federalism" where states held on to something running smoothly but handed back to the Commonwealth "something involving a bit of grinding, day-to-day efficient administration".</p>

Recent (2004 to 2006) Media Reports Exemplifying how Commonwealth-State and Party Political Divisions Have Impeded National Health Reform

The media reports in Table 4B-2 below (65 reports from 2004 to 2006) are a subset of those shown in Table 4B-1 above and are presented separately here to highlight how even sincere efforts to improve Australia's health system can be impeded by Commonwealth-State and party political divisions.

Table 4B-2: Recent Media Reports Calling for National Approaches to Health but Highlighting the Impediments of Commonwealth-State and Party Political Divisions

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Australian</i> 25 Feb 2004	'Give us health, Abbott taunts states', by Megan Saunders and Misha Schubert	FEDERAL Health Minister Tony Abbott issued a challenge yesterday to Labor premiers -- stop complaining about healthcare funding or "vacate the field" to allow the Howard Government absolute control over the system. Responding to calls by NSW Premier Bob Carr for more money to fund hospital beds for the elderly, Mr Abbott suggested that instead of laying blame, the states should hand responsibility for health to the commonwealth "in the spirit of co-operative federalism".
<i>Australian Financial Review</i> 25 Feb 2004	'Abbott Offers To Run States' Hospitals', by Lisa Allen	Federal Health Minister Tony Abbott is so tired of states moaning for more money to fix their hospitals that he has offered to take over running them himself. ... He then went on make his big offer: "If the federal government causes so many problems for the state health systems, if it is the fault of the federal government that the state health systems are in such difficulty, why do not the states in the spirit of co-operative federalism say to the federal government, 'Look, why don't you take over the health systems?' "Then there would be no more buck passing."
<i>Australian Financial Review</i> 28 Feb 2004	'Carr Calls For End To Buck - Passing', by Annabel Hepworth	NSW will propose having a single level of government manage services such as the hospital system to reduce confusion and griping between the states and Canberra. Premier Bob Carr said he would propose at this year's Council of Australian Governments meeting a systematic review to clarify which tier of government should deliver which services. "That means a serious national debate on whether, for example, the tertiary education sector, the hospital system or disability services would be better managed by just a single level of government, without all the perverse incentives for cost-shifting and finger-pointing that exist today," Mr Carr said. He wasn't just talking about handing things over to the federal government. "I would be just as interested in talking about states resuming undiluted responsibility for particular areas such as hospitals." This week, federal Health Minister Tony Abbott suggested the states hand over control of hospitals to Canberra instead of complaining about their chronic underfunding.
ABC radio and online 10 Mar 2004	'MPs propose public hospitals grab', by Stephanie Kennedy	A handful of Federal Coalition MPs are pushing a radical plan for the Commonwealth to take over the public hospital system from state governments. Two weeks ago, Federal Health Minister Tony Abbott challenged the Labor premiers to stop complaining about health care funding or give the Howard Government absolute control over the system. At a meeting of Coalition MPs, South Australia's Trish Worth told her colleagues it was time for a bold health initiative and she suggested a radical plan for the Commonwealth to run public hospitals instead of the states. Her colleague Warren Entsch agrees. "We could certainly get a lot more value for the money and also the benefit would be flowing on directly to those that need those services," Mr Entsch said. "Everybody's entitled to the same level of services, it shouldn't be dependent on the capacity of the ability of various state or territory bureaucracies to provide that," he said. ... New South Wales Premier Bob Carr has laid out the terms on which he would be willing to consider a federal takeover of state hospitals. "Any agreement with the Commonwealth would not be based though on them 'cherry picking' and that is taking responsibility for the state's big teaching hospitals, but not for the local hospitals and the base hospitals in country New South Wales," Mr Carr said. "There's [got] to be a guarantee that the funding would be generous funding and would have a more generous level of growth built into it than what the Commonwealth was agreeing to late last year."

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 10 Mar 2004	'PM plays down hospital takeover talk'	<p>Prime Minister John Howard says the Federal Government has no plans at this stage to take over the public hospital system from the states. Mr Howard has refused to say if he supports the proposal, which is being pushed by a small group of Coalition MPs. They have called for a bold health initiative from the Government and they think this plan will also stop disputes between the states and the Commonwealth over the public health system.</p> <p>... New South Wales Premier Bob Carr says he is prepared to give consideration to a plan for the Commonwealth to takeover public hospitals. Mr Carr says any agreement with the Commonwealth would have to ensure that there would be no cut to overall funding and that responsibility was taken for all the states hospitals, not just the big teaching ones. "We're happy to talk any time, any place with the Federal Government about a deal that would mean better funding for the state's hospitals," Mr Carr said.</p> <p>... Tasmania's doctors say a Commonwealth takeover of public hospitals may eliminate the "blame shifting" associated with a duplication of services. Australian Medical Association Tasmanian branch president, Dr Tony Lawler, says the plan needs to be given close examination. "We hear the states saying that the Feds aren't giving them enough money and the Feds saying that the states are not spending it properly, and this to a certain extent would get around that," Dr Lawler said. "It would enable a lot more streamlining at those interfaces between the two different jurisdictions."</p>
ABC radio and online 10 Mar 2004	'Doctors divided over public hospital plan'	<p>Doctors say a Commonwealth takeover of public hospitals is worth exploring. Some Federal Coalition MPs are pushing the idea as a way of improving health services.</p> <p>Australian Medical Association (AMA) president Dr Bill Glasson says the proposal should be considered. "Obviously we've been talking about the duplication in the system at the moment costing about a billion dollars," Dr Glasson said. "I think in duplication of bureaucracy that would be a saving overnight and that money could go back into the coalface for treating patients across this country. "I do think we need to have some sort of a single model. "How that model should operate is obviously for the community to debate but essentially the current system is not working - it's just too heavy bureaucratically. "We're finding doctors and nurses at the coalface are not getting the funds they need to deliver the service they require."</p>
<i>The West Australian</i> 10 Mar 2004	'PM urged to reclaim State health services', by Karen Middleton	<p>SENIOR coalition MPs are urging the Federal Government to take over all health responsibility from the States because they say the waste and inefficiency of two overlapping systems is harming patients' health. Parliamentary Secretary for Health Trish Worth was among seven MPs who urged Prime Minister John Howard and Health Minister Tony Abbott yesterday to consider taking back responsibility for health service delivery from the States and eliminating what she said was massive inefficiency. Ms Worth told yesterday's private weekly meeting of coalition MPs she favoured taking over all health responsibilities, including the delivery of mental health services, because patients were not getting the best possible care. Canberra now funds the States' hospitals but State governments are responsible for delivering the services in them. In what other MPs said was a comprehensive argument put to the party room, Ms Worth acknowledged that critics of the idea would warn that if the Commonwealth took over the lot it would then attract all the criticism if things went wrong. But she said it was often held responsible anyway and could actually improve services dramatically by removing areas of doubling up. She gave examples of patients who had fallen victim to the inadequate intersection between parts of the system run by the States and aged-care facilities run by the Commonwealth. Last night, Ms Worth confirmed to <i>The West Australian</i> that Mr Abbott and Minister for Ageing, Julie Bishop, had agreed to discuss the issue with her. "I think we should be doing things that benefit the people of Australia," she said. "At the moment, I think there are too many inefficiencies, too many roadblocks." Neither Mr Howard nor Mr Abbott responded to the suggestion in the party room. One senior official cast doubt on the proposal going any further but other senior sources said there was some support at ministerial level to investigate the idea. Mr Howard has strongly criticised the States in the past for shifting health costs on to the Commonwealth.</p>

