

12 April 2024

Department of Health & Aged Care Medicare Review Team

Level 7, 260 Elizabeth Street

Surry Hills NSW 2010

via email: WorkingBetterforMedicareReview@health.gov.au

WBFMReview@healthconsult.com.au

tiffany.spurway@healthconsult.com.au

Dear Department of Health & Aged Care Medicare Review Team,

ASA Consultation on Working Better for Medicare Review

I am writing to provide consultation on behalf of the Australian Society of Anaesthetists (ASA) on the Department of Health & Aged Care's Working Better for Medicare Review.

Formed in 1934, the ASA is a peak not-for-profit, member-funded representative body dedicated to supporting Australian anaesthetists to deliver high-quality patient care. We work to maintain and strengthen the high standards of the profession and support the delivery of equitable, safe and high-quality care for Australians. The ASA has a diverse membership base of over 4,000 anaesthetists working in healthcare facilities across metropolitan, regional, and rural Australia in public and/or private practice.

As aptly noted in the Department's National Medical Workforce Strategy (2021)¹:

“the medical workforce has a profound impact on the quality, accessibility, effectiveness and sustainability of the health system. However, inequality of access to health services remains a key issue for Australian communities. To achieve maximum benefit to the community, the medical workforce must be geographically well distributed and have the appropriate mix of medical specialties in each location. Currently this optimal distribution and service mix is not consistently achieved across Australia, resulting in service gaps and inefficiencies, and potentially impacting on the quality of patient care and the working life of Australia's doctors.”

Through consultation with regionally practicing anaesthetists, the ASA has identified significant understaffing of several rural and regional anaesthesia departments. The collapse of obstetric departments in Campbelltown (SA)², Geraldton (WA)³, Cairns and Gladstone (QLD)⁴ and the increasing frequency of temporary bypasses across regional Australia in areas such as Innisfail, Mareeba, Ingham, Ayr and Dalby (QLD)^{4,5} exemplify the mounting pressures workforce shortages are placing on the health system.

The ASA is deeply concerned about the state of delivery of anaesthetic services and the welfare of anaesthetists in these areas.

Last year the ASA was asked to examine the District of Workforce Shortage (DWS) classification system and 19AB exemption requirements for inner regional hospitals in Queensland such as Bundaberg, Rockhampton, Gladstone, and Mackay.

The ASA has identified specific concerns beleaguering regionally practicing anaesthetists:

- Inadequate funding, which often fails to account for geographical, professional & social isolation.
- Significant understaffing of several regional anaesthesia departments, leading to dramatically increased on-call workloads and reduced anaesthetic services.
- Inadequate caseloads for training registrars, who might return to the area post fellowship.

Regionally practicing anaesthetists have advised of difficult working conditions and other systemic disincentives. These factors drive high staff turnover and increase pressure on the anaesthetists who remain, forming a negative feedback loop. Many of these factors are inherently interconnected.

Existing regulations, set out in section 19AB of the Health Insurance Act (1973), have in part contributed to workforce shortages in these areas. However, workforce shortages are complex, multifactorial issues. Solutions appropriate for one region may not be broadly applicable. Tailored approaches, developed in consultation with local stakeholders are preferable.

The ASA welcomes an ongoing dialogue with the Department. To organise a time to discuss further, please contact Beth Firipis (Senior Policy & Regulatory Affairs Officer) at policy@asa.org.au.

Kind Regards

Dr Graham Mapp, MBBS FANZCA

Chair, Queensland Committee of Management

Australian Society of Anaesthetists



Consultation questions – has Section 19AB and DWS met their objectives?

1. What impact has Section 19AB and DWS had on the distribution of the medical workforce to areas of workforce need?

Current workforce shortages have only been marginally improved by Section 19AB and DWS. These policies do not effectively incentivise workforces built from trainee level using local graduates.

Current 19AB/DWS conditions have insufficiently allowed for flexible community modelling of anaesthetic service requirements for public and private sectors.

Long moratoriums fail to build community support to public and private medical services in regional areas and reduce the likelihood of long-term retention of OTD's in those communities. In fact, it almost encourages a transient medical workforce, with many specialists moving to other areas after receiving their provider number.

2. What impact have changes to the DWS (i.e. area designations and specialties in scope) had on distribution of the medical workforce to areas of need?

