Govt Administration Committee "A"
Sub Committee Enquiry into the Cost Reduction Strategies of the Department of Health and Human Services

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28th November 2011

Impact Statement On Current And Future Cuts To The DHHS Budget & Services

The Royal Hobart Hospital (RHH) is the major provider of elective surgery services in Tasmania. These services have two elements, primary and secondary surgical services provided for patients in southern Tasmania AND tertiary surgical services provided on a state-wide basis. The Department of Anaesthesia is a tertiary ,academic teaching Department and in addition to its clinical service delivery role has major roles in Education and training (from undergraduate, post graduate and specialist teaching roles), Quality Assurance and Clinical Audit, Research and Global Outreach. The Department has close ties with the Australian New Zealand College of Anaesthetists(ANZCA) , The University of Tasmania and the Menzies centre

In addition to the Elective surgery role that is the primary focus of current funding cuts the RHH also provides emergency surgical services to Southern Tasmanian Area Health Service (STAHS) as well as a state-wide emergency service for the tertiary surgical specialities (eg Neurosurgery) – which accounts for over 50% of the procedural work undertaken in the main operating theatres at the RHH.

The RHH provides surgical services from within the usual surgical specialties, including General Surgery, Orthopaedics, ENT, Plastics, Urology, Facial Maxillary, and Ophthalmology; while, the Cardiothoracic, Neurosurgery, Paediatric Surgery, Burns, Vascular and Advanced Upper Gastrointestinal surgical specialties provide tertiary services on a state-wide basis.

There is an expectation from the community that these Emergency and Elective will be provided.

There is a concensus of clinical opinion that the RHH has been under funded for its role for decades.

Emergency surgery services regularly reduce the capacity of the RHH to provide elective procedures. For decades the RHH has endeavoured to meet the requirements of providing both an elective service in addition to these

emergency services demands. In addition the expectation to provide the support for teaching at undergraduate, post graduate and speciality level training has been assumed.

Recent media release has indicated that integration of the UTAS and Menzies Centre with the RHH as the clinical teaching facility has been problematic over a long period. Primarily due to a "revolving door" of CEO's at the RHH

The DHHS Clinical Services Plan Nov 2010 demonstrates Tasmania's population is rapidly ageing, and Tasmanian's are subject to higher levels of socio-economic disadvantage and higher rates of chronic disease. Uneven funding allocation by successive State and Commonwealth Governments, and under-development of service delivery and operational, strategic and financial planning, leaving a legacy of long waiting times, large numbers of patients waiting longer than is clinically recommended and budgetary overspends.

It is accepted that the above-mentioned factors will drive increases in the demand for all surgical services in coming years and budgetary pressures are likely to reduce the actual resources available to support the delivery of services.

Even with significant efficiency and productivity improvements such service delivery cannot be achieved without additional funding OR rationalisation of services.

The rationalisation of services is a public and political issue over the coming years. Debate is required to ensure that the right services are available for patients at the right time, and at the right cost for the Tasmanian and Commonwealth Governments.

These points relate mainly to the impact on current and future cuts to the Royal Hobart Hospital **Anaesthesia and Peri-operative Medicine Department `s** resources/services, however, there is also reference to the impact outside of the Department due to the training, education and research requirements of an Academic teaching Department.

Risk : Immediate - 6 months impact on service delivery:

- The significant reduction in elective surgery in the RHH Main Theatres will have significant operational implications for RHH patients and workforce, and the DHHS and Tasmanian Government. The implications of this reduction include:

  - The RHH's elective surgery waiting list will increase and
  - patients waiting times for surgery will increase, as the surgical sessions targeted to the provision of elective surgery are reduced.

- Increased waiting times for elective procedures will result in increased patient morbidity and mortality ie increased death, as patients wait longer for key elective surgical procedures.eg bowel cancer and cardiac complaints.
- As waiting times increase, it is likely a corresponding increase in the number of patients that then become emergency presentations occurs, resulting in increased numbers of patients requiring emergency surgery.
- These patients admitted as emergencies are likely to be of higher acuity(sicker) , resulting in more intensive treatment(higher cost) requirements and longer inpatients stays (higher cost).
- the RHH will be unable to meet previously agreed elective surgery performance targets.
- Operationally, the reduction in beds will increase ICU bed block due to less general ward beds into which to discharge patients from ICU.
- Discharge from recovery in high acuity patients (sicker patients requiring ICU) will be delayed due to ICU bed shortage
- Inter-hospital and interstate transfer of patients is likely to rise with inability to accommodate due to reduced beds. Impacting on the case mix.
- The RHH is the state referral centre for neurosurgery, cardiothoracic surgery and vascular surgery. The reduction in ICU bed availability here will impact on the ability of NWRH and LGH to transfer patients for specialist care resulting in transfer to mainland centres.

