



Victorian Healthcare Association

# SUBMISSION

*Victorian Parliament - Environment and Planning  
References Committee Inquiry into Environmental  
Design and Public Health*

29 June 2011

## 1. Introduction

The VHA welcomes the opportunity to provide a submission to the Environment and Planning References Committee Inquiry into Environmental Design and Public Health. The VHA agrees to this submission being treated as a public document.

### Contact details

Trevor Carr, CEO  
Victorian Healthcare Association  
Level 6, 136 Exhibition Street,  
Melbourne, VIC, 3000  
Email: [trevor.carr@vha.org.au](mailto:trevor.carr@vha.org.au)

### The Victorian Healthcare Association

The VHA is the major peak body representing the public healthcare sector in Victoria. Our members include public hospitals, rural and regional health services, community health services and aged care facilities. Established since 1938, the VHA promotes improvement of health outcomes for all Victorians, from the perspective of its members.

### Introduction

There are over 110 public hospitals in Victoria that provide a broad range of services including inpatient and outpatient medical and surgical services, rehabilitation, mental health, aged care and primary healthcare services. Victoria also has a proud history in combining the social and medical models of health through a network of over 100 community health services operating from approximately 250 sites.

These services plan and implement programs, services and projects according to local needs, with a particular connection to their local communities. The Victorian primary healthcare sector has led a range of initiatives that are currently bearing significant health outcomes for communities. This sector has also been involved in Primary Care Partnerships for over a decade resulting, in improved service integration across the continuum of care with subsequent benefits to patients and communities.

Health agencies have a major role to play in planning, implementing and leading initiatives that seek to improve health and social outcomes with key stakeholders in their community. Similarly these agencies have a long history of utilising integrated health promotion funding to target specific issues of need within their community. Consequently, the VHA considers Victoria's health agencies to be key stakeholders in the planning processes articulated in the terms of reference provided by the Minister for Health to the Environment and Planning References Committee.

The VHA seeks to focus on points four and five of the terms of reference provided.

### VHA Response

The VHA supports the overall intention of the inquiry. Environmental influences - such as transport, parkland, neighbourhood mobility, food security, access to health services and the provision of leisure facilities – have an undeniable impact on health outcomes. The VHA encourages the Victorian Government to maintain a focus on the links between these issues and invest in strategies that increase the chances of communities achieving optimal health and preventing poor health.



Victorian Healthcare Association

# SUBMISSION

Victorian Parliament - Environment and Planning  
References Committee Inquiry into Environmental  
Design and Public Health

29 June 2011

Whilst high-quality hospitals and health services will remain a fundamental component of Victoria's healthcare system, the VHA supports increased funding for illness prevention and health promotion. A strong body of evidence supports the need to develop environments to promote health and wellbeing, and the VHA appreciates the focus of the Minister for Health and Parliamentary Committee on this issue.

This focus is fundamental to deal with challenges of rising levels of demand and increasing rates of chronic disease. Victoria has been a leader in these activities and must remain so. The VHA supports the government's commitment to strengthen the role that VicHealth plays in promoting healthy communities and recommends that the Victorian Government uses the forthcoming Victorian Public Health and Wellbeing Plan to re-evaluate and strengthen its approaches to prevention in Victoria. The VHA will be providing feedback on the draft documentation for the Victorian Public Health and Wellbeing Plan in due course.

## Population Health Approaches to Planning

Major reorientation of the health system is needed to cater for the changing health issues in our society and equally scarce resources need to be managed effectively as the costs of healthcare continue to rise for government and individuals. A contemporary public health system is required to address the rising rates of chronic disease, the changing needs and expectations of populations, and the impact of an ageing population. The VHA believes this can occur through a population health approach to planning, which enables local catchment areas to consider how they should balance their endeavours across the service spectrum and determine how to best meet the needs of populations and sub-populations in partnership with local stakeholders. It is evident that new ways of collaborative planning will be fundamental to an effective and sustainable health system in the future. This requires investment from government and involvement from the health sector and other stakeholders such as local government, social services and general practice.

The VHA supports the legislated requirement of Municipal Public Health Plans to be completed by local governments. These plans provide an opportunity for local councils to work with their partners and focus on the broad range of determinants of health that impact on their constituents. The VHA acknowledges that *Environments for Health* has been recognised as a leading framework internationally and supports the ongoing improvement and development of this framework as a mechanism for comprehensive, evidence-based municipal public health planning. However, the lack of alignment or communication between a range of local and regional plans is a significant barrier to implementation of the principles of the framework, which can result in duplication and confusion. This Committee should focus on ensuring this integration occurs and is maintained.