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>Sydney Morning Herald</i> 10 Mar 2004</p>	<p>'PM's grand plan to take over hospitals', by Mark Metherell</p>	<p>The Prime Minister is seeking advice on a Commonwealth takeover of public hospitals in what would be one of the biggest shifts in responsibilities between Canberra and the states since Federation. John Howard has expressed his support for the transfer as a means of ending state-federal disputes which dog crisis-prone public hospitals in NSW and other states, the Herald has learned. "We are deadly serious about this," a Government source said. The Prime Minister was "very enthusiastic" about assuming control of the nation's entire health administration to resolve the cost-shifting, duplication and divided health care services in Australia's health system and was calling for research into the issue.</p> <p>... The disclosure that the Prime Minister might be prepared to have the federal government wear the blame for hospital waiting lists and medical mistakes has emerged after six Government MPs at the coalition partyroom meeting yesterday called for a Commonwealth take-over.</p> <p>A recent report on national health reforms cited the dysfunction between federal and state health responsibilities, saying it obstructed achieving the best care management between the state-controlled hospitals and federally-funded private doctors.</p> <p>The Health Minister, Tony Abbott yesterday signalled his support in the party room debate, saying he wished he could talk about it at the meeting. The debate was initiated by senior Queensland MP, Warren Entsch, who said: "It's time to do something bold in health." Mr Entsch told the Herald later that the Commonwealth financed much of the health system "but we have no control whatsoever". Another advocate at the meeting was the parliamentary secretary for health, Trish Worth. She said later that funding divisions between federal and state governments in health, impeded optimal approaches to care in many areas, including aged care and mental health. "I have found it extraordinarily frustrating," Ms Worth said.</p> <p>... The NSW Health Minister, Morris Iemma, said through a spokesman last night that he "looked forward to seeing [Mr Howard's] proposal".</p>
<p><i>The Age</i> 10 Mar 2004</p>	<p>Federal push on hospitals, by David Wroe</p>	<p>Key Howard Government backbenchers are pushing for the Commonwealth to take responsibility for public hospitals away from the states, arguing it would slash bureaucracy and buckpassing in the health system. Five MPs – including parliamentary secretary for health Trish Worth and Guy Barnett, a member of the Government's health and ageing policy committee – spoke in favour of the idea at the Coalition's party meeting yesterday. The push follows remarks by Health Minister Tony Abbott two weeks ago that if states were not happy with the level of funding from the Federal Government, they should let the Commonwealth run hospitals.</p> <p>... Critics say the divided health system - with the Commonwealth looking after GPs and aged care and the states running hospitals - leads to billions of dollars in waste.</p> <p>... Ms Worth, a long-time advocate of Commonwealth control of public hospitals, said she would speak to Mr Abbott and Ageing Minister Julie Bishop in more detail about the idea. The change would be a huge undertaking and the MPs backing the push told the party room it was a "bold move". The other three backbenchers were Queensland MPs Warren Entsch and Paul Neville and NSW MP Kerry Bartlett.</p>

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Age</i> 11 Mar 2004	Editorial: 'Public hospitals are a national problem'	<p>Responsibility for the hospital system should not be split between two tiers of government.</p> <p>In the midst of election-year debates about health spending, it is not surprising that the call by some Coalition MPs for the Commonwealth to assume full responsibility for public hospitals should have been greeted sceptically by the states and the Opposition. The response of Victoria's Health Minister, Bronwyn Pike, was swift and dismissive: it was a simplistic solution to the problems of administrative duplication, she said, and Victoria would not surrender responsibility for hospitals to a Federal Government that was mismanaging aged care.</p> <p>...</p> <p>The Age has long argued that the recurring funding crises in public hospitals could be more easily resolved if responsibility for the hospital system was not divided between two tiers of government. At present, the states administer the hospitals, with part-funding from the Commonwealth, while the Commonwealth has responsibility for GP services through Medicare. This split has encouraged the cost-shifting between the two tiers that underlies their recriminatory blame-shifting. When Medicare is not funded sufficiently to sustain bulk-billing, as is now the case, many patients turn to public-hospital emergency rooms as an alternative, placing those services under strain. The states justifiably blame the Commonwealth for the neglect of Medicare - a neglect that will be softened but not ended by the Medicare Plus reforms that the Senate is now likely to pass - but are unwilling to bail out hospitals themselves. If the Commonwealth had responsibility for hospitals as well as Medicare, it could not evade responsibility for the effects of the decline of Medicare.</p> <p>There is a successful precedent for transfer to the Commonwealth of a major state community-service responsibility. Although universities are created under state legislation, for the past 30 years higher education has been funded by, and effectively overseen by, the Federal Government. No state would now want that burden reimposed on it, and no one argues that the financial crisis afflicting universities, severe though it is, would be better dealt with by the states. It is time that public hospitals, too, were treated as a national system.</p>
<i>The Australian</i> 12 Mar 2004	Editorial: 'Time to stop shifting blame on hospitals'	Health Minister Tony Abbott set the hares running on the federal-state issue last month when he challenged the states to stop complaining about hospital funding and "vacate the field and let the federal Government run the health system altogether".
<i>The Age</i> 24 Mar 2004	'Kennett backs ALP over health probe call', by David Wroe	<p>Former Liberal premier Jeff Kennett has lit a trademark firecracker under the national health debate by echoing Labor's call for a major inquiry into Australia's troubled health system.</p> <p>At the same time, federal Health Minister Tony Abbott has fuelled talk about the Commonwealth taking over public hospitals, telling <i>The Bulletin</i> magazine it is "the debate we have to have".</p>
<i>Sydney Morning Herald</i> 24 Mar 2004	'There's still life in hospital takeover plan: Abbott', by Mark Metherell	<p>The Federal Health Minister, Tony Abbott, has given fresh credence to suggestions that the Federal Government might take responsibility for the national health system.</p> <p>After a Herald report earlier this month that the Prime Minister, John Howard, had said he was seeking advice on the idea of a federal takeover of health services run by the states, such as public hospitals, Mr Abbott has acknowledged the issue is a live one. "It's the debate we have to have," Mr Abbott has said. He is quoted in today's <i>Bulletin</i> as saying that "health is now such a dog's breakfast of divided responsibilities that sooner or later it will have to be sorted out".</p>
<i>The Age</i> 26 Mar 2004	Editorial: 'A plea for rational health management'	<p>... Federal Health Minister Tony Abbott recently raised the possibility of the Commonwealth taking over public hospitals and has described the issue as "the debate we have to have".</p> <p>... This newspaper has long argued that the Commonwealth should take responsibility for public hospitals, as it took responsibility for universities - institutions created under state legislation - 30 years ago. That has largely been accepted as a sensible administrative step, and the present controversy over tertiary funding has not included a call that the states resume control of universities. Health funding is too important a matter to continue to be a political football. It is time for the Commonwealth to stop passing the buck on public hospitals.</p>

