

**The Hon Nicola Roxon MP
Australian Self-Medication Industry Conference
Thursday 12 November 2009**

*****CHECK AGAINST DELIVERY*****

Traditional custodians of the land;
Ralf Dahmen, President, ASMI;
Juliet Seifert, Executive Director, ASMI;
Bill Curtis, Master of Ceremonies, Managing Director CJB;
Ladies and gentlemen.

Good morning and thanks for having me here this morning. It's a pleasure to be here and to have the opportunity to give you a progress report on the Rudd Government's health reform agenda. I am trying to take every opportunity I can to engage with stakeholders from all parts of the health system.

It's a good time to be Health Minister. We have broad agreement in the community and the sector on the urgent need for systemic, long term policy reform, which coupled with a government with the will to implement such changes, makes for exciting times indeed.

Reform Commission Report

I trust by now everyone has had an opportunity to read in detail and memorise the Health Reform Commission's final report and its 123 recommendations – there'll be a pop quiz at the end to test you all.

Jokes aside, I seriously do hope you've all had a chance to read it. This is not a report that will gather moss in an office somewhere – this is a blueprint for the root and branch reform of the Australian health system.

I think it's safe to say there is no aspect of health service provision or delivery which has not been touched on in the report. It gives us 123 recommended solutions – which we are now road testing in the community.

The report is clear – while the health system has many strengths and still delivers excellent outcomes for patients, it is struggling after a decade of neglect and with changing demographics and burgeoning chronic disease.

Demand and costs are spiralling; there are gaps in services and inequities in outcomes; parts of the system are overly complex and inefficient.

Our health system is by no means broken, but the Report warns that our health system is nearing a 'tipping point'. The time for fiddling with the system and papering over the cracks has passed.

Continuing to do things the way we are will just cost us too much in terms of funding, which will reach unsustainable levels, and health outcomes, which will quickly deteriorate.

Just consider the financial forecast. If we carry on 'business as usual', our health and aged care costs will jump from 9 per cent of GDP now to 12.4 per cent of GDP in 2033. In dollar terms, that means a leap from around \$84 billion in 2003 to almost \$246 billion in 2033. In our most recent update to the forward estimates, projected spending on our major health programs jumped by an additional \$4.3 billion over the next four years. Clearly the time for band-aids and short-term fixes is over.

The Commission has presented to the Government 123 recommendations to help meet these challenges, which can be broadly broken down to three key goals:

Tackling major access and equity issues that affect health outcomes for people now;
Redesigning our health system so that it is better positioned to respond to emerging challenges, including the boom in chronic disease; and
Creating an agile and self-improving system for long term sustainability.

One of the keys to achieving these aims will be to put more policy focus and funding into preventative health. Consider the fact that currently we spend 70 cents of every health dollar on treatment, and only 2 cents on keeping people fit and well so they don't get sick and end up in hospital.

As well as the Reform Commission Report, the Government has also released two other reform documents – the first ever draft National Primary Health Care Strategy and the report of the National Preventative Health Taskforce.

Once again, these important documents propose a number of new directions for our health system. Changes proposed include a better framework for accountability in primary care, and the better management of patients with chronic disease.

At the moment in our health system, all roads lead to the hospital. You know that only too well. What we need is a health system where some shorter roads lead to other, more appropriate services. Where the system is built around the needs of the patient, rather than the patient struggling to navigate the system.

We're not at the stage where I can give you the Government's response to all three reports today. But what I would like to do is highlight some directions which connect with today's conference's theme of self-care and personal responsibility.

Self-care and responsibility

The Commission's report places great emphasis on the notion that supporting good health and wellbeing is not something that governments can achieve on their own.

On the contrary, good health is something which requires both individual and collective

action – an idea the NHHRC bring together under the theme ‘Taking responsibility’. They emphasise the importance of strengthening health literacy, so that people, starting from school age, have the skills and ability to make good decisions to maintain health and prevent disease.

They highlight the importance of evidence-based, consumer-friendly information that supports people making healthy choices. And they support mechanisms to enable consumers to take better control of their health, such as a personal electronic health record.

These are issues you raised with me way back in Opposition, as something your industry supported.