The VHA Population Health Approaches to Planning project aims to build the capacity of population health approaches to planning and practice in Victoria. This VHA project is engaging with a broad range of key stakeholders in developing practical tools and resources to build the capacity of the healthcare sector and associated stakeholders to participate in population health approaches to planning.

As population health is a relatively new area, the concepts and principles are not well understood. Over the past two years, the VHA has commissioned research from Monash University in relation to the principle of setting strategy according to the healthcare needs of the community being served. An 18-month program of activities to further develop practical applications of this research is currently being undertaken by the VHA.



Victorian Healthcare Association

# SUBMISSION

Victorian Parliament - Environment and Planning  
References Committee Inquiry into Environmental  
Design and Public Health

29 June 2011

One of the key aims of the VHA has been to develop a general framework for population health planning, outlining the main concepts, principles and strategies to embed such approaches in the health sector. This framework includes definitions for population health and population health planning. The VHA urges the Committee to consider and adopt these working definitions, supported by recommendations for investments to strengthen the skills of health agency board members and management in the area of population health approaches to planning. A position statement which outlines these concepts in detail is attached for the information of the Committee.

The VHA definitions are as follows:

## Population Health

Population health approach aims to improve the health and wellbeing of whole populations, reduce inequities among and between specific population groups and address the needs of the most disadvantaged. Effective population health requires community, inter-sectoral and whole-of-government engagement and collaboration to address the broad range of determinants that shape health and wellbeing.

## Population Health Planning

Population health planning is integrated and collaborative planning that demands that health and non-health sectors, government departments, and service delivery agencies work together to address the issues faced by their communities and populations. It focuses on achieving real and sustainable health improvements and is committed to reducing health and social inequities. This offers opportunities for innovation by seeking and applying evidence about new and changing needs of populations, and how these are influenced by the determinants of health.

## Medicare Locals

The implementation of Medicare Locals, a key component of the National Health Reform agenda, adds another layer of complexity to the planning and design for health services and local health interventions. Population health planning is expected to be a key role of Medicare Locals as they commence activities over the coming 12 months. Strategic objective number three for Medical Locals, outlined in the Department of Health and Ageing Medicare Locals – Guidelines for the establishment and initial operation of Medicare Locals document, includes *“i) maintain a population health database including community health and wellbeing measures, provide input to population health profiles, and undertake population health needs assessment and planning”*.

The VHA is concerned that the role of Medicare Locals continues to be unclear and there are many unanswered questions regarding their policy, implementation and performance framework. Development processes for Medicare Locals has been problematic at both a policy level and at a local agency level.

The VHA Population Health Approaches to Planning model identifies the need for local catchment/regional leadership and local collaboration with a range of stakeholders within and beyond the health sector, to identify priorities for health and community action which will improve the health of populations and subpopulations. Therefore, the VHA will be liaising with the Medicare Locals in Victoria regarding the work of the VHA population health project to date.



Victorian Healthcare Association

## SUBMISSION

*Victorian Parliament - Environment and Planning  
References Committee Inquiry into Environmental  
Design and Public Health*

29 June 2011

Whilst the VHA appreciates that the implementation of Medicare Locals does not fit within the realms of Victorian Government decision-making and outside the terms of reference for the Committee Inquiry, the VHA urges the Committee to consider the implications of these organisations to Victoria's public health service agencies and their capacity to influence public health and act with autonomy.

### Policy Alignment

Many health service agencies aspire to a reorientation of their service mix to reflect the health care needs of their community and also seek to influence the broader influences on health in partnership with local stakeholders. Barriers to fulfilling this aspiration include current funding models and the absence of a supportive state policy context that enables services to make local decisions about their services that align with broader state goals.

In 2010, the VHA and Monash University conducted an analysis of Victorian health policies and their articulation of population health concepts. This policy analysis considered the former government's social policy statement, *A Fairer Victoria*, to be a point of reference for this policy analysis. The analysis showed that at that point in time, Victoria's health policies were varied in their understanding of population health. It found that Victorian policies (with some exceptions such as the Mental Health Matters Policy) are weak on proposed actions that focus on improving the health and wellbeing of whole populations, identifying relevant determinants of health and collaborating with/engaging the community.