Areas designated rural (MM3-7) are currently unrestricted, providing incentives to work in these remote areas, but these classifications don't always reflect true geographical isolation. In regional Queensland, two major regional centres; Cairns and Townsville, are considered rural Australia and hence better funded than equally isolated cities such as Bundaberg, Gladstone, Rockhampton and Mackay (classified as regional centres, MM2) and have unloaded ARIA funding and DWS restrictions.

This imbalance has resulted in the exodus of anaesthetic specialists and a consequent drastic reduction in elective surgery provision, with some MM2 areas disproportionately affected.

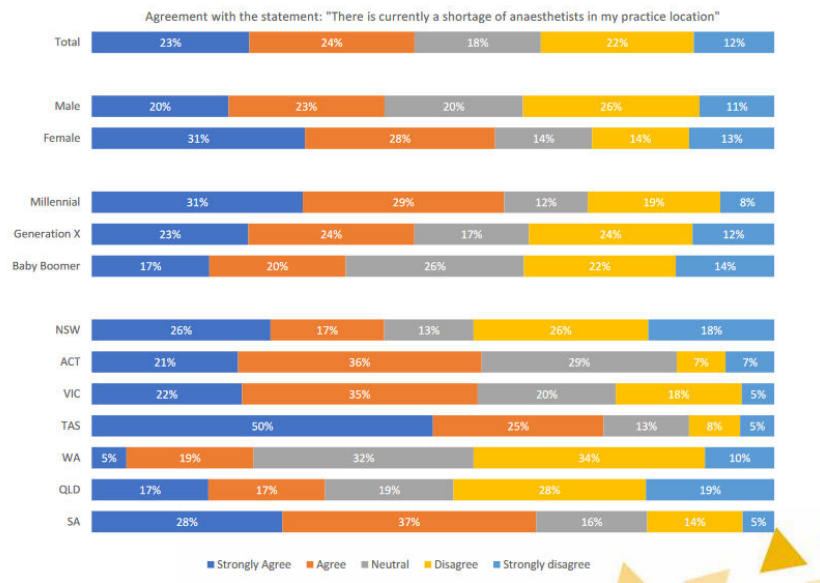
Frequently patients must be transferred to major centres for their elective surgery, at great expense and patient inconvenience, and depriving the local workforce of valuable training opportunities that would support a future stable workforce.

Inaccurate DWS calculators of provider number distribution due to inactive provider numbers further impacts elective surgery in these regions. Due to static limits on provider numbers allowed per region, inactive provider numbers reduce the availability of new provider numbers being offered in a particular area.

Data from the ASA's 2023 workforce survey indicates that only a minority of anaesthetists disagree that there is a workforce shortage in their practice location.

Views on Current Anaesthetic Workforce Shortage by Key Demographics

Q. To what extent do you agree with the following statement: There is currently a shortage of anaesthetists in my practice location.



Source: 2023 ASA Workforce Survey - Mapping the Australian Anaesthetist Workforce

Figure 1 Excerpt from 2023 ASA Workforce Survey - Views on Current Anaesthetic Workforce Shortage (612 responses)⁶

3.

A) How could Section 19AB be improved or supported to better meet its objectives?

Anaesthetic services are currently restricted in regional centres (MM2) to encourage distribution to further remote areas. The ASA would support additional provisions for exemption to be made where patient services in MM2 areas remain unmet.

Although often a limiting factor, anaesthesia is not a primary driver of Medicare funding or service provision. Provision of anaesthetic services is inherently constrained by proceduralist capacity.

A flexible anaesthetic workforce should be assessed to meet the needs of surgical and medical services both publicly and privately in each region or town. Ideally, Australian hospitals would be supported by local medical graduates who are more likely to stay in the region.

Overseas trained doctors (OTD) play a vital role in the delivery of healthcare services in Australia, particularly in regional and rural communities. Noting extant and predicted workforce shortages, OTDs provide an important buffer to mitigate health system failures. Safeguards of appropriate training and assessment by ANZCA and other Australian medical colleges is essential to maintain the high quality of care provided in Australia.

Provided assessment standards are met, additional ad-hoc exemptions to section 19AB exemptions should be considered, provided that the specialist remains in the region of their main centre.

