

The Australian Health System: an overview for young people

TUESDAY, 09 FEBRUARY 2023

YHF Masterclass slides



THE AUSTRALIAN HEALTH SYSTEM

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OUTLINE

- Introduction to the webinar
- Welcome and Acknowledgement of Country
- Presenter introductions
- Aims of webinar
- Key topics covered
- Structure of webinar
- Questions welcome

SETTING THE SCENE

- It's complicated!
- No “grand design”
- The role of consumers
- The power of informed advocacy

CASTING CALL

- Governments (local, state and federal, political and bureaucratic arms)
- Health care professionals (individuals and professional organisations)
- Health services (hospitals, practices, clinics, primary healthcare networks)
- Industry sectors and peak bodies (e.g. pharmaceuticals, medical devices)
- Financing organisations and their peak bodies (e.g. private health insurers)
- Education and training providers (universities, professional organisations, private providers)
- Regulatory agencies
- Other organisations (e.g. research and advisory bodies)

AN HISTORICAL PERSPECTIVE

- Early colonial Australia – mutual “friendly” societies, religious institutions
- Federation and the role of the constitution
- The influenza epidemic and post-WW1 environment
- WW2 and the PBS
- Medicare (Whitlam and Hawke eras)
- Post-Medicare era





RESPONSIBILITIES OF DIFFERENT LEVELS OF GOVERNMENT

FEDERAL

- National policy directions
- Medicare
- Pharmaceuticals Benefits Scheme (PBS)
- Primary health care policy and some funding
- Public hospital funding (jointly with the states/territories)
- Community-controlled Aboriginal and Torres Strait Islander primary health care
- Private health insurance policy, regulation and funding
- Veterans' health care
- Health and medical research
- Regulation of medicines, medical devices and blood products
- Public health policy and some service delivery



STATE/TERRITORY

- Public hospitals funding (jointly with the Commonwealth) and service delivery
- Licensing of private hospitals
- Delivery of public community-based and primary health services (including mental health, dental health, alcohol and drug services)
- Some public health programs, e.g. school immunisation programs
- Funding and delivery of ambulance services



LOCAL

- Environmental health-related services (for example, waste disposal, water fluoridation, water supply, food safety monitoring)
- Some community- and home-based health and support services
- Some public health and health promotion activities



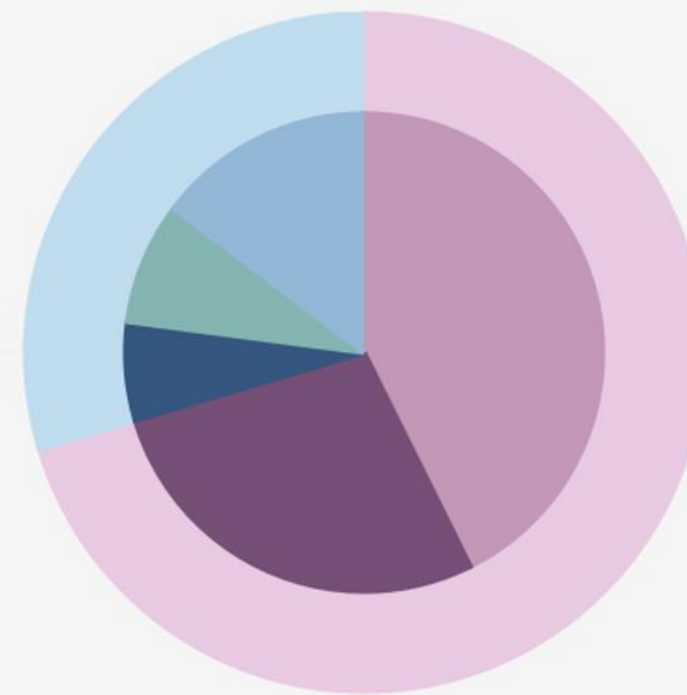
SHARED COMMONWEALTH/STATE

- Regulation of health workforce
- Education and training of health professionals
- Regulation of pharmaceuticals and pharmacies
- Funding and delivery of Aboriginal and Torres Strait Islander health services

Where does the money come from?