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Bulletin</i> 30 Mar 2004	'Operation Abbott', by Maxine McKew	<p>In the midst of taking on Labor over health policy with ideas of a federal takeover of the hospital system, Tony Abbott calls Mark Latham a "fake" and praises John Howard's "deeper wisdom". The states should beware his wrath, too.</p> <p>... is Abbott softening up his cabinet colleagues for something more ambitious? Like the cost of taking over the nation's public hospitals? A recent party room debate on this, kicked off by Warren Entsch, who declared that "the Coalition needs to do something bold in health", looked to be a one-day wonder. There was the official denial of a federal takeover. That was two weeks ago. But Abbott now says "it's the debate we have to have". He concedes that any move to take over the troubled public hospitals "would be an earthquake, not a tremor. It's not something the federal government would ever rush into. It would be a huge change, in fact the biggest change to Australia's system of governance since the Whitlam era. But the debate has started. Let's see where it leads."</p> <p>... One of the people Abbott met last week is the head of clinical gastroenterology at Nepean Hospital, Dr Andrew Keegan, who can't fill existing funded positions. Nepean is also struggling to fill vacancies in geriatrics, neurology and renal medicine. As for the frontline of medical care - the nurses - Nepean has the same shortage as every other hospital. Keegan wears another hat. He's chairman of the NSW Australian Medical Association council and he told Abbott that "it's time we had one unified health system". (The federal AMA is also backing federal government administration of hospitals in order to reduce duplication and costs.) The minister duly noted this and told Keegan and others that "health is now such a dog's breakfast of divided responsibilities that sooner or later it will have to be sorted out".</p>
The Advertiser (Adelaide) 23 Apr 2004	'Health plan's \$2bn lure', by Craig Clarke	<p>MORE than \$70 billion a year in state and federal health funds would be pooled in an ambitious plan to end waste and duplication and save up to \$2 billion a year. Health Ministers from around Australia will consider the proposal today. The Australian Health Reform Alliance, a coalition of 24 peak groups, will detail their plan to the ministerial meeting. They proposed the creation of a Central Australian Health Commission to end blame-shifting between States and Canberra. It would hold Australia's health budgets in a single account and be responsible for running hospitals and all facets of care. The plan mirrors South Australia's Generational Health Review, which mooted a joint Federal/State Commission. Alliance chairman John Dwyer said: "Australia's dysfunctional health system would not improve while responsibility was split between State and Federal Governments. A single entity would end the waste and duplication which is adding to health cost. Savings would be invested back in the health system." The plan has won Labor support but the Federal Government said it was reluctant to create another bureaucracy. In a speech to the Alliance, Generational Review author John Menadue said a single entity would be best for patient care. "A state handover of health services to the Commonwealth, in my view, would be the best course," he said.</p>
<i>Sydney Morning Herald</i> 23 Apr 2004	'Call for single health body to end waste', by Mark Metherell	<p>Health ministers will today be urged to consider setting up a single national agency to take control of the health system, which is estimated to waste up to \$2 billion a year in duplicated administration. An alliance of 22 national health groups will challenge the ministers to investigate proposals for a single funding system and report back by July, only months before the federal election.</p>
<i>The Australian</i> 11 May 2004	Editorial: 'Time to discuss who runs hospitals'	<p>Last year Health Minister Tony Abbott tentatively talked of Canberra taking over direct control of public hospitals. The minister went quickly quiet – what government in its right mind would willingly take on the responsibility for places where people die. However, Mr Abbott's suggestion needs to be taken more seriously and thoroughly debated. Funding hospitals from one main source and slashing state-level bureaucratic interference might be a prescription for driving through changes that would allow our hospitals to cope with the inevitable strains on their resources. One day, your life might depend on it.</p>
ABC radio and online 20 May 2004	'Abbott criticised over national health scheme'	<p>Federal Opposition leader Mark Latham says he opposes any move by the Commonwealth to take control of the nation's health services. Federal Health Minister Tony Abbott says it is inevitable health services will one day be delivered under a single national "umbrella". Mr Abbott believes the sooner the states are not involved, the better.</p>
<i>Canberra Times</i> 31 May 2004	'Surgeons call for federal health funding control'	<p>SYDNEY: Wiping out state health bureaucracies and shifting all funding responsibility to the Federal government would give patients a better deal, according to the Royal Australasian College of Surgeons. The college vice-president Peter Woodruff said giving all funding control to the Commonwealth would save \$2 billion a year and remove unnecessary and ineffective duplication. The money could be used to slash operation waiting lists, employ more nurses and open more beds. ... Federal Health minister Tony Abbott has floated a similar plan but is opposed by state governments and federal Labor.</p>

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
The Advertiser, (Adelaide) 15 Jun 2004	'Public Hospital System: Surrendering power or a healthy option', by Craig Clarke	In an historic grab for power, the Federal Government is drawing plans to seize control of the nation's fragmented public hospitals from the states. ... Health Minister Tony Abbott has made no secret of his desire to take over the running of the nation's public hospitals. Touring the Royal Flying Doctor Service in Broken Hill last month, he said the federal-state split in health was not working. "There's this mish-mash of responsibilities, nobody can decide whose job it is to oversee it," Mr Abbott said. "The sooner the states are not involved in the field of health the better." ... SA Health Minister Lea Stevens said the plan appeared "attractive" at first glance. "(Running the health system) should be simpler if one level of government has it," she said. "We need to have a serious look at it."
The Australian 9 Sep 2004	'Abbott calls hospital debate', by Matthew Denholm	TONY ABBOTT has called for a fresh debate on a federal takeover of public hospitals, arguing inefficiencies will plague state health systems until the issue is tackled. The Health Minister resurrected the contentious issue yesterday, saying he would encourage a debate and describing a commonwealth takeover as "an attractive option".
The Australian 19 Oct 2004	Editorial: 'Health system can do with new ideas'	... As Health Minister Tony Abbott contemplates life without a recalcitrant Senate, he should return to a thought-bubble he floated earlier this year: commonwealth control of public hospitals. At the moment our hospitals are funded by the commonwealth, but run by the states.
The AM program on ABC radio and online 20 Oct 2004	'Bob Carr calls for federal-state cooperation over health system', by Tony Eastley	TONY EASTLEY: The New South Wales Premier, Bob Carr says John Howard has a real mandate for change, and he believes the Prime Minister should start with Federal-State relations. Mr Carr says the current funding and operation of Australia's health system is dysfunctional and the Commonwealth should enter into negotiations as soon as possible to solve the problems. He says ideally the Howard Government should take over the States' responsibilities, and he thinks Premiers in other states would be keen to consider that proposal. ... TONY EASTLEY: Because Tony Abbott, the Federal Health Minister did say earlier this year that a federal takeover of health was the debate, I think, that we had to have. BOB CARR: Well, Tony Abbott has nibbled at the area on a couple of occasions, and it is a debate that's worthwhile. TONY EASTLEY: Have you spoken to other premiers about this idea? BOB CARR: It's been on the agenda when premiers and chief ministers have got together going back to the time when Jeff Kennett was Premier of Victoria and I was in my first year as Premier of New South Wales.
ABC radio and online 20 Oct 2004	'Carr floats move to trade powers'	New South Wales Premier Bob Carr is offering to hand control of the state's hospital system to the Federal Government in exchange for state control of schools and TAFE colleges. ... "The overlap in responsibilities, the endless buck-passing and blame-shifting between Commonwealth and state governments should end," he said. "The Prime Minister is in a position where he could enter negotiations with the states from an undisputed position of strength - political strength. "We ought to be able to get this on the agenda as never before." He says the health system in particular could benefit from the change. "We need this most in health, where the Commonwealth is responsible for GP numbers and health insurance and aged-care beds but the state's responsible for the hospital system, which these other factors affect most drastically," Mr Carr said. "We can have serious negotiations about this." ... The director of the Institute of Health Economics and Technological Assessment, Paul Grose, says the idea is commonsense. ... The national president of the Australian Medical Association, Bill Glasson, has welcomed the idea, on the proviso that new ways of delivering health care take precedence over new funding models. "It's a very promising move and I congratulate Bob Carr for driving this agenda," Dr Glasson said. "I think out of the federal election the Australian people want to get a solution to this, because they hear it in the media every day what's happening in our public hospitals and they know they are personally being affected by this. "They want a solution and we need the leaders like Bob Carr and [Health Minister] Tony Abbott to actually drive this agenda through." The Rural Doctors Association has also welcomed the proposal. Its chief, Sue Page, says the move would streamline funding and improve services in regional areas. "All of a sudden you've got the same person for both sides of health - what happens in hospitals but also what happens outside of hospitals," she said. "It makes it much more easy to move the funding to where you get your most cost-effective outcomes." ... ACT Chief Minister Jon Stanhope has supported a call by the New South Wales Premier to hold a conference on whether health should become the sole responsibility of the Commonwealth. Queensland Premier Peter Beattie has called for national reform of the health system.