A variable zone could be established around each centre depending on the anaesthetic requirements of the community, along with a variable reduction of the 10-year moratorium in areas to match delivery of services. Enhanced quality and security of working conditions could also incentivise OTD to remain in the local community.

Anaesthetists don't provide anaesthesia independently - but many procedural services can't be delivered without them. Restricting anaesthetists from exemptions, where there is a willing procedural workforce, would improve service delivery.

B) Which elements should be retained or reformed?

The ASA supports section 19AB to be fundamentally retained but would propose expansion of the exemptions outlined, where doing so would ameliorate unmet demand for health services, particularly in MM2 areas.

The ASA also considers considerations for exemptions 6d and 6f (red) irrelevant to the intent of the section.

Excerpt from Health Insurance (Section 19AB Exemptions Guidelines) Determination 2019. p.4⁷

6. Considerations for exemptions – general

(1) This section applies subject to sections 7 to 10.

(2) When making a decision under subsection 19AB (3) of the Act, the Minister must take into account as a primary consideration whether the service location is in a Distribution Priority Area or District of Workforce Shortage in respect of the type of medical practitioner to which the application relates.

(3) The Minister may also take into account:

- a) whether the applicant's registration or licence as a medical practitioner is subject to any conditions (paragraph 6(3)(a));
- b) whether the applicant's visa, if they hold one, allows them to practise medicine or undertake clinical training in medicine (paragraph 6(3)(b));
- c) whether the applicant has entered into, or commenced negotiations to enter into, an agreement to provide professional services at the relevant service location (paragraph 6(3)(c));
- d) whether professional services were rendered at the service location within the last 12 months by another person:
 - (i) to whom an exemption in respect of that location applied; and
 - (ii) whose provider number in respect of that location has been cancelled by the Chief Executive Medicare;
- e) whether the applicant will render professional services after hours at the service location;
- f) where:
 - (i) the applicant has commenced negotiations to enter into a contract of service or contract for services under which he or she will provide professional services at the service location, and
 - (ii) the service location is not in a Distribution Priority Area or District of Workforce Shortage in

respect of the type of medical practitioner to which the application relates,

whether the service location was in a Distribution Priority Area or District of Workforce Shortage in respect of that type of medical practitioner at the time negotiations commenced; and

g) any other matters the Minister considers relevant.

(4) For the purposes of paragraph (3)(d) of this section, reference to another person to whom an exemption in respect of the service location applied includes reference to a person who is or was a person to whom an exemption made in respect of a class of persons applied

4.

A) What would be the implications of removing Section 19AB?

Removing section 19AB might have unintended consequences of shifting supply of inappropriately qualified OTD's to practice privately, due to inadequate assessment in a public hospital for a length of time. Assessment standards remaining with ANZCA for parity with Australian trained specialists would mitigate any decline in quality of care.

Removing section 19AB could deliver a greater number of anaesthetic services to the area but may increase risks of attrition from the public to the private health sector control of this could be achieved through setting appropriate conditioning (e.g. hours of work, billings).

Removing section 19AB may have financial implications on billing practices - improving work force numbers would adjust market forces impacting billing, this has the potential to make regional health care more affordable in the private sector.

While there may be some positives to removing 19AB - such as further enabling appropriate locum services and allowing more flexible workforce arrangements for families - removing 19A may lead to negative outcomes for regional and rural healthcare delivery.

It is also important to note that Australia's worst areas for workforce shortages are still far better serviced than the country of origin for many OTDs. Further incentivising OTDs to practice in Australia may exacerbate workforce shortages in other parts of the world.

