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Department of Health, Disability and Ageing

PRIVATE HEALTH SECTOR REFORMS - CONSULTATION PAPER 1

Australian and New Zealand College of Anaesthetists (ANZCA) consultation response

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About ANZCA

The Australian and New Zealand College of Anaesthetists (ANZCA), including the Faculty of Pain Medicine (FPM), is the professional body responsible for the postgraduate training programs of specialist anaesthetists and specialist pain medicine physicians.

We are one of the largest medical colleges in Australia and New Zealand with more than 10,000 fellows and trainees.

A key role of the college is fostering the highest standards of clinical practice, safety and high-quality patient care in anaesthesia, pain medicine and perioperative medicine. We do this through our robust training programs, rigorous standard setting, continuous education, mentoring and supervision of junior doctors, advocacy, and research.

Consultation scope

The Department of Health, Disability and Ageing consultation covered the following elements:

1. Prioritising contemporary models of care including:
    - mental health care
    - maternity care
    - Hospital in the Home (HITH), and
    - Type C certification requirements: exemption criteria.
2. Delivering better value for consumers through:
    - improving access to regional private hospitals
    - Private Health Insurance product simplification, and
    - updating Risk Equalisation.

ANZCA consultation feedback

ANZCA, including FPM, welcomes the opportunity to provide feedback and supports reforms that improve access to safe, high-quality, patient-centred care, enable contemporary models of care, reduce unnecessary administrative burden, and strengthen the sustainability of the private health sector. In particular, ANZCA welcomes the proposed Type C certification reforms, supports safe expansion of HITH models, and supports initiatives that strengthen access to multidisciplinary mental health care and sustainable regional hospital services.

Across Australia, based on National Health Workforce Data, we know that more than a quarter of anaesthetists and half of specialist pain medicine physicians (SPMPs) work in private settings. SPMPs work at multidisciplinary pain clinics or centres, where these clinics or centres use the expertise of a range of medical and allied health professionals to assess the multidimensional aspects of pain and formulate appropriate programs of treatment.

Training of specialists is a core function of the college and faculty, which provides education, mentoring, and supervision of junior doctors by mostly volunteer specialist anaesthetists and SPMPs. The college and our specialists also provide a significant amount of safety and quality oversight in the health system through the development of professional documents and standards of practice. These elements are heavily relied upon by the Australian health system.

Training of specialists is usually conducted in public teaching hospital settings, however specialist training in private hospitals is increasingly common, supported by initiatives like the Australian government's Specialist Training Program (STP) to provide trainees with experience in diverse healthcare settings beyond traditional public teaching hospitals.

This allows for a broader range of cases (sometimes to satisfy volumes of practice requirements), taps into hospital list capacity and provides exposure to different management styles, contributing to a more skilled and better distributed specialist workforce. Training can take various forms, such as rotations into private hospitals or placements that are entirely within private facilities.

Our feedback on specific items contained in the consultation is identified below, noting we have not commented on private health insurance product simplification and updating the risk equalisation. ANZCA looks forward to ongoing engagement as the reform program progresses.

Prioritising contemporary models of care

Mental health care

ANZCA supports initiatives that strengthen access to multidisciplinary mental health services and recognises the important role SPMPs can play in the management of patients with comorbid chronic pain and mental health conditions. ANZCA particularly supports the proposed updates to the sector guidelines that explicitly recognise the role of SPMPs in private mental health programs and multidisciplinary care models.

FPM notes that the consultation paper is consistent with recommendations from the 2019 MBS Pain Medicine Services Review, which supported enabling SPMPs to refer patients directly to relevant allied health professionals, including psychologists, physiotherapists, occupational therapists and other appropriate disciplines. However, this consultation approach should not be viewed as a substitute for the broader suite of recommendations made in the 2019 review, the majority of which remain unimplemented. In particular, it does not replace the review's recommendation for integrated multidisciplinary pain management programs, as the current proposal is limited in scope and focused primarily on mental health-related referral criteria.

FPM also notes that further clarification is required regarding the eligibility and referral criteria that will apply under the proposed model. We would welcome the opportunity to work with the government on the development of these criteria to ensure they are clinically appropriate and support equitable access to multidisciplinary pain care.

ANZCA also supports greater flexibility for multidisciplinary case conferencing where this is clinically justified and improves coordination of care. Any changes to MBS arrangements should be subject to appropriate clinical review and evaluation.

Maternity care

ANZCA supports exploring innovative maternity models that improve access, affordability and continuity of care. However, reforms must ensure that maternal and neonatal safety remains paramount. Any expanded models involving non-medical practitioners should include clearly defined governance arrangements, escalation pathways, and early access to appropriately trained anaesthetists and medical specialists as required.

