National Health Innovation and Training Network for Australia

A Presentation to the NHS-HE Forum

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Australia's Academic and Research Network

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The Presentation

- Some background
  - Health funding in Australia
  - How health is organised
  - How R&E networking is organised
- The issues for connectivity between the sectors
- How we are attempting to resolve them;
- Where we are at; and
- Where we would like to get to.

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Health Funding

- Health Funding in Australia

1. http://www.dfat.gov.au/facts/healthcare.pdf
2. http://www.health.gov.au/internet/main/publishing.nsf/Content/E6CAF670D550F646CA25747700074A51/$File/Our%20surgery.pdf
3. http://www.pc.gov.au/research/commissionresearch/privatehospitals/mediarelease

- Total spending amounts to about 9.8% of GDP
  - 20% of this is made up of out-of-pockets expenses of individuals; and
  - 10% comes from private health insurers

1. Private sector expenditure on health accounts for about 33% of total health expenditure. The majority (around 60%) of this is individuals' out-of-pocket expenses and the remainder is expenditure by private health and other insurers such as workers' compensation and third-party motor vehicle insurers.

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How health is organised

There is both a public and a private sector

1. Federal Department of Health and Ageing

- Sets national policy
- Subsidies state and private health services
- **Universal health services including pharmaceuticals & medical consultation subsidies (Medicare)**
- Provides some direct assistance to public hospitals, residential aged care and home and community care for the aged
- Is the major funder of health research and for training of health professionals
- provides medical, pharmaceutical and hospital services for veterans and war widows

2. State and Territory Health Departments

- Fund most hospital services
- Most community and public health services
- Often the States have a central policy and funding Department (the State health department) which oversee the direct delivery of services by a number of regional health services

3. Private Health Sector

- Private hospitals ……… provide 30 per cent of acute care hospital beds and treat 45 per cent of all surgical patients. (see ref 3)
- Private medical practitioners – provide most out of hospital services and share the majority of in-hospital medical services with salaried doctors
- Private practitioners provide most dental and allied health services

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Health Insurance

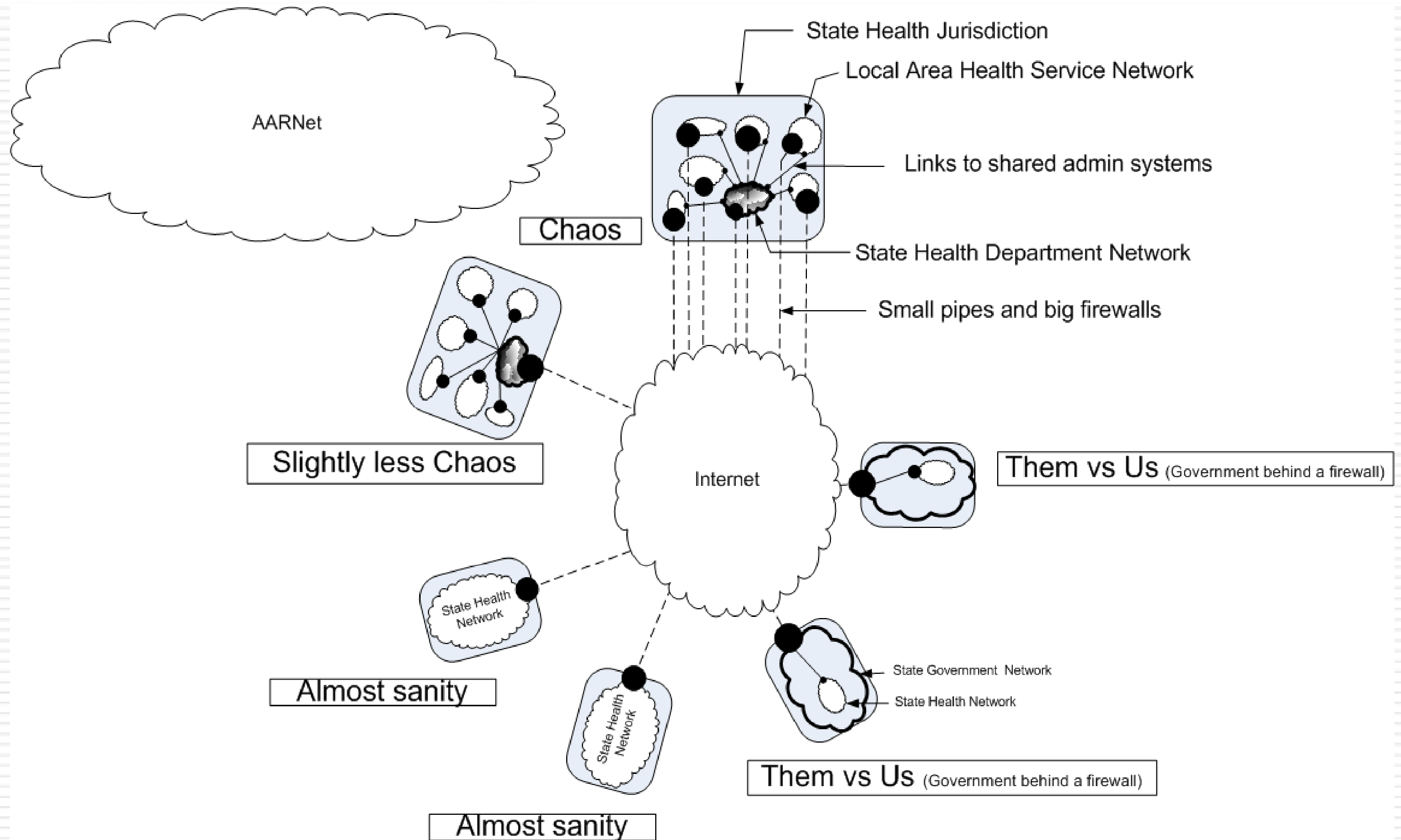
- Medicare is the universal health safety net. Covers public hospital treatment and the majority of the fees levied by private medical practitioners

