

## VHA State Election Platform 2022

# Funding the health system to meet demand

The way our health system is funded can significantly impact how Victorians access healthcare services and how services design their care.

Australia's healthcare funding system is complex and often requires negotiation between state and federal governments. These negotiations and uncertainty can obstruct the health system's ability to adapt and respond to changing needs.

Victorians and our health system need to be protected from the rising pressures of inflation and increased cost of living. This includes equitable access to health services in rural and regional areas.

We can also learn from innovations made during the pandemic. The successes of programs such as Covid Positive Pathways and the GP Respiratory Clinics have shown that investing in out-of-hospital care can help alleviate pressure from our hospitals.

Delivering innovations in funding will ensure Victorians can have better and more timely access to health services.



# What can government do to support Victoria's public health system?

The VHA is seeking the following funding-related commitments in its campaign ahead of the 2022 state election. These commitments have been developed through extensive engagement with Victoria's public health services and community health services.

## Keep health funding above inflation



We want to see a commitment that healthcare funding for public health and community health services will, at least, exceed inflation for the duration of the next term of government.

Health funding has increased in recent years due to the pandemic response, but these COVID costs are now business as usual – funding needs to reflect that, and it needs to increase to meet rising inflation and demand for care.

While inflation can mean a cut in real wages for workers, it can also mean a real-world cut in funding for public and community health services. This can affect the ability of services to recruit workers and deliver care as we continue to respond to the pandemic and its impacts.

Only by funding the public health sector above the rate of inflation can public and community health services continue to deliver the quality care Victorians deserve.

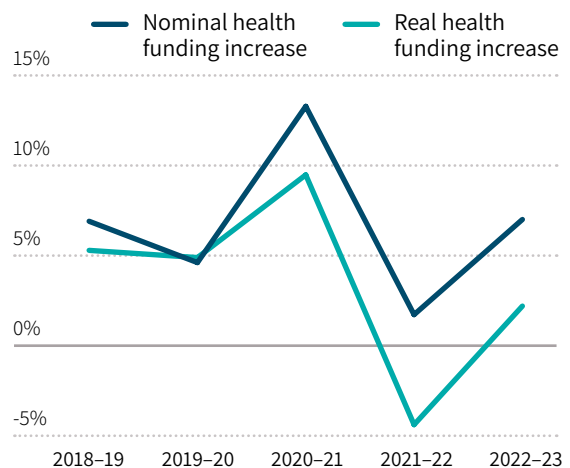
### State Government must protect healthcare funding from inflation by:

- committing to fund public and community health services above the rate of inflation for the next full term
- ensuring that public and community health services are protected from efficiency dividends for the next four years
- advocating to the Commonwealth Government to [commit](#) to paying its fair share of health funding.

### Impact of inflation on funding increases

Higher inflation lowers the impact of increased health funding – at a time when increased health funding is so vital.

#### Nominal vs real health funding increases



## A No Gap Guarantee for Urgent Care Centres



We want the Victorian State Government to fully fund rural Urgent Care Centres so that no Victorian will have to pay for emergency care.

Currently, if a Victorian presents to an Urgent Care Centre, they may have to pay a Medicare fee – yet if they were in a regional hub or metropolitan area, they could attend an emergency department for free. State leadership is required on this issue, especially if Urgent Care Centres are to get the federal funding they deserve.

Victorians in rural and regional areas should not be punished for not being near an emergency department – access to emergency care should be equal, no matter where you live. This would support greater care provision in rural and regional areas, which already face issues around access to care and workforce.

### State Government must support urgent rural care by:

- formalising the role of Urgent Care Centres in our health system and fully funding them to reduce pressure on emergency demand
- covering any gap payments so that Victorians do not have out-of-pocket expenses for urgent rural care.

## Funding reform to keep Victorians healthy and out of hospital



We want the next Victorian Government to develop and support new funding models for out-of-hospital care.

With increasing demand for acute services, funding models need to encourage greater care in the community – so that urgent care is available to those that need it. Keeping Victorians out of hospital will lead to benefits in the long term.

Capitated or bundled payments offer an opportunity to reward services for delivering more out-of-hospital care – but this needs to be led by the government. There is demand from services do things differently, but they are curtailed by arbitrary restrictions – at both the national and state level.

This means the next Victorian Government must be a leader on this issue – and commit to implementing greater use of new funding models. The [HealthLinks](#) program, and model, offers a key opportunity, through its expansion, to deliver on this promise.





### State Government must support out-of-hospital care by:

- committing to implementing new payment models during the next term that drive greater community care
- leveraging community health services to reduce avoidable hospital demand and increase access to healthcare
- leading the national conversation about modernising our payment models, to gain permanent recognition in the national funding agreement.

Without these commitments from government, our health system runs the risk of being burdened by outdated funding models that no longer meet the Victorian community's complex health needs and increasing demand for care.

## If you care about the health of your community, **#VoteForHealth**

If you think it's important that the healthcare system is funded to adapt and respond to changing needs, take action to support Victoria's public health system ahead of the Victorian election 2022.

-  Find out what the major parties are saying about health by following our election commitment tracker <https://padlet.com/VHA2022/voteforhealth>
-  Ask your local MP what they are doing to improve access to health services in your area
-  Find out which local candidates are committed to improving the quality of local health services
-  Write to your local MP to let them know that health is important to you (we've created [this handy resource](#) to guide you)



Read the VHA's full State election platform at [www.vha.org.au/policy-and-advocacy/agenda-2022/](http://www.vha.org.au/policy-and-advocacy/agenda-2022/)

Printed/published by Victorian Healthcare Association

Level 6, 136 Exhibition Street,  
Melbourne Vic 3000, Australia  
(+61) 3 9094 7777  
vha@vha.org.au

Authorised by Juan Paolo Legaspi  
Level 6, 136 Exhibition Street,  
Melbourne Vic 3000, Australia