- RHH will be decreasing its surgical staffing complement including Specialists, Registrars and Residents. Senior clinical and executive staff may decide that the reduction is unacceptable, and choose to leave jeopardising the delivery of services by loss of clinical expertise and sufficient workforce to cover base services levels.

- The inability to renew contracts will result in the following risks:

  - Loss of high quality experienced surgical and anaesthesia registrars within Tasmania's public health system.
  - Reduction of operational Anaesthesia capability within RHH

- reduction in the current number of registrars (who are supporting the current emergency surgery workload) will negatively impact on cost containment. (Junior Registrars require supervision and out of hours recall of Consultants at call back cost.
- reduction in elective services has no direct effect on the emergency establishment requirements for rostering due to the 24/7 rostering needs.

Risk : within 1 year:

- Additional reduction in surgical activity case mix , (below current reduced levels), will threaten the viability of all surgical, obstetric and gynaecology, and anaesthesia training programmes.

  — Should insufficient case mix training capacity be available, the relevant accreditation bodies may remove the accreditation of some RHH surgical services.

    1. This in turn will threaten Surgical Service's ability to recruit quality registrars to the training programmes, and retain them.
    2. Junior Medical Officers (JMO) and medical students miss teaching/training opportunities if they are unable to get allocation to an Anaesthesia rotation or have sufficient case mix exposure.
    3. Acquisition of initial airway / vascular access skills and sound airway management practices are mainly developed and consolidated during these crucial first terms/years of training. of JMO's practice. Deficit in training experience by reduction in RMO positions within our Department has already been expressed by staff and will influence their decision regarding future positions.
    4. For a State wide specialist training programme of 5 years, Registrar appointments require certainty. Uncertainty will bring credibility issues and reduction in applications for specialist training positions by quality registrars.
    5. Anaesthesia nursing staff will be decreased if accreditation of Anaesthesia training programme is threatened. ie the training and education of all staff is influenced in the short term in addition to a major impact on future recruitment and skill mix with abolishment of the major training scheme

  — There will be reduced ability to attract and retain specialists in the future if accreditation is not conferred
  — clinical services supported by the Anaesthesia and Perioperative Medicine will also be impacted, particularly Paediatric Surgery, Adult ICU and Oncology, haematology (bone marrow) , Radiology (CT, MRI, PET scanning) .
  — The sustainability of currently stable State-Wide service obligations will be affected, as staffing complements and services levels decrease.
  — The reduction of Surgical case mix for training potential will impact on the integration of the academic and teaching responsibilities with UTAS and Menzies.

Risk: within 3 years

- Long-term uncertainty will damage the credibility and reputation of the RHH as a training institution. This will directly impact on the ability to recruit and retain quality registrars in the future. Such negative impact will take a decade to repair. Tasmania is a small market place nationally and once our good reputation lost it will take decades to retrieve.

- There are significant industrial risks associated with the reductions. These will result in increase union action. The Tasmanian Government is yet to realise the impact of the strong public opinion against these service reductions.

- The reductions will result in increased staff dissatisfactions with inactivity, delayed decision making, and reduced productivity

SUMMARY

An inadequately funded health system, without clear role delineation of the facilities within the system, will focus increasingly on the protection emergency capacity within each facility as these services cannot be “cut”.

Reduction of case mix will eventually lead to potential for loss of accreditation for undergraduate, graduate and specialist training.

With reduction or inability to provide accredited training a reduction in attraction and retention of the junior work force will occur. The clinical load will require increased specialist recall (and probably locums) at higher cost within a system that is grossly inefficient with worsening waiting lists and exodus of clinicians from a teaching facility that is no longer in high regard. Ultimately culminating in inability to attract and retain quality staff.

There is no doubt that the short term “cuts” of elective patients and bed closure within a health and hospital system saves money. If this is pursued every year for decades, the system becomes unable to cope and the level of population illness and avoidable death will rise.

Various options and models of funding need to be addressed at a State and Federal level that incorporates the complexity of the health and hospitals system in both clinical service delivery and training requirements needed to provide our future staffing and sustainability within an efficient highly regarded facility.