- 50% of Australian have private health insurance for treatment as private patients in private and public hospitals with most of these also having ancillary cover for non-medical services provided out-of-hospital (eg dental, optical, physio, etc).

From Ref 1 - People admitted to public hospitals as public (Medicare) patients receive treatment by doctors and specialists nominated by the hospital. They are not charged for care and treatment or after-care by the treating doctor

Private patients in public or private hospitals can choose the doctor who treats them. Medicare pays 75 % of the Medicare schedule fee for services and procedures provided by the treating doctor. For patients who have private health insurance, some or all of the outstanding balance may be covered. Private patients are charged for hospital accommodation and items such as theatre fees and medicine. These costs may also be covered by private health insurance but are not covered by Medicare.

Health Networking in Australia (or why the single gateway approach will not work in Oz)



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R & E Networking

- A national network organisation (AARNet)
  - Owned by all Universities and the CSIRO
- Some regional network operators
  - Vernet also owned by Victorian Universities and the CSIRO which provides managed tails services to AARNet in Victoria
  - SabreNet owned by South Australian Universities and the SA State Government – Owns dark fibre assets only
- Majority Member Funded
  - All recurrent and a majority of capital funding comes from its members
  - There are from time to time federal funding grants to members that are channelled to AARNet – these have been of the order of $40m
  - There have been occasional direct grants to AARNet most notably of $47m to assist in the acquisition of the national backbone fibre in 2005.