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
The World Today program on ABC radio and online 20 Oct 2004	'Peter Beattie calls for health system overhaul', by Ian Townsend	HAMISH ROBERTSON: Queensland Premier Peter Beattie has joined New South Wales Premier Bob Carr in challenging the Federal Government to overhaul the Australian health system, and to resolve federal-state tensions over the issue, that go back to Federation more than a century ago.
The World Today program on ABC radio and online 20 Oct 2004	'Doctors agree federal-state health system must change', by Michael Vincent	HAMISH ROBERTSON: As we've been hearing, today's move by Peter Beattie follows that overture by Bob Carr to his state counterparts and the Federal Health Minister to begin a complete redesign of the health system. According to Mr Carr in an "ideal" world, the Federal Government would take it over completely. That proposal has been met with interest by doctors, nurses and health analysts who are all frustrated by the inefficiencies inherent in a duplicated system.
7.30 Report on ABC TV 20 Oct 2004	'Carr calls for centralised health system', by Jonathan Harley	KERRY O'BRIEN: It's not often that a state Premier volunteer to surrender power to the Commonwealth, but that's what NSW Premier Bob Carr appears to have done with his offer to hand control of the state-administered public hospital system over to Canberra. ... PETER BEATTIE, QUEENSLAND PREMIER: I'm not prepared to give up our health services to the Commonwealth because I don't think they can run them effectively. ... JONATHAN HARLEY: ... On the face of it, Health Minister Tony Abbott should have been receptive. This was him earlier this year. TONY ABBOTT ... FEBRUARY 24: Why not solve the problem by offering to the Federal Government to vacate the field and let the Federal Government run the health system all together?
ABC radio and online 21 Oct 2004	'Medical staff back health reform call'	One of the country's leading medical authorities has backed a call from New South Wales Premier Bob Carr to give the Federal Government complete control of the health system. ... NSW Medical Staff Council chairman Professor John Dwyer says the proposal would be a lot more effective than the current system.
<i>Sydney Morning Herald</i> 21 Oct 2004	'PM agrees to power talks with premiers', by Louise Dodson and Anne Davies	The Prime Minister, John Howard, will discuss a radical new power-sharing deal with the states but is adamant that any changes must not undercut his election promises. He also stresses that major changes in responsibilities - such as the states ceding control of health spending - would have serious financial implications. The cautious response follows an unexpected call from the Premier, Bob Carr, for a rethink of federal and state responsibilities. Mr Carr told the Herald this week he wanted the federalism system overhauled to reduce duplication and bring about clearer lines of responsibility. His ultimate plan is for Canberra to assume total responsibility for health, including maintenance of the public hospital system. In exchange, the states would take control of education, except for universities. ... South Australia's acting premier, Kevin Foley, was more enthusiastic. He described the proposal as "a bold plan that had lots of merit" and said South Australia would commit itself energetically and constructively with all states and the Federal Government to advance the plan.
<i>Sydney Morning Herald</i> 21 Oct 2004	'Federal health control just what the doctor ordered', by Mark Metherell, Kelly Burke and Cosima Marriner	The Premier, Bob Carr, has won support from doctors but divided education groups over his proposal to cede state control of health to the Commonwealth in return for the states assuming responsibility for schools. The Australian Medical Association and rival supporters of health reform hailed Mr Carr's plan as a necessary first step to fix the disjointed state-federal administration of medical care. ... The Australian Medical Association president, Bill Glasson, said the Carr solution to end the blame-shifting and cost-shifting of the federal-state health administration was an "exciting" development which could yield a more effective health system. Dr Glasson said he believed the Health Minister, Tony Abbott, who was on leave yesterday and unavailable for comment, was "desperate to get change".
<i>Sydney Morning Herald</i> 21 Oct 2004	'Carr may steer Abbott to act on reform', by Mark Metherell	The Premier's offer to hand over responsibility for health to the Commonwealth removes the main reason the federal Health Minister, Tony Abbott, has given for retreating from the sweeping reform he had earlier flirted with. In February Abbott suggested that if the Federal Government caused state health systems so much grief, the states should offer to pass control to the Commonwealth.

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>Sydney Morning Herald</i> 21 Oct 2004	Letters, under the heading 'Integrated health system would provide the best care'	<p>Bob Carr is talking a lot of sense with his offer for the Federal Government to take over the state public hospital system ("Carr offers to trade powers with Canberra", Herald, October 20). The current division of health care responsibility is wasteful and inefficient. Australia needs to fully integrate the services of general practitioners, specialists, public and private hospitals and community care to provide the most effective and efficient health care for all Australians. Dr Ian Arthur, Sawtell, October 20.</p> <p>Working every day in an environment of constant cost-shifting and inefficiencies produced by lack of cohesiveness between state and federal departments of health, I fully support Mr Carr's call to unify the health system. However, apart from people like Mr Greiner and Mr Goss, I hope those at the coalface will be asked to contribute to the debate. Dr Bernie Bourke, Chairman Medical Staff Council, Gosford Hospital, Gosford, October 20.</p> <p>Bob Carr, why stop with the public hospitals? What about releasing your state responsibility for the trains, schools, buses, water, road systems and power infrastructure. Come on, Mr Carr, do us a favour and give it all to the Federal Government. John Lazoglou, Stanmore, October 20.</p> <p>At last someone's talking sense on the chronic public hospitals "crisis". I recall Peter Smark pointing out nearly 20 years ago that the public hospital system problems could never be resolved while the system was funded by the Federal Government but run by the states. Is this an idea that has finally found its time? Margaret Harris, Turrumurra, October 20.</p> <p>As one who is in the middle of the public health system, I sincerely hope that this latest overture from Bob Carr to the Federal Government to reform the distribution of responsibilities in health care gets off the ground. ... Andrew McDonald, Menangle, October 20.</p> <p>... Bob Carr's offer to trade powers with Canberra is a step in the right direction, but why stop there. A merger of the NSW and Commonwealth parliaments would be real progress. P. Tomlins, Hornsby, October 20.</p>
<i>The West Australian</i> 21 Oct 2004	'WA in fear of short-change over hospitals', by Ben Ruse	The State Government will not support a proposal to hand over control of public hospitals to the Federal Government, saying it feared WA would be short-changed if the plan went ahead. NSW Premier Bob Carr has proposed that the Federal Government take over the entire health system, relieving the States of their role running public hospitals, in return for giving the States more power over other areas such as schools.
<i>The Age</i> 21 Oct 2004	'States not keen on new federalism', by Misha Schubert, Josh Gordon and Jewel Topsfield	The states have split over a radical plan to overhaul state and Commonwealth relations, with at least four refusing to hand control of their public hospitals to the Commonwealth. Victoria, Queensland, Western Australia and the Northern Territory yesterday poured cold water on a dramatic rethink proposed by NSW Premier Bob Carr for states to relinquish hospitals in exchange for complete control of schools and technical colleges. While Prime Minister John Howard refused to comment during his trip to Jakarta, premiers agreed there was a desperate need for reform of federalism to eliminate duplication, waste and mismanagement. But despite calls from major health lobby groups to explore the proposal, several states said they simply did not trust the Howard Government to deliver better public hospital services. Federal Health Minister Tony Abbott has previously urged a federal takeover of hospitals, saying it was inevitable that major reform would happen eventually.
<i>Australian Financial Review</i> 21 Oct 2004	'States call for shake-up of health care', by Morgan Mellish and Jennifer Hewett with Chris Milne and Mark Ludlow	NSW Premier Bob Carr has proposed handing over responsibility for hospitals to the federal government, and Queensland's Peter Beattie has called for an early meeting with Prime Minister John Howard on hospital and education funding.
<i>Australian Financial Review</i> 21 Oct 2004	'Key players give thumbs-up to saving \$1 billion', by Lisa Allen and Morgan Mellish	Health executives, senior clinicians, private health insurers and doctor lobby groups have welcomed NSW Premier Bob Carr's offer to cede the state's health system to the commonwealth, saying it would save up to \$1 billion a year.