Total health budget \$220.1 billion on health goods and services in 2020-21

Sources of funds - **Australia**



Detailed sources of funds (inner)

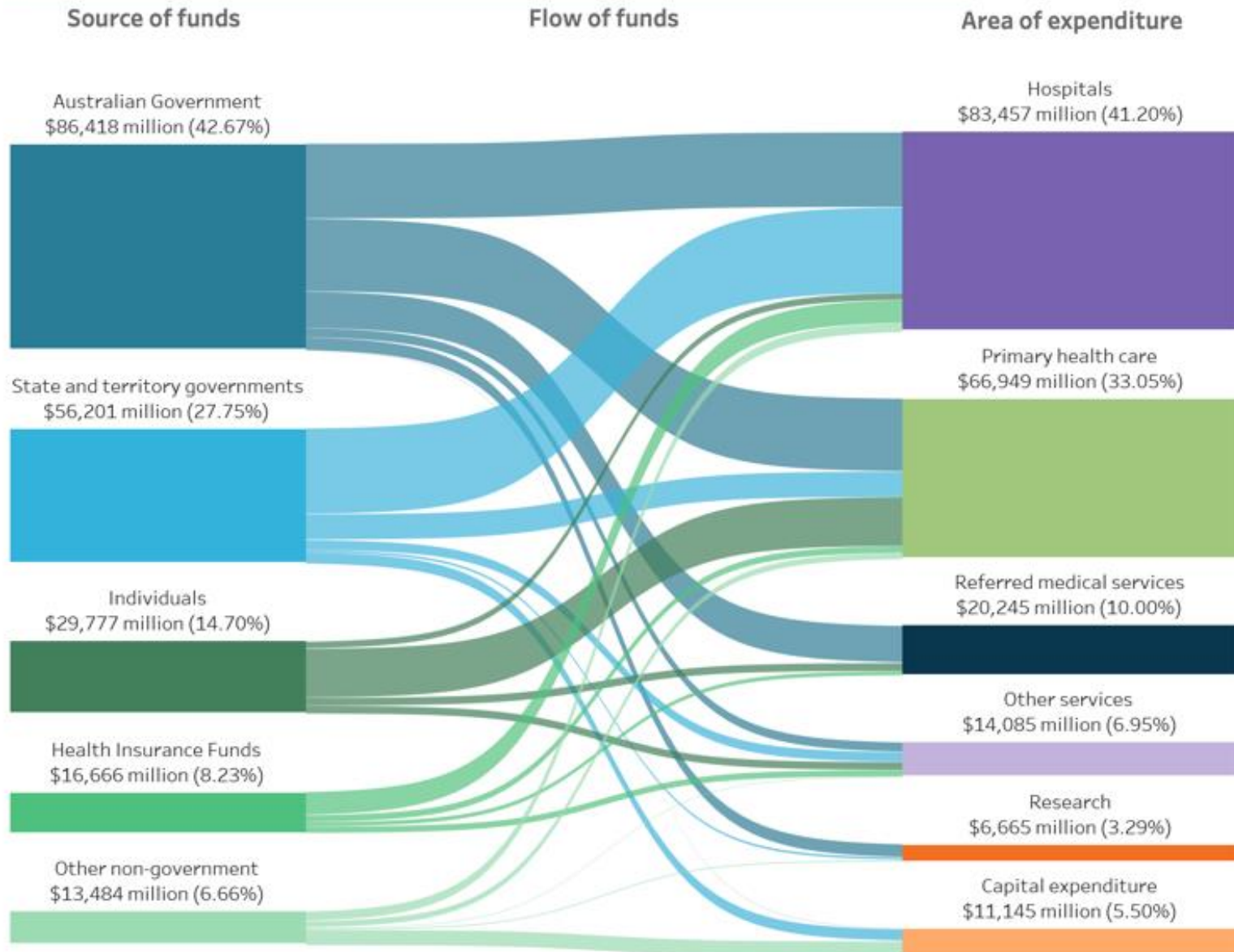
- Australian Government
- State and local government
- Other non-government
- Health Insurance Funds
- Individuals

Broad sources of funds (outer)

- Government
- Non-government

Broad health spending flows, 2019-20

Select year:
2019-20



Where does it go?

