LEGISLATIVE ASSEMBLY FOR
THE AUSTRALIAN CAPITAL TERRITORY

Report on

Annual and Financial Reports 1998-1999

for the Department of Health and Community Care and related agencies

Standing Committee on Health and Community Care
Portfolio Committee Report No 4

February 2000

Resolution of Appointment

The following general purpose standing committees be established to inquire into and report on matters referred to it by the Assembly or, after the Assembly's endorsement, matters that are considered by the committee to be of concern to the community.

> ... a Standing Committee on Health and Community Care to examine matters related to health and community care policy, planning and purchasing acute, community health and population health services, hospitals and any other matter under the responsibility of the portfolio minister.

Legislative Assembly for the ACT, *Minutes of Proceedings*, (1998), No. 2, 28 April 1998, pp 15 and 16.

Terms of Reference

On 2 September 1999, the Assembly resolved that the annual and financial reports for the financial year 1998-99 presented to the Assembly pursuant to the *Annual Reports (Government Agencies) Act 1995* stand referred, on presentation, to the relevant standing committee for inquiry and report.

Committee Membership

Mr Bill Wood, MLA (Chairman)

Mr Harold Hird, MLA (Deputy Chairman)

Mr Dave Rugendyke, MLA

Secretary: Mr David Skinner

Administrative Officer: Mrs Judy Moitia

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The committee recommends that the Government advise it on the starting date for the MAN program.

Recommendation 12

The committee recommends that the Government provide funding for the provision of a counselling and information service for its large public housing complexes.

Chapter 1. Background

1.1. On 2 September 1999, the Assembly resolved to refer the annual reports and financial statements of Government agencies to the relevant portfolio committees.

1.2. The committee examined the annual reports and financial statements of the Department of Health and Community Care, the ACT Health and Community Care Service, Calvary Public Hospital, the Community and Health Services Complaints Commissioner, and Healthpact.

1.3. On 1 December 1999, the committee conducted a public hearing, taking evidence from the Minister of Health and Community Care, Mr Michael Moore, and from departmental officials.

1.4. This report examines a number of issues raised in the course of that hearing.

Chapter 2. Issues

Public hospital waiting lists

2.1. The committee is pleased to note that as at September 1999 there were 825 fewer people on the public hospital waiting lists than one year previously[1]. The committee is mindful however that the length of waiting times experienced by patients is a better indicator of the effectiveness of a health care system.

2.2. In the course of a previous committee inquiry into public hospital waiting lists, the committee was advised that there were a significant number of people in all three clinical urgency categories who had not been treated within the clinically recommended timeframes.

2.3. Following this, the committee notes the Government's efforts in reducing the number of long wait patients in all three clinical urgency categories. The Government advised the committee that between September 1998 and September 1999 the number of category 1 long wait patients dropped from 26 to 5, the number of category 2 long waits dropped from 762 to 558, and in category 3, 641 to 418[2].

2.4. While this reduction in the number of long wait patients is commendable, the committee sees that there is still considerable work to do in further reducing this number, ideally there should be no long waits in any category.

2.5. The committee welcomes the steps being taken to more accurately measure the waiting lists and times for each specialty and for each specialist and considers that this data plays an important role in assessing the extent of the problem and in developing improved strategies to reduce the waiting times experienced by patients.

2.6. The committee will continue to monitor data about the size of the public hospital waiting lists, the number of long wait patients and the average waiting times experienced by patients.

The Canberra Hospital budget

2.7. The committee was advised that there is still a significant problem with The Canberra Hospital budget. However, the committee heard that the hospital's rectification plan would contribute to reducing the extent of the operating loss through around 70 projects[3].

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[1] Transcript, uncorrected proof, 1 December 1999, p 13, Mr Moore.
[2] ibid, p 13, Mr Moore.
[3] ibid, p 42, Mr Rayment.