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>Sydney Morning Herald</i> 22 Oct 2004	Letters, under the heading 'Shift health powers, then stop shifting the blame'	<p>Premier Bob Carr is certainly offering a bold solution to the woes of our health system by suggesting handing over responsibility to the Federal Government. One can only hope that the handing over of powers doesn't stop there and we finally see an end to the buck passing and blame shifting between the levels of government. It is time to trim the fat from our system of government and introduce singular accountability at a national level. Mathew Riley, Crows Nest, October 21.</p> <p>Inspired move, Mr Carr. Every Australian should be able to expect equality of outcomes in the health system. All aspects of health, particularly public health "prevention" programs and the legislative clout to deliver healthy environments, should be managed by the Commonwealth. Lynda Newnam, La Perouse, October 21.</p> <p>... With a bit of luck the Federal Government will take over responsibility for water and electricity as well as health when the PM meets the state premiers. Let's face it, those services are in just as bad a state as health care after a century of poor management by the states. And why do we have a State Government at all if the best it can do is build roads (and there is some argument against this statement). Ross Fyfe, Lane Cove, October 21.</p>
<i>The Age</i> 22 Oct 2004	Editorial: 'A door opens to a modern federalism'	... Health Minister Tony Abbott did get people's attention when he suggested the states should hand over responsibility for hospitals. He moved to cool speculation by saying the states would never agree to the idea. This week, though, NSW Premier Bob Carr offered to do just that.
<i>Sydney Morning Herald</i> 23 Oct 2004	'Altered states: making a federal case', by Anne Davies, Robert Wainwright and Mark Metherell	... Carr's offer to hand the health reins over to the Commonwealth comes after a dare by the federal Health Minister, Tony Abbott, in February suggesting that very idea. Abbott described it as the "debate we had to have".
<i>Sydney Morning Herald</i> 23 Oct 2004	'Cure for sick system', by Ruth Pollard	<p>Just for a moment they dare to dream the impossible dream. One health department, a single government administrator, no cost-shifting, and no state-federal split to excuse the failures of a system under pressure.</p> <p>Rarely has there been such universal support for such major reform from most of the key players - doctors, nurses, allied health workers and consumers. What's missing is a firm commitment from the Federal Government to do more than just consider the proposal for states and territories to hand responsibility for health to the Commonwealth - an idea first raised by the Health Minister, Tony Abbott, in February and championed by the Premier, Bob Carr, this week.</p> <p>The chairman of the Australian Health Reform Alliance, John Dwyer, said throwing more money at such a dysfunctional system was unsustainable and that fundamental reform was the only option. "Everybody, including a lot of politicians, are fed up about the constant bickering over health care - this is not just about running hospitals, this is about bringing together all the elements of health care to be run in a patient-centred manner." ... A health system under federal control would operate from a central bureaucracy in Canberra, with the equivalent of area health agencies delivering services at a regional level, he said.</p> <p>... According to the NSW Health Minister, Morris Iemma, a single health administration would remove the incentive for governments to cost-shift and underinvest in patient care. "The classic [example] is aged care, where there is an incentive ... not to invest more in community care for aged citizens ... because they are dealt with for extended periods of time in the acute care sector, which is the state's responsibility," Iemma says. ... "If we had one jurisdiction ... the chances of the colleges ... ending some of their restrictive practices would be improved."</p> <p>... The Public Health Association's NSW president, Jim Hyde, said federal administration of the health system was "an extremely good idea".</p>
<i>The Australian</i> 27 Oct 2004	Editorial: 'Competition is good for health'	Federal Health Minister Tony Abbott and NSW Premier Bob Carr have both recently put a national approach to health on the agenda. Good.
<i>The Australian</i> 27 Nov 2004	Editorial: 'Unhealthy spending can't continue'	... sensible politicians are calling for change. Health Minister Tony Abbott and NSW Premier Bob Carr question the arrangement where Canberra funds, and the states run, public hospitals, adding \$1 billion in unnecessary administration to the \$15 billion system.

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<i>The Australian</i> 10 Feb 2005	'The centralist contradiction', by Mike Steketee	The Government's centralist bent is now unmistakable. Health Minister Tony Abbott periodically floats the idea of the commonwealth taking over hospitals - a position long advocated by Whitlam. It has not happened because the commonwealth lacks the constitutional power and the states have never all agreed to relinquish responsibility. But the Government has one alternative up its sleeve: giving its share of funding directly to public hospitals, rather than through the states.
<i>Australian Financial Review</i> 17 Mar 2005	'Carr to PM: I'll cut tax if you fix health', by Andrew Clark with Mark Ludlow and Mark Skulley	... Mr Carr last year called for a new deal on federalism after the Howard government's election and offered to hand over responsibility for the health system to the commonwealth.
<i>The Age</i> 25 Mar 2005	'Australia doesn't need states: Howard', by Tim Colebatch and Farrah Tomazin	... Health Minister Tony Abbott has proposed a federal takeover of public hospitals, although Mr Howard has opposed this on the pragmatic ground that running hospitals is a political minefield.
<i>The Australian</i> 6 Apr 2005	'States out in health shake-up', by David Uren	THE Howard Government is considering bypassing the states to directly fund regional health bodies in the most revolutionary overhaul of health funding since the introduction of Medicare 21 years ago. ... While Health Minister Tony Abbott has raised the prospect of shifting hospital funding to the commonwealth, he has argued against setting up regional health authorities, fearing they would establish another tier of bureaucracy.
<i>The Advertiser</i> 22 Apr 2005 p. 20	'Leadership needed to stop ping-pong', by Lea Stevens, the South Australian Health Minister	<p>STUFFED. I've discovered this week that this is an extremely powerful word. On Monday, I used it to describe a fundamental aspect of the nation's health system - the divide of responsibilities between federal and state governments - when I joined New South Wales Premier Bob Carr to call for national reform. The issues I raised are not new. But it took that one word to grab people's attention.</p> <p>Let me stress I am not talking about the dedication and hard work of our health workforce. Nor am I talking about our hospitals and health services. Our health professionals and the services they provide are world-class. But the system surrounding them - the arbitrary divide of responsibilities between the tiers of government - is not. Let's look at some day-to-day examples.</p> <p>Everyone knows it is getting increasingly difficult to see a GP. The numbers of GPs being trained, where they are distributed and how they are paid are regulated by the Federal Government. The Federal Government has deliberately restricted the number of GPs being produced in Australia, creating a shortage. It did so to restrict the number of GP visits it would have to pay for through Medicare. But when there is a shortage of GPs, what happens? People get sicker and end up in hospital, the cost borne by the State Government, not the Federal Government. If the system was working sensibly, the incentive would be for the Federal Government to properly fund the GP system, and keep people out of hospitals. The same is true for aged-care beds. When the Federal Government does not fund enough aged-care beds, where do our elderly stay? In the state's hospitals. On average, each day there are about 100 elderly people in South Australian hospital beds who are well enough to be in an aged-care place, but have no place to go.</p> <p>The system itself, the way it is divided, mitigates against sensible outcomes. This means taxpayer dollars spent are not spent effectively enough. Politicians can blame each other rather than take responsibility for fixing problems, and the benefits of reforms that require co-ordinated effort from both sides are not realised.</p> <p>Three years ago, we held the Generational Health Review in SA. We now have a 20-year blueprint for improving the state health system, have brought together separate hospitals and health services and co-ordinated them in regions. Within those regions we are developing primary healthcare networks to work with GPs to better manage disease in the community. Before these changes, hospital and health services largely operated in isolation from each other. Essentially, we have put some "system" into the system. In the process, we have gone from a dozen separate health boards in the city to just four. We need a similar commitment to reform at the national level. We cannot continue with two tiers of government going about their business in isolation from each other. It is my view that we either decide that one level of government or the other takes full responsibility for health care, or both levels of government must seriously commit to a national process to co-operatively address the problem. We must stop this game of ping-pong and work effectively together to better the health of all Australians. This requires national leadership. If we don't act, we will have a bigger problem to deal with in 25 years. The time for action is now, or the system will be "stuffed".</p>