Role of self-medication industry

The self-medication industry can have an important role to play in supporting consumers taking responsibility for their health.

The use of over-the-counter (OTCs) and complementary medicines contribute to the range of health decisions that we make when taking care of ourselves. They can complement other decisions we all make on our health: in areas like exercise, diet, the use of prescription medicines and so on.

With self-care, people take responsibility to make appropriate lifestyle changes and use a range of products that not only relieve aches and pains and help treat chronic ailments, but can also help to prevent more serious disease.

For example, products used for nicotine replacement therapy (NRT) can effectively contribute to health improvements by assisting with behavioural changes.

It is important that consumers are properly informed so that they can make appropriate choices about self-medication and have confidence that the medicines they use are safe, effective and of the highest quality.

Australia has a sensible, evidence-based system for the regulation of non-prescription medicines, which provides a level of scrutiny and evaluation consistent with risk.

But the self-medication and complementary medicines sectors will always have an important responsibility to ensure that consumers receive appropriate information. I appreciate the work which ASMI has been undertaking with the TGA to ensure that advertising is appropriate and consumers receive the right information.

It is important that Government and industry continue to work together to maintain the Australian public's confidence in the Australian regulatory system and in the quality, safety and efficacy of the medicines they use.

Primary Care

Another strong theme both in the Reform Commission report and the draft National Primary Health Care Strategy is the importance of strengthening primary care as the key to improving Australia's health system.

Dr Tony Hobbs chaired the External Reference Group of primary health care experts who helped develop the strategy – and he is also presenting here at this conference.

Stakeholder input was crucial in developing the draft strategy, with more than 260 submissions received in response to the discussion paper.

ASMI made a submission, promoting the integration of self-care into primary health care.

As ASMI's submission highlighted, consumers expect to be involved and active in their health care management, and should be encouraged to take more responsibility for their health and wellbeing.

They should also have access to tools to enable self-care in a structured and informed way, and help them navigate the health system effectively.

The strategy identifies the need for strengthened, integrated and more systematic approaches to primary and preventative care.

By better using the skills and abilities of primary points of contact, such as pharmacists, we can better cater to a range of community needs and better use our scarce health workforce.

Health Technology Assessment

If we are to provide patients with the most effective and cost effective care, we need robust and efficient processes to assess what works best – whether it is a medicine, a device or a medical intervention.

That's why, over the course of this year, the Finance Minister and I have been overseeing a review of Health Technology Assessment. We currently have a number of processes that all assess health technology, including the Therapeutic Goods Administration, the Pharmaceutical Benefits Advisory Committee, the Prostheses and Devices Committee and the Medical Services Advisory Committee.

The aim of the review is to recommend options to improve efficiency and reduce the regulatory burden so that patients can have timely and affordable access to safe, effective and cost effective interventions.

My department has conducted extensive consultations and I am looking forward to receiving the review's recommendations soon.

So what's next?

As I said at the outset, we are looking at the most significant reforms to our health system in a generation. This is one of the reasons why the government has committed to a series of public consultations on the Report.

The consultations we are holding across Australia are an unprecedented dialogue between an Australian Government and the people about health.

We want to know from doctors, nurses, allied health workers, industry, families and individuals what they think is important, and what they think will work. We have established a website – yourhealth.gov.au – for all Australians to have their say. This website has now had more than 120,000 hits.

We've had 72 consultations so far around the country to help inform our approach to reform.

Following our consultations, in December there will be a special meeting of COAG to present the results of the feedback and consider the Commission's Report. In early 2010, we will present the Commonwealth's plan for comprehensive reform to the states and territories.

Our preference is to work co-operatively with the states in implementing that national reform agenda, but if agreement is not reached, the Government will seek a mandate from the people at the next election to deliver on our national reform plan.

Conclusion

We are at a rare moment in public policy debate.

Everybody in this room, like everybody in the community, has a stake in our health system.

If we get this reform right, we will leave our children a health system that is sustainable, that is accessible for everyone, that has a well-trained workforce and that treats patients as close to home as possible.

That's why we are so determined to get it right.

I invite you all to continue to be a part of that conversation.

Thank you for your time.

ENDS