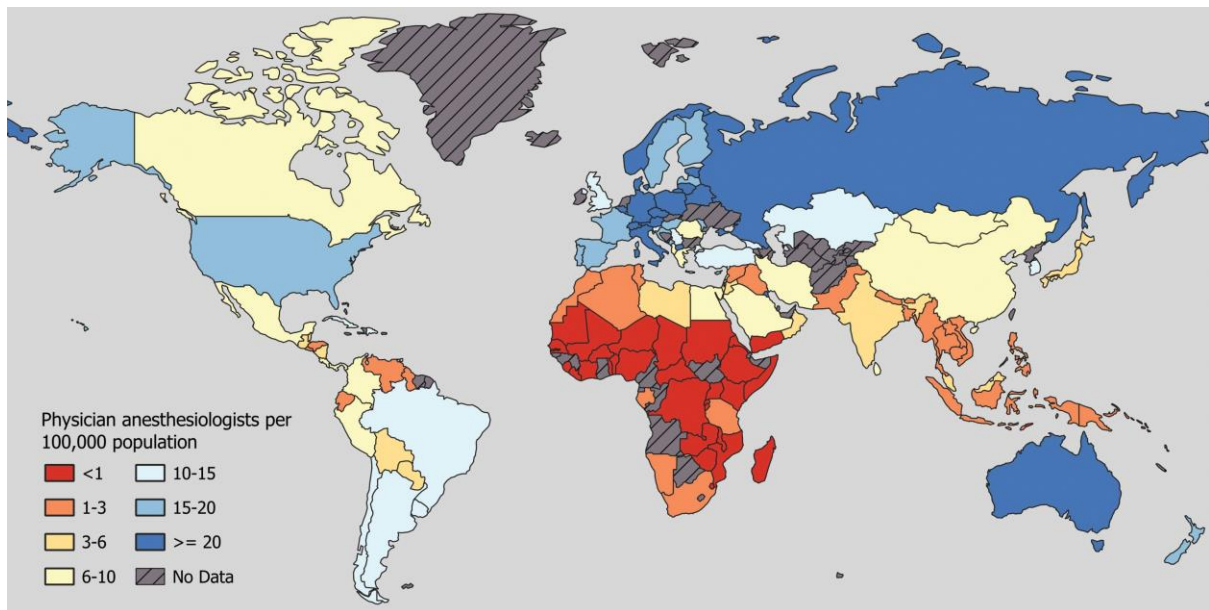


Figure 2 Excerpt from 2023 Global Anaesthesia Workforce Survey: Updates and Trends in the Anesthesia Workforce ⁸

B) What are the alternatives to Section 19AB for achieving more equitable distribution of the medical workforce?

Encourage local workforce, through flexible models based on community needs assessment.

Incentivise through improved pay and conditions for working rurally. Review federal ARIA funding models to encourage flexible models of care for specialists to deliver public and private services.

Encourage training facilities which can provide local training of specialists and community support for those that wish to stay. Voluntary networking from major centres may facilitate this.

5. Has the impact of the DWS been different (positively or negatively) when compared to other distribution levers?

Overall positive, but neglects appropriate improvements to working conditions, flexibility and remuneration for clinicians in rural areas, which would further incentivise healthcare providers to provide services to these areas.

Consultation questions – how appropriate is Section 19AB?

6. How relevant/appropriate is Section 19AB and DWS for achieving current government policy objectives?

Generally appropriate, but in need of minor reforms. More could be done to incentivise healthcare providers to work in these areas. Inflexible existing arrangements are uneconomical for healthcare providers. Inappropriate DWS classification and onerous policy barriers disincentivise OTD's to fill empty positions in areas of demand and do not incentivize them to stay in these regions.

7. What are the benefits of s19AB in supporting access to medical professionals in areas of workforce shortage?

Section 19AB does incentivise OTD's to provide services in rural areas, but further exemptions and flexible, locally tailored solutions could better support access.

8. What impact (positive or negative) has the Section 19AB/DWS had on quality of training and clinical care in areas of workforce shortage?

As overseas trained specialist anaesthetists are required to undergo equivalent assessment as locally trained specialists, the impact on quality of training and clinical care is likely marginal. Rural areas may not always provide appropriate case mix for training.

9.

- A) To what extent do areas of workforce shortage rely on OTDs and FGAMS for their medical workforce?

The ASA has recently received an independent report into workforce supply and demand for anaesthetists projecting to 2032. When appropriate, we would be pleased to provide further insights given workforce shortages are not only evident but predicted to increase.

Regional services, particularly in QLD, are heavily dependent on OTD's and FGAMS

- B) What are the implications?

OTDs buffer workforce shortages in regional and rural areas, they are an important part of the healthcare workforce and deserve appropriate supports.

- C) Is this different for different geographical regions/specialties?

-No response.

D) How appropriate is this?

With appropriate assessment by ANZCA and other Australian medical colleges, OTDs are very appropriate to provide healthcare services in Australia.