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 27 May 2005	'Beattie 'over' Canberra ambitions'	Queensland's Premier Peter Beattie has revealed that he considered running for Federal Parliament because he wanted to fix the national health system. ... "The reason I thought about it was really I'm frustrated by the lack of reform in health. "We waste billions of dollars every day and I wanted to make a contribution and I thought a Labor government would be the best to reform the health system but I have to tell you I'm over it." Mr Beattie says he now realises reforming Queensland's troubled health system is a big enough challenge.
<i>The Australian</i> 3 Jun 2005	Editorial: 'Federalism must not COAGulate'	In recent months, the Prime Minister and the premiers have behaved like debutantes at the ball, coyly holding out, then promptly withdrawing their offers. The commonwealth wants to take over hospitals. Then again, hospitals are a money-pit and a minefield, so maybe not. ... instead of trying to make the system more cost effective – with less emphasis on fee-per-service, and more on keeping people healthy in the first place – the states and the commonwealth engage in a pointless triennial ritual of blame-swapping and cost-shifting. Indeed, the duplication of bureaucracies alone is estimated to add costs of \$1 billion a year to our \$16 billion public hospital system.
<i>The Australian</i> 24 Jun 2005	'Government club overdue for reform', by John Brogden (NSW Opposition Leader)	... After 104 years, our federal system is broke. It is a confused, duplicated and irresponsible mess of failed public administration. ... I advocate a 15-year program of reform including: * Commonwealth control of health. Tony Abbott is right. The level of government that controls Medicare, the pharmaceutical benefits scheme and aged care should also be responsible for hospitals and that's the commonwealth.
ABC radio and online 14 Aug 2005	'National health reform needed: Beattie'	Queensland Premier Peter Beattie says two health inquiries in the state will have been a waste if there is no reform at a national level. ... "The facts are unless we have national reform of health, then we're still going to be wasting billions of dollars every year," he said. "Just like pouring it down the Brisbane River or into the Sydney Harbour." Mr Beattie says there has to be major changes in the way services are run. "It would be better if either the Commonwealth or the states completely ran health," he said. "It would be better because then we could actually fix the problems. "We have these huge divides."
ABC radio and online 26 Aug 2005	'Beattie offers health reins to Commonwealth'	Queensland Premier Peter Beattie has challenged the Federal Government to take over the state's health system. Mr Beattie has previously said there is too much duplication because both levels of government share responsibility for health. Former New South Wales premier Bob Carr floated a similar idea earlier this year. Federal Health Minister Tony Abbott has said the Federal Government will consider taking over if Mr Beattie asks. Mr Beattie has done that today. "I'm saying to Mr Abbott today if you are genuine and serious as opposed to some political posture, we are prepared to transfer ... the Queensland health system to the Commonwealth but we want it done by the end of the year," Mr Beattie said. "I would like it achieved by Christmas. "If the Minister is not prepared to complete that by Christmas, he should get out of the road and hand federal responsibility to the states so that we can fix those issues that overlap." But Mr Abbott says the challenge smacks of desperation. Mr Abbott has told the Queensland Media Club he thinks Mr Beattie is panicking. "The last thing we need is to make a bad situation worse by poor decisions taken in panic and that's what we've seen from Premier Beattie this morning - an attack of political panic driven by a succession of bad headlines," Mr Abbott said.
ABC radio and online 26 Aug 2005	'Abbott rebuffs Beattie's challenge to run health system'	Federal Health Minister Tony Abbott has rejected Queensland Premier Peter Beattie's challenge on running the health system. Mr Beattie says the Commonwealth should make good on its offer to take full control of health, and do it by Christmas, or hand over its health duties to Queensland. He says it is idiotic for two levels of Government to have overlapping responsibilities. But Mr Abbott says the Premier is desperate and panicking. "It does make sense for one level of government to be responsible for the health system, but I've also made it clear that if it's ever going to happen, it's got to happen because the states ask for it and it's got to happen through a considered policy process," he said. "It's not going to happen because Premier Beattie has a problem one morning."
ABC radio and online 29 Aug 2005	'Beattie wants quick action on national health reforms'	Queensland Premier Peter Beattie says the State Government cannot wait another three years for national reforms to the health system. ... "The truth is the health system has dreadful overlaps between the Commonwealth and the state. "Everyday we waste millions of dollars in Australia."