Total Federal Government expenditure

\$105.8 billion (2022-23)

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MEDICARE

Total cost: \$30.8 billion, or 29.1% of total health spending in 2022–23

What does it fund?

Medical services (limited allied health) in the community or hospitals via a fixed rebate for services.

How is it delivered?

As a patient rebate (bulk billed services provided directly to provider)

PBS

Total cost: \$17.2 billion, or 16.3% of total health spending in 2022–23

What does it fund?

Approved pharmaceuticals when prescribed by a medical practitioner (limited others)

How is it delivered?

As a subsidy at the point of dispensing (two tiers with safety-nets)

PUBLIC HOSPITALS

Total cost: \$27.3 billion, or 25.8% of total health spending in 2022–23

What does it fund?

Partly funds public hospital services delivered by the states/territories.

How is it delivered?

Via activity-based funding, block funding and public health funding into a joint pool with the states and territories.

Breakout Session 1

Three questions:

- What is a key health issue of concern in your advocacy work?
- Which level(s) of government are involved in this issue?
- What are the key programs and funding mechanisms associated with this issue?



BREAK

EXTRAS

(Regulatory bodies, statutory authorities and other relevant NGOs)

- Medical colleges
- Australian Health Practitioner Regulation Agency (and national boards)
- Australian Commission on Safety and Quality in Health Care
- Australian Prudential Regulation Authority
- Commonwealth Ombudsman
- State-based health care complaints commissions

	Level of government responsible	Funder	Relevant regulatory, complaint and professional bodies
GP (in private practice) consultation	Commonwealth	Commonwealth (plus co-payment if not bulkbilled)	Royal Australian College of General Practitioners, Medical Board of Australia
Psychologist (in private practice)	Commonwealth	Consumer payment and/or Commonwealth (via MBS) and/or PHI	Psychology Board of Australia, AHPRA
Public hospital service	State	State and Commonwealth	State-based healthcare complaints commissions
Private hospital service	Commonwealth and state	Consumer payment and/or private health insurance plus Commonwealth (via MBS and PHI rebates)	State-based healthcare complaints commissions
Private specialist consultation out of hospital (e.g. psychiatrist, gastroenterologist, ophthalmologist)	Commonwealth	Commonwealth (via MBS rebate) plus consumer payment	Medical colleges (e.g. Royal Australasian College of Physicians), Medical Board of Australia
Private health insurance	Commonwealth	Individual plus Commonwealth government rebate	APRA, Commonwealth Ombudsman
Public mental health service (e.g. Headspace)	Commonwealth or state (depending on the service)	Commonwealth government, state government	State-based healthcare complaints commissions

ADVOCACY QUESTIONS

- Is this issue related to an individual service provider or is it a policy or systemic issue?
- Where do changes need to be made (e.g. service delivery, funding, policy, education and training)?
- What level of government is responsible for policy/regulation/service delivery this area of health care?
- What are the relevant regulatory or professional bodies involved in this area of health care?
- What are the funding mechanisms and/or regulatory processes that influence the delivery of services in this area?

BREAKOUT SESSION 2

Three questions:

- Is your issue primarily an individual, service level or policy issue?
- Are there any non-government organisations or other bodies relevant to your advocacy issue?
- What are the best strategies for effective advocacy on your issue?

RECAP OF SESSION AND CONCLUSION

- Recap of session
- Recommendations for resources
- Further questions and discussion

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