2.8. The Chief Executive of The Canberra Hospital informed the committee that:

> …[At] about December or January last year [98/99]… there was a projected $10.1m [operating loss]… The end of year results for the financial year in terms of that projection ended up at 3.7 million and that came about through a range of things. Some for increased revenue… And also the rectification plan… had an impact of something in the order of about a million dollars at that time.
>
> We started off the financial year jumping ahead into [the] current time frame of looking at in the order of a $12 million budget problem because we have had increased expenses… And that $12 million was in terms of expenditure looking about $6 million in the October ownership report. I am crossing my fingers that that particular figure will become less as we go through the financial year[4].

2.9. The committee heard that the hospital has had difficulties keeping its expenditure down and that often savings were later cancelled out by unforseen expenditure.

2.10. The hospital noted that:

> The trouble is that every time you take two steps forward, you take a step back, so we save $1m and then the Industrial Relations Commission awards uniform allowances, which we had not budgeted for, so we go back.
>
> We save another $2m, and then the mix between the public and private patients drops considerably, which means we have got lost revenue and increased costs. So, at the moment our projections are showing in the full year that we will only be able to achieve possibly $6m[5].

2.11. The committee was advised that as at 1 July 1999 there were 50 less employees on the hospital's books, which was seen by hospital officials as saving in the order of $3m per year[6]. The committee notes comments made in the *1999-2000 Select Committee on Estimates Report* that while it is important to reduce the size of the hospital's operating loss, the Government must be careful not to jeopardise patient care through excessive staffing reductions which may impact on service delivery.

2.12. Following this, the committee was pleased to note the commitment from the Minister that there is a need to 'maintain the pressure there [at the hospital] in terms of financial issues and we are going to continue to do that but not at the price of undermining the quality of service delivery that does occur there'[7].

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[4] ibid, p 41-42, Mr Rayment.
[5] ibid, p 83, Mr Lee Koo.
[6] ibid, p 83, Mr Lee Koo.
[7] ibid, p 1, Mr Moore.

2.13. The committee maintains an abiding interest in the state of the hospital's budget and sees value in the Government continuing to provide information to the Assembly in this regard.

2.14. The committee sees the rectification plan is the key to the hospital's strategy to operate within budget. The committee will keep itself informed on progress.

Fast food

2.15. The committed was advised that a large portion of fast food outlets in the ACT use animal fats for deep frying, rather than vegetable fats, which are less harmful to health. The Chief Health Officer of the ACT informed the committee that:

> ...1993 was the latest survey of fast food outlets in the ACT in particular, and at that time, it showed that approximately 60 per cent of the outlets were using animal fats and 40 per cent were using vegetable fats. Now, we know, from various sources, that vegetable fats are better in terms of their content of less damaging cholesterol and similar things…[8]

2.16. The committee was concerned that given the popularity of fast food and the high number of outlets using animal fats, the impact on the health status of many Canberrans could be significant. The Chief Health Officer informed the committee that eating fatty foods is a particular problem for young men[9].

2.17. The committee shares the Minister's interest in reducing the rate of cardiovascular disease and believes that the elimination of animal fats from fast food outlets will play an important role in achieving this.

2.18. The committee was advised that while the Chief Health Officer has no power to mandate the use of vegetable fats by food vendors, the issue of eating healthy food has been widely encouraged through various health promotion initiatives[10].

2.19. The Minister indicated that it might be useful to initiate a specific campaign aimed at increasing consumer awareness about the use of animal fats in fast foods such as fish and chips[11]. The Minister proposed that by getting consumers to take an interest in asking fast food outlets about the sort of oil they use, a change in industry practice may be brought about[12].

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[8] ibid, p 14, Dr Bowen.
[9] ibid, p 15, Dr Bowen.
[10] ibid, p 14, Dr Bowen.
[11] ibid, p 15, Mr Moore.
[12] ibid, p 15, Mr Moore.

2.20. The committee sees value in this approach. The committee considers that one means of doing this would be to require fast food outlets to clearly label the type of oil that is used in food preparation.

Recommendation 1

The committee recommends that the ACT Government investigate the need to more widely educate the public about the health risks associated with consuming animal fats in an effort to reduce the use of these fats in fast food cooking.