10. How should the Section 19AB, DWS and other distribution levers best work together to achieve government policy objectives?

- No response.

11. What other levers (positive or negative) are most likely to achieve objectives of:

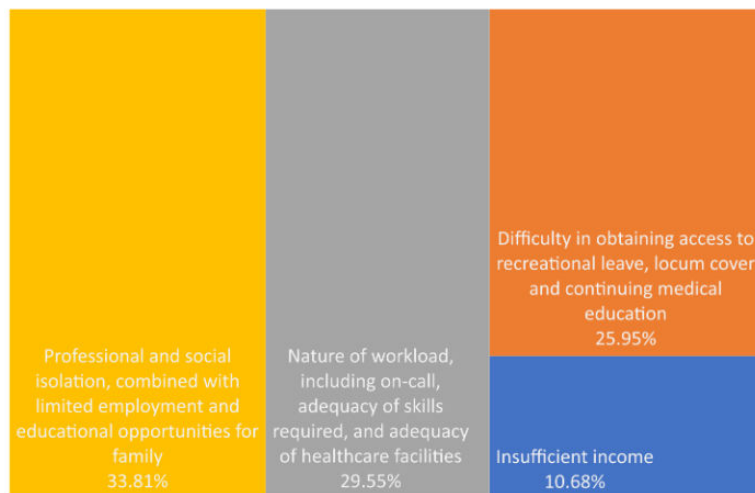
A) equitable distribution of the medical workforce; and

In 2023, the ASA surveyed members on which factors most impacted rural retention of anaesthetists: in order of importance: professional and social isolation combined with limited opportunities for family (33.81%), nature of workload (29.55%), difficulty in accessing leave (25.95%) and insufficient income (10.86%).

Views on Factors Impacting Rural Retention of Anaesthetists

Q. Which issues do you feel are important to the recruitment and retention of anaesthetists in provincial and rural areas?

Source: 2023 ASA Workforce Survey - Mapping the Australian Anaesthetist Workforce



- Insufficient income
- Difficulty in obtaining access to recreational leave, locum cover and continuing medical education
- Nature of workload, including on-call, adequacy of skills required, and adequacy of healthcare facilities
- Professional and social isolation, combined with limited employment and educational opportunities for family

Figure 3 Excerpt from 2023 ASA Workforce Survey - Views on Factors Impacting Rural Retention of Anaesthetists (612 responses) ⁶

B) reducing reliance on OTDs outside of major cities?

- No response.

Consultation questions – how appropriate are the assumptions that underpin the DWS?

12. How appropriate are the current DWS area designations in identifying areas of workforce shortage?

DWS classifications often fail to accurately represent anaesthetic service requirements for regional areas, with DWS calculations often inappropriately counting inactive provider numbers. Due to static limits on provider numbers allowed per region, inactive provider numbers reduce the availability of new provider numbers being offered in a particular area.

13. Do you support the current assumptions that underpin the DWS? Why or why not?

No, the calculations often do not accurately reflect geographical isolation or anaesthetic service requirements. Data collected in the ASA's 2023 workforce survey indicated that the vast majority of anaesthetic services are provided in MM1 and MM2 areas. This is because facilities for procedures requiring anaesthesia primarily exist in these regions. This categorisation system is unsophisticated and largely inappropriate to determine districts of workforce shortage for anaesthetic services.

Primary Practice Location – Breakdown by Modified Monash Model (MMM) Rurality Category

Q. What is the postcode of your primary practice location?

Source: 2023 ASA Workforce Survey - Mapping the Australian Anaesthetist Workforce