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
ABC radio and online 26 Aug 2005	'Abbott rebuffs Beattie's challenge to run health system'	Federal Health Minister Tony Abbott has rejected Queensland Premier Peter Beattie's challenge on running the health system. Mr Beattie says the Commonwealth should make good on its offer to take full control of health, and do it by Christmas, or hand over its health duties to Queensland. He says it is idiotic for two levels of Government to have overlapping responsibilities. But Mr Abbott says the Premier is desperate and panicking. "It does make sense for one level of government to be responsible for the health system, but I've also made it clear that if it's ever going to happen, it's got to happen because the states ask for it and it's got to happen through a considered policy process," he said. "It's not going to happen because Premier Beattie has a problem one morning."
ABC radio and online 29 Aug 2005	'Beattie wants quick action on national health reforms'	Queensland Premier Peter Beattie says the State Government cannot wait another three years for national reforms to the health system. ... "The truth is the health system has dreadful overlaps between the Commonwealth and the state. "Everyday we waste millions of dollars in Australia."
ABC radio and online 29 Aug 2005	'MP urges Commonwealth control of Tas health system'	There are calls for the Federal Government to take charge of Tasmania's health system after a similar call in Queensland. Queensland Premier Peter Beattie says public health should be run solely by the Federal or State Government to prevent billions of dollars being wasted. The Federal Member for Braddon, Mark Baker, says the Tasmanian Government has shown itself to be incapable of running the state's health system and it should be managed by the Commonwealth.
ABC radio and online 4 Sep 2005	'Abbott renews call for control of public health system'	The Federal Health Minister has again called for Commonwealth control of public hospitals, arguing it is the only way to resolve disputes over funding and responsibility. Recently Tony Abbott challenged Queensland's Premier Peter Beattie to hand the state's hospitals to the Federal Government or accept responsibility for their problems. Mr Abbott has told the ABC's Insiders program Commonwealth control would lead to fewer complications and better overall management. "It makes sense to have one level of Government in charge of the health system," he said. "All sorts of problems in the health system arise from the fact that there are two different funders, two different groups of people trying to cut their costs and avoid blame for problems. "I think that sooner or later the blame game has got to end."
ABC radio and online 4 Sep 2005	'Beattie rejects talk of federal control of health'	Queensland Premier Peter Beattie has again dismissed the federal Health Minister's call for the Commonwealth to take over public hospitals. Tony Abbott has reignited the debate with Mr Beattie about which level of government should totally control health. He says giving it to Canberra would resolve funding disputes but says the transfer would have to follow a proper process. Mr Beattie says Mr Abbott is not serious. "If Tony Abbott was anything more than hot air, he would actually start a major summit about reform of the health system," he said. "If he's serious then let him suggest to the Prime Minister it go on the next COAG agenda and we will reform the federal state relations on health. "Frankly it would be better if they gave it to the states. If they gave it to the states then we could actually repair it properly."
<i>Australian Financial Review</i> 5 Sep 2005	'Abbott stirs states over control of health system', by Annabel Stafford with AAP	Federal Health Minister Tony Abbott has repeated his view that Australia's health system would be better run by one level of government, but again flicked the responsibility for this type of reform to the state governments. "It makes sense to have one level of government in charge," he told ABC's Insiders program. "If the states don't think they can do it any more, they ought to ask the feds to take charge. "The ball is in the states' court because the federal government has no constitutional power to take over the state public hospital systems. "If we are ever to do that, the states have got to give it to us." Queensland Premier Peter Beattie made an offer to do just that last month. But Mr Abbott yesterday declined to accept Premier Beattie's offer, calling it "a desperate offer designed to distract attention from the terrible problems of the Queensland public hospital system" and suggesting Mr Beattie write to the Prime Minister and the Council of Australian Governments if he was serious. Mr Beattie, in turn, told reporters: "I actually said to him publicly on the record, if he wanted the Queensland health system I'd give it to him by Christmas, or he could give me the federal powers by Christmas and we'd move on." "He's not serious about reform, and I get tired of wasting my breath trying to get the commonwealth to face up to real reform." A spokeswoman for Mr Abbott declined to say whether he was actually encouraging the states to hand over their constitutional powers. "If they believe that's what they want to do [then they should do it]."

Table 4B-2 (Continued)

Publication and Date of Report	Heading and Reporter(s) or Author(s) if Known	Extracts from Report
<p><i>The Australian</i> 21 Oct 2005</p>	<p>'Abbott plan has PM cold', by Amanda Hodge and staff reporters (additional reporting by AAP)</p>	<p>JOHN Howard has called for a unified effort to solve the nation's mental health crisis, rejecting calls from his own Health Minister and some states for the commonwealth to seize responsibility. The Prime Minister said yesterday he was concerned by a report into Australia's mental health system that warned of higher rates of suicide, homelessness, incarceration and poverty unless improvements were made.</p> <p>... Health Minister Tony Abbott used the report to push the states to cede responsibility for health to the federal Government, claiming the health system was bedevilled by "constant cost-shifting and blame-pushing". Just as the federal Government was moving strongly towards a national workplace relations system, it was inevitable that "sooner or later one level of government will be responsible for the entire health system". "Given the spate of reports about the weaknesses and inadequacies in the way states have handled things like mental health ... now is as good a time as any," Mr Abbott said.</p> <p>... NSW Health Minister John Hatzistergos said he was prepared to cede responsibility to the commonwealth if it committed to providing more funds. But Queensland, Victoria, South Australia and Western Australia dismissed Mr Abbott's demand as political posturing and accused the commonwealth of mismanagement and underspending on policy commitments.</p>
<p>PM program on ABC radio 21 Oct 2005</p>	<p>'Wayne Goss calls for cooperative federalism', by Mark Colvin</p>	<p>MARK COLVIN: Federalism, once the preserve of constitutional policy wonks, is right at the forefront of the national debate at the moment. ... we have the continuous sniping between State and Federal Governments over health policy. It came to a head again this week with the mental health report, and also with the bickering between Tony Abbott and Queensland's Peter Beattie. One of Mr Beattie's predecessors, Wayne Goss, gave a speech today to Sydney University's Graduate School of Government in which he urged a greater focus on cooperative federalism to deliver real national reform.</p> <p>... MARK COLVIN: But in the meantime you've got Peter Beattie saying he's got to raise special taxes, at one point offering Tony Abbott the opportunity to take over the whole state tax system, Tony Abbott saying that he wants health to be a federal responsibility generally, but then apparently backing away when it comes to specifics. I mean, how are we ever going to sort out a system where we get a streamlined health system both on a Federal and State level?</p> <p>... MARK COLVIN: But you could make a huge saving just by cutting out one layer of government.</p> <p>WAYNE GOSS: Absolutely. And I think that's one of the things I've talked about when I used to be somebody and namely, whether it's education or health or wherever it is, can you cut out a level of government or can you structure a policy solution.</p>
<p><i>The Australian</i> 12 Jan 2006</p>	<p>'Health needs radical surgery', by Mike Steketee</p>	<p>REFORM of Australia's "buckling" health system could produce much bigger returns than those the Howard Government has just pushed through the Senate in industrial relations and welfare and which it says are essential to the nation's future. ... The suggestion that the system is collapsing comes not from the usual suspects but from a member of the Government: Liberal Alex Somlyay. Last March, as chairman of the House of Representatives committee on health and ageing, he announced an inquiry into what he called the unnecessary complexity of health funding. While Australians' health was among the best in the world, "ever-increasing pressure in funding and expectations are causing the system to buckle," he said at the time. As a former economist in the federal Health Department, Somlyay has some idea of what he is talking about. But his view is not the official Howard Government line. ... "My view is that the commonwealth should take a national approach to this and that the commonwealth should be running public hospitals. I think I share the same view as [Health Minister] Tony Abbott. We have to get rid of the cost shifting and blame shifting. At this stage we are getting about 20c in the dollar of spending actually getting through to the patient." Somlyay is in good company in making these points. Howard commissioned a report last year from former Health Department head Andrew Podger canvassing a re-ordering of federal and state responsibilities in health. It was too bold for the Prime Minister, judging by his reaction: he has neither released it nor acted on it. But a good indication of Podger's thinking came at a discussion hosted by the Productivity Commission in October, when he said his preferred option for systemic reform in health was the commonwealth taking full financial responsibility. As Somlyay suggested, it has also been canvassed by Abbott. But he has been put back into his box by Howard on several occasions and yesterday, he was faithfully spouting the party line: "As I am from time to time forcibly reminded by my colleagues, the federal Government has no plans whatsoever to take over the public hospital system."</p>
<p><i>The Australian</i> 13 Jan 2006</p>	<p>Editorial: 'Condition critical'</p>	<p>The Prime Minister must move to fix the health system ... Mr Howard's reluctance to reveal the Podger report is regrettable. It's clear there are political problems in such a move – after all, if Canberra takes over the hospitals, it has nobody to blame when things inevitably go wrong. But it's also the most sensible way of solving the problem. Federal Health Minister Tony Abbott was right when he told <i>The Australian</i> last August that the only big reform worth considering in health was the federal Government taking responsibility for the entire health system. These days, Mr Abbott toes the Howard line. But others are not so restrained. Alex Somlyay, a Liberal MP and former health department economist, calculates that the cost-shifting between Canberra and the states means only 20c out of every dollar spent actually reaches the patient.</p>