Recommendation 2

The committee recommends that the ACT Government pursue, through the national Public Health Partnership and other Commonwealth mechanisms, the need for fast food outlets to move away from the use of animal fats.

Indigenous drug use

2.21. One MLA raised anecdotal evidence indicating an increase in the number of indigenous heroin addicts, citing figures provided by Winnunga Nimmityjah that there may be as many as 500 indigenous heroin addicts in the ACT[13]. The committee was greatly concerned by this.

2.22. In response to questioning about the level of indigenous drug use, the Minister advised the committee that:

> …although I was aware of … concerns in this area, none as dramatic as you have raised today, and I think the fact that you raise that issue today means that … we now have to do some significant amount of work on either verifying those figures or assessing those figures, and making sure that we do do the follow up…[14]

2.23. The committee concurs with the Minister's view and sees that in order to address any problems in this area it is crucial to obtain accurate data. The committee is mindful, however, that gathering this data must be culturally sensitive and should not have the effect of 'singling out' indigenous people. Nevertheless, it is essential that the extent of the problem be fully explored.

2.24. Further, the committee believes that with accurate data in-hand, the Government must develop the necessary strategies required to deal effectively with the issue.

2.25. The committee was advised that the issue of indigenous drug use has been raised in the context of developing the Aboriginal and Torres Strait

[13] ibid, p 29, Mr Stanhope.
[14] ibid, p 34, Mr Moore.

Islander health strategy[15]. The committee considers that the development and implementation of this plan must be expedited as a matter of urgency.

Recommendation 3

The committee recommends that as a matter of urgency the Government conduct research to obtain accurate data on the level of indigenous drug use in the ACT and, following this, develop the necessary strategies to address the issue.

Recommendation 4

The committee recommends that the Government expedite the development of the Aboriginal and Torres Straight Islander health strategy as a matter of urgency.

Swimming pools

2.26. The committee notes the Government's efforts to ensure that water quality in pools and spas is maintained at safe standards.

2.27. The committee was advised that the Government has devised a code of practice for ACT swimming pools and spas[16]. The code sets out standards for pool and spa hygiene and outlines guidelines for testing pools and spas to ensure that the standards are being met.

2.28. The Chief Health Officer noted that:

> We consider that the most at risk pools were obviously the public swimming pools so they are inspected regularly and in view of this new code of practice… there is a lot of re-visiting with education, provision of signs and things for the public in the swimming pools and also monitoring of the water to make sure that it is actually clean[17].

2.29. The committee was pleased to note that recent monitoring has shown that water quality in public pools has been very good and there have not been any major problems with semi-public pools and spas such as those in motels. The Chief Health Officer noted that:

> They [the public pools and spas] seem to have been able to keep their water certainly without cryptospiridium which was the case of the previous outbreak, and also the pool owners have cooperated in asking people to get out of the pool when there appears to be a problem or something goes wrong.
>
> In terms of private spas, we have not had any major breaches of the code but we have had to return to a number of them to advise them how to keep them clean[18].

[15] ibid, p 30, Dr Gregory.
[16] ibid, p 53, Dr Bowen.
[17] ibid, p 54, Dr Bowen.
[18] ibid, p 54, Dr Bowen.

Federal funding shortfall for people with disabilities

2.30. Through the course of its inquiry into respite care services, the committee was made aware of the pervasive unmet need for disability services in the ACT.

2.31. Following this, the committee was concerned by evidence provided by the Minister in relation to recent negotiations between the state and territories and the Federal Government with regard to Federal funding for disability services. Specifically, the committee was advised that the Federal Minister for Family and Community Service, Senator Jocelyn Newman, failed to attend a recent meeting of state and territory health ministers to discuss further federal funding in this important area[19].

2.32. While the committee welcomes the Commonwealth's offer of $50m next year and $100m in the following year (nationally) to address unmet need in the sector, it notes that unmet need in the sector has been estimated at $294m annually with the ACT also sharing in the funding shortfall.