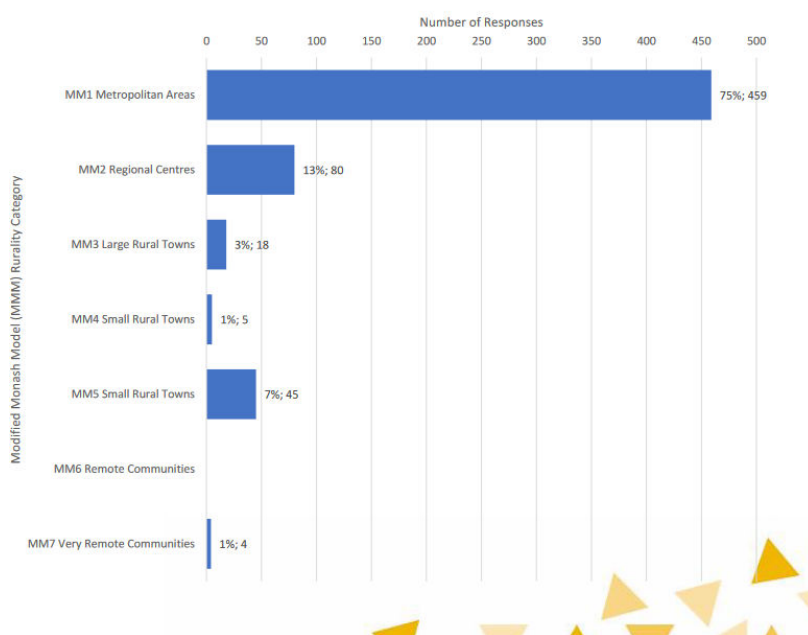


Figure 4 Excerpt from 2023 ASA Workforce Survey – Primary Practice Location by Modified Monash Mode (611 responses)⁶



Figure 5 Excerpt from 2023 ASA Workforce Survey – Primary Practice Location by Modified Monash Model (cont.) (612 responses)⁶

14.

A) How could the DWS classification be modified to better meet its objectives?

The MM2 band of regional centres draws a large population and services and is most affected by exemptions and DWS classification. Flexible approaches to anaesthetic service delivery in these areas needs to be encouraged and incentivised. Anaesthetists also perform duties in intensive care and pain management and these additional qualities need to be considered in regional assessment requirements. On call arrangements for surge services covering private ICU and obstetric services should be adequately funded by any changes to the system.

B) What would be the best geographic level at which Districts of Workforce Shortage should be classified (e.g. Statistical Area Level 3, Remoteness Areas, Local Government Areas, something else)?

- No response.

C) What changes should be considered to the DWS?

- No response.

15.

A) Are there better alternative approaches for identifying Districts of Workforce Shortage?

B) If better approaches could be implemented, how would they operate?

- No response.

References

1. Department of Health & Aged Care. National Medical Workforce Strategy 2021–2031 [Internet]. Australian Government Department of Health and Aged Care. Australian Government Department of Health and Aged Care; 2024 [cited 2024 Apr 8]. Available from: <https://www.health.gov.au/our-work/national-medical-workforce-strategy-2021-2031>
2. Community Hospital Announces Decision to Close Maternity Unit | North Eastern Community Hospital [Internet]. [cited 2024 Apr 8]. Available from: <https://www.northeasternhospital.com.au/community-hospital-announces-decision-to-close-maternity-unit/>
3. ‘With a heavy heart’: Geraldton’s private hospital turns expectant mothers away to public system. ABC News [Internet]. 2021 Nov 3 [cited 2024 Apr 8]; Available from: <https://www.abc.net.au/news/2021-11-04/maternity-closure-geraldton-private-hospital/100591912>
4. Another Queensland hospital suspends birthing services as maternity crisis worsens. ABC News [Internet]. 2023 Aug 29 [cited 2024 Apr 8]; Available from: <https://www.abc.net.au/news/2023-08-29/queensland-health-birthing-services-suspended-ingham-hospital/102789950>
5. More rural women are giving birth on the side of the road, but experts say it doesn’t have to be that way. ABC News [Internet]. 2023 Feb 26 [cited 2024 Apr 8]; Available from: <https://www.abc.net.au/news/2023-02-27/rural-remote-maternity-services-in-crisis-experts-have-solutions/102020056>
6. HealthConsult. Australian Society of Anaesthetists Anaesthetist workforce modelling Final Report. 2024.
7. Department of Health & Aged Care. Section 19AB exemptions [Internet]. Australian Government Department of Health and Aged Care. Australian Government Department of Health and Aged Care; 2024 [cited 2024 Apr 8]. Available from: <https://www.health.gov.au/topics/doctors-and-specialists/what-we-do/19ab/exemptions>
8. Law TJ, Lipnick MS, Morriss W, Gelb AW, Mellin-Olsen J, Filipescu D, et al. The Global Anesthesia Workforce Survey: Updates and Trends in the Anesthesia Workforce. *Anesth Analg*. 2024 Mar 12;

End of Document.