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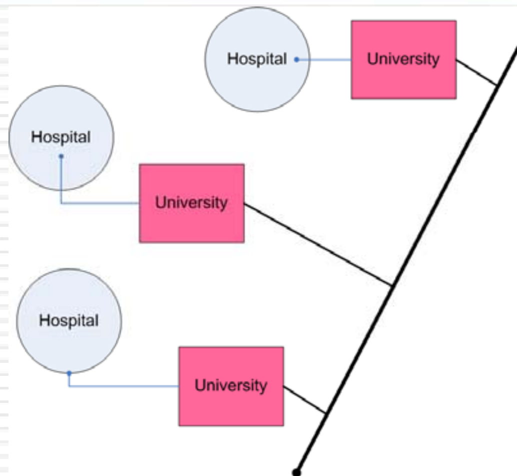
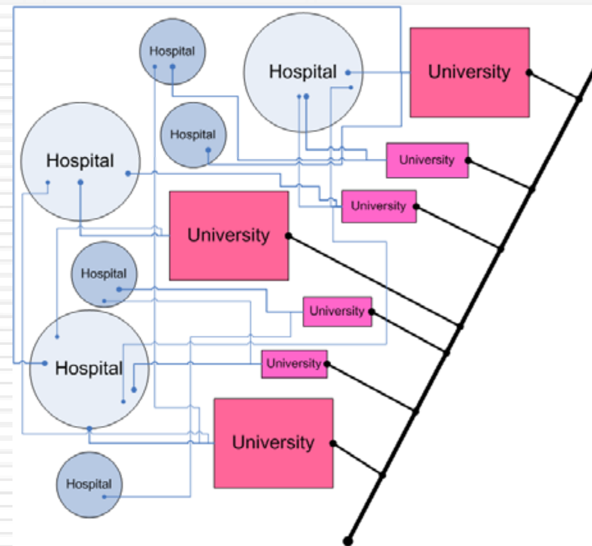
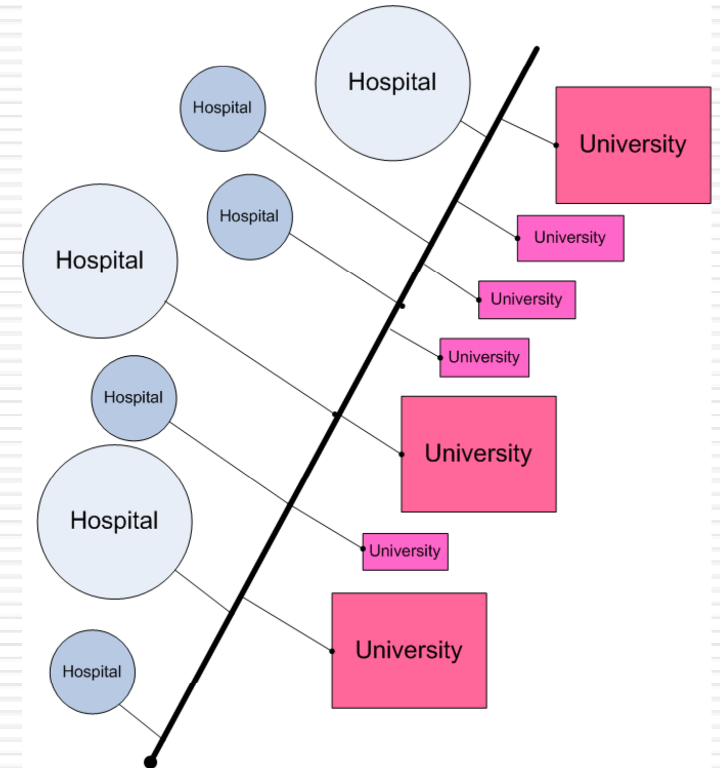
The Change in Health – R&E Connectivity



The Way it was!



The Way it is becoming!



The Way it needs to be!

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Our Objectives and strategies

- The objectives:
  - To assist members with network access to staff and students located on health campuses
  - To promote, in the national interest, effective interaction between researchers, educators and innovators across the divide;
  - To develop relationships with the health sector that might lead to shared infrastructure in the medium to long term.
- The Strategies:
  - Undertaking a dialogue with the health sector around connectivity issues
  - Creating a special sub-group of the AAC to advise and assist in developing the relationship; and
  - Providing a pilot solution to the connectivity and trust issues between the sectors [viz ANHITN]

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The rationale for the ANHITN (the Australian National Health Innovation and Training Network)

- We know that one sector doesn't trust (anyone)
- Would they be more likely to trust if they thought their fellow network users were "like them", and only they could get access?
- Give them the option of not connecting to the greater AARNet but rather to a (segregated) health research, education and innovation community within the AARNet community.