2.33. The committee considers that the approach displayed by the Federal Minister does not bode well for people with disabilities and their carers and sees that there is an urgent need to address the Federal funding shortfall.

2.34. The committee is aware of the ACT Health Minister's long-standing advocacy on this issue of unmet need and supports the approach taken by the Government with regard to the Federal negotiations.

Recommendation 5

The committee recommends that the Government continue making representations to the Commonwealth about the need for additional funding in the disability services sector.

Recommendation 6

The committee recommends that the Government examine its budget priorities with a view to increasing funding within the disability services sector.

Absenteeism in the disability program

2.35. The ACT Health and Community Care Annual Report raises the problem of absenteeism and the excessive need for casuals in the disability program.

[19] Communique, November 1999, 'Joint State and Territory Ministers' Statement following Disability Ministers' Meeting' provided in response to a question on notice.

2.36. The Government advised the committee that:

> … the program where we have the greatest problem with absenteeism is certainly the disability program, and absenteeism has even deteriorated slightly from the year before to the year that we have reported on and we are acutely aware of the issue and it has major implications for quality of care on a number of casuals being brought into the working program[20].

2.37. The committee agrees that absenteeism in the disability program is a serious problem and is concerned that the high degree of absenteeism necessitates the use of casuals who may have less training and experience than their full-time counterparts. The committee sees that this may have a considerable impact on the level of care provided to people with disabilities in the ACT.

2.38. The committee recognises the difficulties in this area and congratulates the department on the openness of its reporting. The committee acknowledges the measures that have been adopted to fix this problem and advises that it will seek briefings on progress in this area.

2.39. The committee trusts that recent negotiations with the HSUA, the union representing staff working in the program, along with the move to provide incentive bonuses for staff to come in under budget will have the effect of reducing the extent of absenteeism.

Supplementation for salary increases

2.40. The committee is concerned that the efforts to raise the quality of care by improving training levels and recruiting committed staff in ACT Community Care may be prejudiced by the failure of the Government to provide adequate monies for anticipated salary increases.

2.41. The committee was concerned that the portfolio has not received the same level of supplementation as other portfolios have achieved[21].

2.42. It is apparent that the quality of staff and their commitment is of the highest priority. In rectifying this problem the department will need more support from the Government.

2.43. The committee is not satisfied with the Minister's response that the absence of supplementation may not result in a loss of jobs but that it, 'could imply that there has been a re-engineering of processes and we have found more effective ways to do things'[22]. Despite any efficiency improvements the committee considers that without additional funds for salary increases, there is

[20] Transcript, uncorrected proof, 1 December 1999, p 93, Mr Szwarcbord.
[21] ibid, p 4, Mr Butt.
[22] ibid, p 3, Mr Moore.

a high probability that service levels will decline and/or there will be a loss of jobs.

Recommendation 7

The committee recommends that the Government provide more money to ACT Community Care to cover salary increases.

Adverse incidents in hospitals

2.44. The committee was advised that the Government funded a consultant to investigate patient safety in ACT hospitals. The committee heard the Government is in the processing of finalising a draft Patient Safety Strategic Plan which flowed from the work done by the consultant.

2.45. The committee was concerned to hear that the work done by the consultant found that proper reporting of adverse incidents does not take place in ACT hospitals[23]. The Government noted that:

> ...many of the adverse incidents that occur in an acute hospital may well occur in the last two of three weeks of lives of people. So somebody's life, through an adverse incident, was actually shortened by two or three weeks. And that may not be reported because people were aware that somebody was already in the process of dying[24].

2.46.The committee views this as a serious inadequacy in current arrangements and notes that the Government also considers that it is, 'not good enough'[25].

2.47. One of the important elements of an effective adverse incident reporting regime is its capacity to identify systemic problems which, if left unchecked, may result in further adverse incidents. The committee supports the introduction of the Australian Incident Monitoring System (AIMS) as part of an effort to improve the level and quality of adverse incident reporting. The Government noted that the system ensures 'that incidents are monitored and are able to be monitored against a national database'[26]. The committee also supports the Hospital's encouragement of staff to report adverse incidents as a means of improving service delivery[27].