It is important that all proposed best practice models (under 'pregnancy and birth' clinical category) are aligned to ANZCA guidance (currently under review) *PG03(A) Major regional analgesia*, so that:

- Private health facilities meet recommended workforce, equipment and monitoring requirements for the delivery of regional analgesia in labour and delivery, and the timely management of perineal repair (i.e. third/fourth degree tears under general anaesthesia in fully equipped facilities).
- Where regional analgesia/anaesthesia services are unavailable, women should be informed and offered transfer antenatally to an alternate centre offering more comprehensive services.
- Patients are under the care of a credentialed medical practitioner with obstetric training, in private health facilities where regional analgesia is instituted. Information about pain relief options for labour, including regional analgesia options, should be part of antenatal education programs delivered to women.

Hospital in the Home (HITH)

ANZCA supports the expansion of safe and evidence-based HITH services where they provide care equivalent to hospital-based treatment and are delivered under robust clinical governance arrangements. HITH models have the potential to improve patient experience, reduce pressure on hospital infrastructure and support more efficient use of health system resources.

This strongly aligns with expanding perioperative medicine opportunities as both seek to support patients across the entire surgical journey, rather than focusing solely on the inpatient hospital episode. The HITH reforms create opportunities to extend perioperative care into the patient's home while maintaining clinical oversight and safety. ANZCA leads the world in perioperative medicine education, and with an increasing focus on integrated, transdisciplinary care, perioperative medicine plays a critical role in improving safety by risk stratification, reducing

complications, shortening hospital length of stay and delivering better value for health system resources.

ANZCA supports that the use of perineural or subcutaneous analgesic infusions for short-term acute pain management should be supported within a HITH model of care.

ANZCA emphasises that patient selection criteria, clinical oversight, escalation arrangements, medication safety processes, and accreditation requirements must be clearly defined. Where HITH services involve complex infusions, palliative care or high-risk therapies, specialist input and appropriate monitoring arrangements should be available. Any expansion of HITH should be accompanied by evaluation of patient outcomes, safety and cost-effectiveness.

ANZCA provides safety guidance (*PG51(A) Medication safety 2021*) for intravenous (IV) administration of drugs outside a healthcare facility. In particular, handling of controlled drugs must comply with jurisdictional requirements in regard to secure storage for transport, documentation of dispensing (including labelling) and administration of drugs and disposal of unused medications.

ANZCA also supports a requirement for HITH services to comply with the National Safety and Quality Health Service (NSQHS) Standards issued by The Australian Commission on Safety and Quality in Health Care (ACSQHC), and recommends compliance with ACSQHC published national guidance on the safe, appropriate and sustainable use of IV fluids (including avoidance of venous air embolisms).

Type C certification requirements: exemption criteria

ANZCA strongly supports the proposed exemption criterion for procedures undertaken under general anaesthesia, regional anaesthesia or intravenous sedation. The requirement for these techniques generally reflects a level of clinical complexity, risk and facility capability that justifies treatment in an appropriately equipped hospital environment which is sensible, reasonable and aligns with best care practices. This proposal appropriately recognises existing ANZCA professional guidance relating to patient safety, monitoring and recovery requirements and is likely to reduce unnecessary administrative burden for clinicians, hospitals and insurers.

ANZCA also supports the proposed change of the automatic waiver for patients aged over 75 years. This recognises the higher prevalence of multimorbidity, frailty, and increased perioperative risk in older populations.

ANZCA's *PG15 Day stay patients* guideline clearly states that patient safety must be the primary consideration when determining whether a procedure is appropriate for day-case management. A similar position is reflected in the Royal Australasian College of Surgeons' (RACS) statement on day surgery, which emphasises careful patient selection and risk assessment. Together, these positions support the proposed certification changes as an important safeguard for older patients undergoing day-case procedures.

Delivering better value for consumers

Improving access to regional private hospitals

ANZCA supports measures that strengthen the viability of regional private hospitals. Regional private hospitals are important for maintaining patient access to surgery, anaesthesia, procedural care and pain medicine services closer to home. Maintaining a sustainable regional private hospital sector also supports workforce attraction and retention and can reduce demand on public hospitals.

ANZCA welcomes the proposed funding changes to increase second-tier benefits for established regional private hospitals from 85% to 100%, recognising that these reforms are long overdue and will provide important support for the delivery of anaesthesia and perioperative care. However, ANZCA notes that similar arrangements should also be extended to other care settings. While the proposed increase is a positive step, it does not address the broader gap created by the ongoing failure of Medicare rebate indexation to keep pace with rising healthcare costs.

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