During the lead-up to the 2010 Victorian state election, the VHA urged all political parties to commit to a health plan that includes an assessment of Victoria's population health needs, a service strategy and a resource plan to address those needs. The development of a long term health plan has been a key policy priority of the VHA over the past five years. The absence of a Victorian health plan to date has represented a failure to design an integrated health system for the future of all Victorians, and has led to a continuation of the existing paradigm, largely based on historical influences that will not meet future health challenges.

Consequently, the VHA applauds the commitment from the Government to a Victorian Health Priorities Framework 2012-2022 and welcomes the underpinning plans: Metropolitan Health Plan, Rural and Regional Health Plan; the Health Capital and Resources Plan 2012-22; a Victorian General Practice and Primary Health Plan (in conjunction with the Commonwealth Government); and the State Public Health and Wellbeing Plan 2011-2015.

The VHA understands that other planning processes within the Department of Health will align with the Victorian Health Priorities Framework. The VHA encourages this integration to ensure consistency of policy approaches across the Victorian Government, resulting in clarity for service providers and broad efforts to achieve health improvement for all Victorians.

### Indicators

Victoria's devolved governance model is a major strength of the Victorian health system. The benefit of devolved governance – or boards of governance - is the capacity to make decisions at the point of service. This model allows for local and responsive decision-making that involves local solutions to meet local needs. Victoria's health agencies (and their boards of management) need guidance from government in the form of a policy context that sets the parameters for system change. From a supportive policy context,



each governing board can tailor their service delivery plan to the needs of their community of interest.

Effective monitoring of performance is a key role of governing bodies, which can only be successfully achieved through robust indicators. Effective governance indicators should cover the key governance responsibilities and be standardised to enable benchmarking within and between organisations.

Victoria's health agencies rely strongly upon the indicators that are set for them by government and accreditation agencies. However, many indicators are too narrowly focused or poorly monitored, which gives a false perception of the performance of the system, and fails to provide useful information to enable system improvement.

For example, health agencies are currently strongly focused on finances, quality and safety measurements and throughput indicators because these measures are set for them by governments and accreditation standards. These measures are also the basis of funding and service agreements. Whilst this is important, there is little incentive for health agencies to focus more robustly on population health outcomes and the overall wellbeing of their communities. Without indicators to drive population health planning processes at a governance level, these priorities are unlikely to change and the insufficient focus on overall community wellbeing will continue.

In order to support services to move towards a population health approach, the VHA is calling for the development and adoption of an articulated set of industry agreed population health indicators that are publically reported. This would compel health service boards to report on, and be accountable for, the population health outcomes of their communities of interest.

## Key Recommendations

The VHA urges the Environment and Planning Committee to consider the following:

1. That the VHA working definition of population health and the VHA working definition of population health planning be adopted by State Government, and all health and community sector agencies
2. That there is investment in ongoing training in 'population health approaches to planning' for the workforce and boards of health and community sectors, and across government agencies
3. That the Victorian Government invest in the development of population health indicators for health agency boards of management, based on the four core components and eight best-practice principles of population health planning developed by the VHA
4. That the Victorian Government continues to support the development of Municipal Public Health Plans and commits to ongoing improvement, support and development of the Environments for Health Framework
5. That the Committee considers mechanisms to ensure health is a whole of government responsibility and investigates the required linkages between Regional Development Victoria, local governments and other stakeholders
6. That the Committee considers and recognises the implications of Medicare Locals to prevention and public health for all Victorian stakeholders and how Medicare Local population health planning will impact on other planning frameworks
7. The Victorian Government use the forthcoming Victorian Public Health and Wellbeing Plan to re-evaluate and strengthen its approaches to prevention
8. The Victorian Government seeks to align the broad range of planning mechanisms and planning cycles that impact on healthcare decision making and



Victorian Healthcare Association

## SUBMISSION

*Victorian Parliament - Environment and Planning  
References Committee Inquiry into Environmental  
Design and Public Health*

29 June 2011

public health interventions to ensure local agencies can work towards shared goals.

### The VHA Response

The VHA looks forward to working with the Government to design a considered, long-term plan for Victoria's health system and to achieve a more transparent and cohesive health policy context for the state. More detail about the VHA Population Health Approaches to Planning Project is included in the attached VHA Population Health Definitions Position Statement.

The VHA welcomes the opportunity to provide further information to the Environment and Planning References Committee on this or any other issues relating to health in Victoria.

Please contact me on (03) 9094 7777 to clarify any information in this submission.

A handwritten signature in black ink, appearing to read 'Trevor Carr', with a long horizontal flourish extending to the right.

**Trevor Carr**  
Chief Executive Officer

