Dear Minister,

Thank you for inviting comment on ‘Health Reform in NSW’, a discussion paper published by your Department on 5 August 2010.

The University of Sydney has substantial education, clinical training, research and research translation activities in place with hospitals that would be covered by the proposed Local Health Networks (LHNs), and in particular: Sydney; Western Sydney; Northern Sydney; Nepean Blue Mountains; South Eastern Sydney; Central West; Far West and Northern NSW networks. We seek to consult with the Department in relation to its plans for these eight proposed LHNs.

Individual faculties and schools within the University of Sydney have, or may develop, relationships with the remaining six proposed LHNs as well, though less intensely so. We therefore request that clear lines of communications be established to allow our university and other higher education providers to contribute to the development of strategic and operational plans for each LHN.

We note that the Discussion Paper gives very little attention to the question as to where responsibility for the planning and delivery of health education and research services will rest under the proposed LHN structures. This is of significant concern to us.

As the National Health and Hospitals Commission recognised, health care delivery and knowledge, Australia’s demographic profile, and the demands for quality care are changing rapidly. Reforms are needed that deliver serious shifts in funding, service delivery and management models, education, research and knowledge transfer.

In our view, the future quality of health care in NSW will depend largely on the extent to which thinking about health education and research is included in the State’s planning processes, and embedded within the governance structures for the LHNs. We therefore recommend that the next iteration of the document give emphasis to the following points:

1. The responsibility that the State will have under the National Health and Hospitals Network for system-wide health education and research planning as core components of its overarching strategic and workforce planning responsibilities (Discussion Paper p.6, National Health and Hospitals Network Agreement A18, A19 & A22).
2. The responsibility that each LHN will have to plan for and deliver agreed teaching and research services to the State through individualised purchaser/provider agreements (DP p.5, NHHNA A18 & A19).

3. The importance of having members of each LHN Governing Council with expertise and knowledge about health education, research and the effective transfer of new knowledge to prevent illness and/or improve patient outcomes (DP p.16, NHHNA A10).

In relation to points 1 & 2, we note the recent positive discussions between representatives of the Sydney Medical School, the Sydney Nursing School and senior officers of your Department about the potential for NSW to draw on leading international practice to embed the concept of Academic Health Centres as a core part of the LHN governance framework for NSW.

In essence, we see such an approach as offering the best way forward for bridging the divides that are likely between clinical care and hospital-focused LHNs, general practitioners, primary health care organisations, universities and research institutes. The establishment of Academic Health Centres as part of the LHN framework would provide a structure in which to plan, communicate and implement state and local strategies for teaching and research.

In relation to point 3, the COAG National Health and Hospitals Agreement of April 2010 indicated that universities, clinical schools and research institutes would be represented directly on LHN Councils where appropriate (NHHNA p.14). The Discussion Paper is silent on this requirement. It emphasises that members of all Councils will be appointed by the Minister in an individual capacity, rather than as representatives of any external group (DP p.16).

We cannot see how the proposed Councils will fulfil the role envisaged for them by the COAG agreement unless their terms of reference include responsibility, in collaboration with relevant educational institutions, for matters of health education and research. **The University of Sydney recommends therefore that each Council include at least one member who has a sound understanding of clinical/academic issues.**

The University of Sydney was represented directly on many of the Area Health Service Boards that preceded the current arrangements. Such arrangements were generally viewed to work well and this may be a useful precedent to explore now that boards are to be established again.

We look forward to discussing these and related issues with you and your Department in more detail over the coming weeks.

In the meantime, if you require any further information from the University as a whole, please direct these to Mr David Morris, Director, Government Relations, david.morris@sydney.edu.au, ph: 02 9351 3003, in the first instance.

David will ensure that there is clear communication between my office and each of our seven faculties or schools with direct interests in the health reform process.

Yours sincerely

*(Signature removed for electronic distribution)*

Michael Spence