2.48. The committee sees value in providing the Community and Health Services Complaints Commissioner with adverse incident reports in a generic format, that is, without identifying individuals. The Minister informed the

[23] ibid, p 72, Mr Moore.
[24] ibid, p 72, Mr Moore.
[25] ibid, p 72, Mr Moore.
[26] ibid, p 71, Dr Gregory.
[27] ibid, p 73, Mr Rayment.

committee that reporting in a generic form would lessen the disincentive for staff to report incidents that do occur[28].

Recommendation 8

The committee recommends that the Government report to the committee process improvements to the adverse incidents reporting regime and provide the committee with a copy of the Patient Safety Strategic Plan once complete.

Recommendation 9

The committee recommends that the Government examine the viability and usefulness of providing adverse incident reports to the Community and Health Services Complaints Commissioner in a generic form.

Private health insurance rebate

2.49. The committee was advised that all states and territories have expressed concerns about the Federal Government's policy of providing a 30 per cent rebate for people with private health insurance.

2.50. The Government noted that:

> …throughout the negotiation of the Australian Health Care agreements, all states and territories made it very clear that they supported the funds that were going into the 30 per cent rebate actually going into the public hospital sector as being a better option in terms of adding value to the system overall[29].

2.51. The committee shares this view and supports the ACT Government's advocacy on this issue.

Recommendation 10

The committee recommends that the ACT Government continue making representations to the Federal Government about the need to direct more funding into public hospitals.

The MAN model

2.52. The committee was advised that the Men's Awareness Network (MAN) program aimed at improving the health status of men, is still in the process being developed in partnership with the ACT Division of General Practice.

2.53. In response to a question on notice, the Government noted that:

> The Department of Health and Community Care has invited proposals from the Division of General Practice to deliver educational or training services for General

[28] ibid, p 90, Mr Moore.
[29] ibid, p 7, Mr Butt.

> Practitioners on men's health issues, similar to those implemented in Victoria, known as the MAN model.
>
> It is expected that the Division will put forward its proposals for delivering such a program in December 1999. The budget set aside for this project is up to $20,000[30].

2.54. The committee welcomes the development of the MAN model in the ACT but is concerned at the delay in concluding these arrangements. It will seek further details on the project and how it will operate subsequent to its implementation.

Recommendation 11

The committee recommends that the Government advise it on the starting date for the MAN program.

Public housing complexes

2.55. The committee was advised that the Department of Health and Community Care, 'does not specifically fund services to ACT Housing clients but purchases services (both Government and non-Government) that meet client needs'[31]. The Government cited the Alcohol and Drug Program, the Drug Referral and Information Centre, Assisting Drug Dependents Incorporated, and Mental Health Services as examples of these services[32].

2.56.Notwithstanding the provision of these important services, the committee considers that there is a need to provide further services to those who live in the large complexes. The problem of these complexes is well known; many residents are in need of continuing support and advice as they present a complex range of problems.

Recommendation 12

The committee recommends that the Government provide funding for the provision of a counselling and information service for its large public housing complexes.

PeopleFirst

2.57. There was much questioning of the Minister and Department following the release of a statement by the advocacy group PeopleFirst. The Minister took the issues seriously, though he indicated that there were a number of errors in the material.

2.58. The committee notes the Minister's commitment to seriously examine and assess all the issues raised in the PeopleFirst statement.

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[30] Response to question on notice provided on 1 December 1999.
[31] Response to question on notice provided on 1 December 1999.
[32] ibid.

2.59. In view of the contested claims the committee seeks separately a consolidated response from the Minister to all the arguments raised in the PeopleFirst statement.

The annual report format

2.60. The committee has made positive responses to the Annual Report format and has been interested to receive submissions from ACTCOSS about the Chief Minister's Department Annual Report as well as the level of reporting on regulatory activities. While the committee will examine the ACTCOSS submission it has also passed the material to the Minister for his consideration also.

Bill Wood, MLA
Chairman

Date