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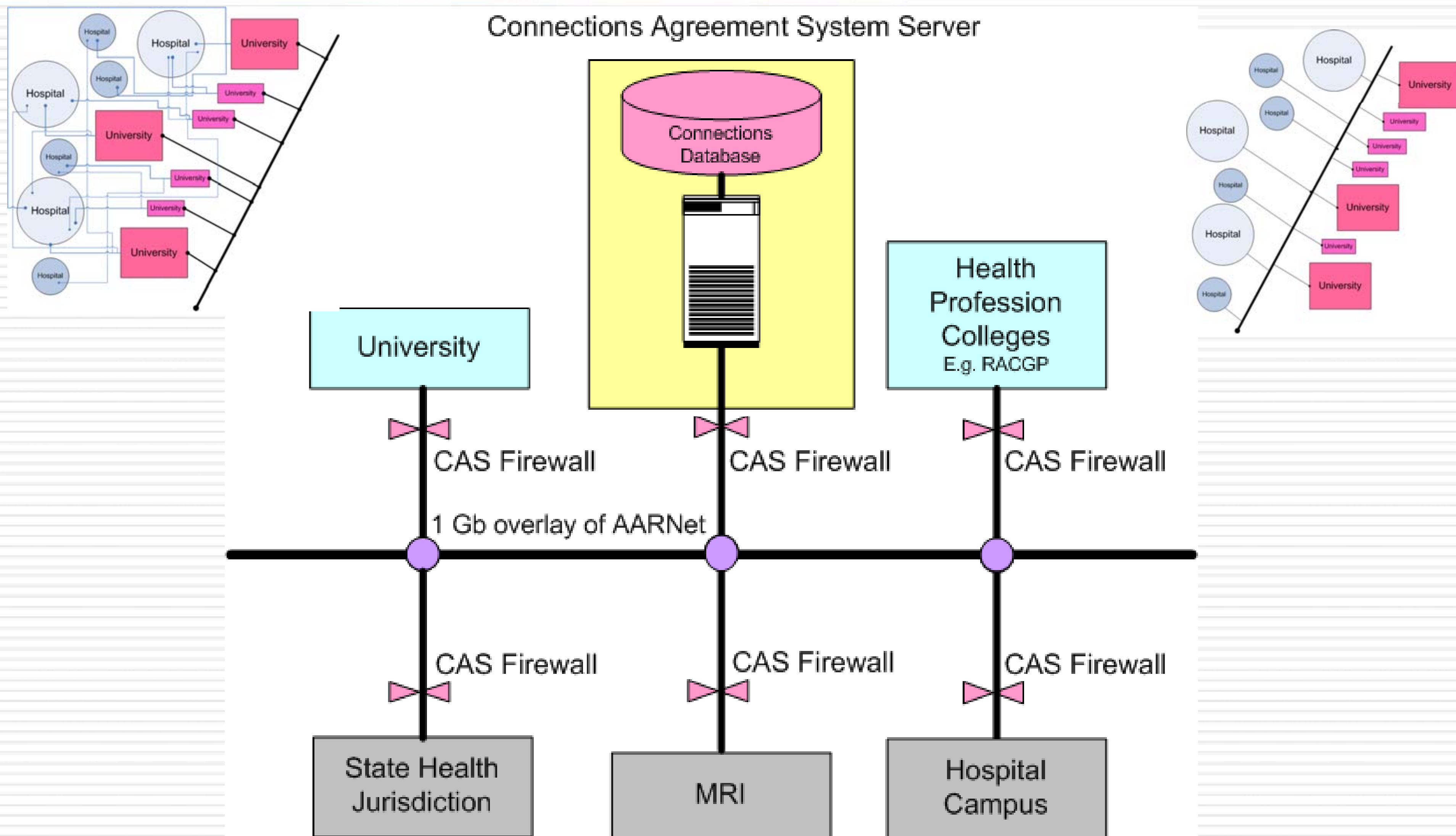
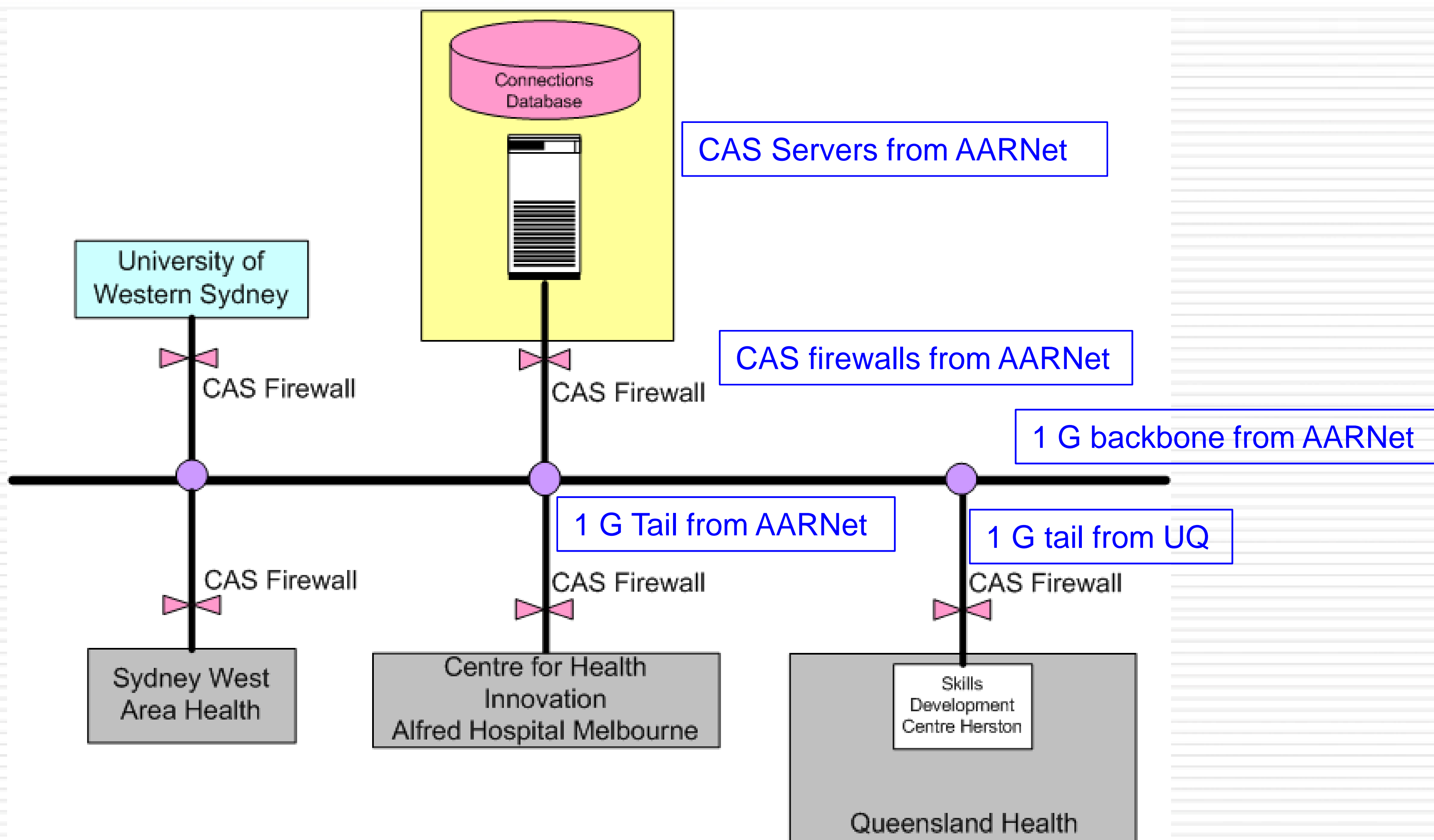
What an ANHITN might look like



The initial Pilot:



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Progress and Actions

- Licence obtained from MedCom (Denmark)
- Working with Uni.C (Danish NREN) on the implementation of the new software
- Internal testing underway between AARNet offices
- Testing internally with VPAC (Victorian Partnership for Advanced Computing)
- Deployment in Q2-2010 but might slip.
- Other pilots may be considered

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End

Questions

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