Bibliography for Appendix 4B

[Note: The publications below don't include those already listed in Tables 4B-1 and 4B-2 above]

- Anderson, I. (1997), 'The National Aboriginal Health Strategy', in Gardner, H. (ed.), *Health Policy in Australia*, Oxford University Press, Melbourne, pp. 119-135.
- August, J. (2002), *Keynote Address*, 4th Shed a Tier Congress, Parliament House, Canberra, 24 May 2002, available online at www.beyondfederation.org.au/John_August_4th_SATC.html.
- Australian Democrats (2000), *Delivering a Remedy*, April 2000, Canberra.
- Bracks, S. (2005), *Governments Working Together – a Third Wave of National Reform: A New National Reform Initiative For COAG – the proposals of the Victorian Premier*, Department of Premier and Cabinet, Melbourne.
- Butler, J. R. G. (ed.) (1991), *Federalism and Public Policy: Intergovernmental Grants and Health Care Financing*, Federalism Research Centre and National Centre for Epidemiology and Population Health, Australian National University, Canberra.
- Butler, J. R. G. (1999), 'Health Expenditure', in Mooney, G. and Scotton, R. (eds.), *Economics and Australian Health Policy*, Allen and Unwin, Sydney, pp. 40-71.
- Donato, R. and Scotton, R. (1999), 'The Australian Health Care System', in Mooney, G. and Scotton, R. (eds.), *Economics and Australian Health Policy*, Allen and Unwin, Sydney, pp. 20-39.
- Duckett, S., Hogan, T. and Southgate, J. (1995), 'The COAG Reforms and Community Health Services', *Australian Journal of Primary Health Interchange*, Vol. 1, No.1, October 1995, pp. 3-10.
- Duckett, S. (1999), 'Policy Challenges for the Australian Health Care System', *Australian Health Review*, Vol. 22, No. 2, pp. 130-147.
- Duckett, S. J. (2002), 'The 2003-2008 Australian Health Care Agreements: an Opportunity for Reform', *Australian Health Review*, Vol 25, No. 6, pp. 24-26.
- Duckett, S. J. (2004), *The Australian Health Care System*, Oxford University Press, Melbourne.
- Gardner, H. (1997), 'Introduction', in Gardner, H. (ed.), *Health Policy in Australia*, Oxford University Press, Melbourne, pp. 1-10.
- Gray, G. (1991), *Federalism and Health Policy: the Development of Health Systems in Canada and Australia*, University of Toronto Press.
- Jamison, J. H. (1981), *Commission of Inquiry into the Efficiency and Administration of Hospitals*, Final Report, Volumes 1-3, Australian Government Publishing Service, Canberra.
- Kilham, R. (2002), *Access Economics: Exploding the Myths*, Australian Private Hospitals Association Feature Article, October 2000, online at www.apha.org.au/get/2375386114.doc, accessed 9 March 2006.
- Lin, V. and Duckett, S. (1997), 'Structural Interests and Organisational Dimensions of Health System Reform', in Gardner, H. (ed.), *Health Policy in Australia*, Oxford University Press, Melbourne, pp. 46-62.
- Madden, R. (1984), 'Federal/State Relations in Health Policy: Voices Across the Chasm', in Tatchell, M. (ed.), *Perspectives on Health Policy*, Australian National University, Canberra.

- Mooney, G. (1999), 'Health Economics and Health Policy', in Mooney, G. and Scotton, R. (eds.), *Economics and Australian Health Policy*, Allen and Unwin, Sydney, pp. 1-19.
- Mooney, G., Jan, S. and Wiseman, V. (1999), 'Economic Issues in Aboriginal Health Care', in Mooney, G. and Scotton, R. (eds.), *Economics and Australian Health Policy*, Allen and Unwin, Sydney, pp. 249-266.
- National Rural Health Alliance (2000), 'Momentum Gathering for a Health System Restructure', *PARTYline: Newsletter of Friends of the National Rural Health Alliance*, No. 6, June 2000, pp. 1, 3.
- Opeskin, B. R. (1998), 'The Architecture of Public Health Law Reform: Harmonisation of Law in A Federal System', *Melbourne University Law Review*, Vol. 22, 1998, pp. 337-369.
- Owens, H. J. and Duckett, S. J. (1991), 'Special Purpose Payments and Health Care Financing: A State View', in Butler, J. R. G. (ed.), *Federalism and Public Policy: Intergovernmental Grants and Health Care Financing*, Federalism Research Centre and National Centre for Epidemiology and Population Health, Australian National University, Canberra.
- Palmer, G. R. and Short, S. D. (1994), *Health Care & Public Policy: An Australian Analysis* (2nd ed.), Macmillan, South Yarra.
- Productivity Commission (2002), *Regulation and its Review 2001-02*, Annual Report Series, Canberra.
- Productivity Commission (2003), *General Practice Administrative and Compliance Costs*, Research Report, 31 March 2003, Canberra.
- Productivity Commission (2005a), *Review of National Competition Policy Reforms*, Report No. 33, Canberra. 28 February 2005.
- Productivity Commission (2005b), *Australia's Health Workforce*, Research Report, Canberra.
- Richardson, J. (The Health Care Financing Debate', in Mooney, G. and Scotton, R. (eds.), *Economics and Australian Health Policy*, Allen and Unwin, Sydney, pp. 192-213.
- Rydon, J. (1995), 'The Federal System', in Gardner, H. (ed.), *The Politics of Health: The Australian Experience* (2nd ed.), Churchill Livingstone, South Melbourne, pp. 8-30.
- Rydon, J. and Mackay, D. (1995), 'Federalism and Health', in Gardner, H. (ed.), *The Politics of Health: The Australian Experience* (2nd ed.), Churchill Livingstone, South Melbourne, pp. 216-237.
- Samuel, G. (1999), *Reforming Health Care – Privatisation, Deregulation and Competition*, address at the Australian Financial Review Health Summit, Wentworth Hotel, Sydney, 25 February 1999.
- Sax, S. (1984), *A Strife of Interests: Politics and Policies in Australian Health Services*, Allen & Unwin, Sydney.
- Sax, S. (1990), *Health Care Choices and the Public Purse*, Allen & Unwin, Sydney.
- Scotton, R. B. (1978), 'Health Services and the Public Sector', in Scotton, R. B. and Ferber, H. (eds), *Public Expenditures and Social Policy in Australia*, Volume 1, Longman Cheshire, Melbourne.
- Scotton, R. (2002), 'Managed Competition: the Policy Context', in Productivity Commission, *Managed Competition in Health Care*, Workshop Proceedings, AusInfo, Canberra, pp. 79-97.

Swerissen, H. and Duckett, S. (1997), 'Health Policy and Financing', in Gardner, H. (ed.), *Health Policy in Australia*, Oxford University Press, Melbourne, pp. 13-45.

Swerissen, H. (2002), 'Toward Greater Integration of the Health System', *Australian Health Review*, Vol 25, No. 5, pp. 88-93.

Whitlam, E. G. (1985), *The Whitlam Government 1972-1975*, Penguin Books, Melbourne.

Wyn Owen, J. (1997), 'Making Gains in Health', *Medical Journal of Australia*, Vol. 166, No. 12, 16 June 1997, pp. 650-653.