Medical specialist training is nominally the responsibility of State governments, but the professional associations have dominant roles in controlling numbers and conditions of training.

WHO IS RESPONSIBLE?

Health is an industry that is regulated by both Commonwealth and State and Territory governments. The Commonwealth is responsible for Medicare, university training and general practice training issues.

The States and Territories are responsible for the regulation of all health professionals (including registration and how they are allowed to practice), hospitals and medical specialist training (with funding shared with the Commonwealth).

However, medical specialist training is a difficult issue to control. While nominally the responsibility of State governments, professional associations have dominant roles in controlling numbers and conditions of training. This situation has developed through convention with little legislative backing. Establishing responsiblity for regulation is difficult due to the nebulous nature of the combination of regulation, convention and conduct.

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LIMITS ON TRAINEES

The Australian Medical Workforce Advisory Committee (AMWAC) was established by agreement of all Australian Health Ministers and makes recommendations as to the number of doctors that should be trained.

Recommendations to increase the numbers of orthopaedic surgeons, ear nose and throat surgeons, radiation oncologists and obstetricians have not been implemented.

In 1997 it was recommended that there be an additional 20 ear, nose and throat surgery training positions by 2000 – there has only been an increase of 3.

IS REFORM POSSIBLE?

It is important to maintain consumer confidence in Australia's high quality health professionals and to respect legitimate professional concerns.

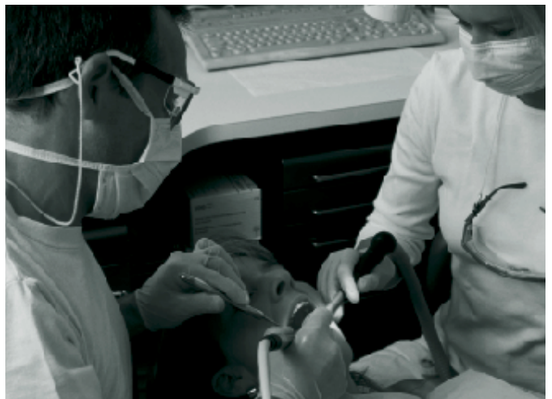
However, there are three main areas of professional regulation that could be reviewed to ensure the overall public interest.

Any 'self-regulation' should be structured so that the professionals cannot abuse their control for their own benefit.

Any legislation that unnecessarily restricts competition and that does not directly contribute to patient safety and well being should be reviewed and potentially removed.

Professional associations should not be able to determine, without any consideration of the public benefit, who gets trained, where they get trained and how many are trained.

Health services regulation is designed to serve the community, not health professionals. Public accountability and community involvement are very important in all stages of regulation. Regulatory processes should be reformed to be as public and transparent as possible.



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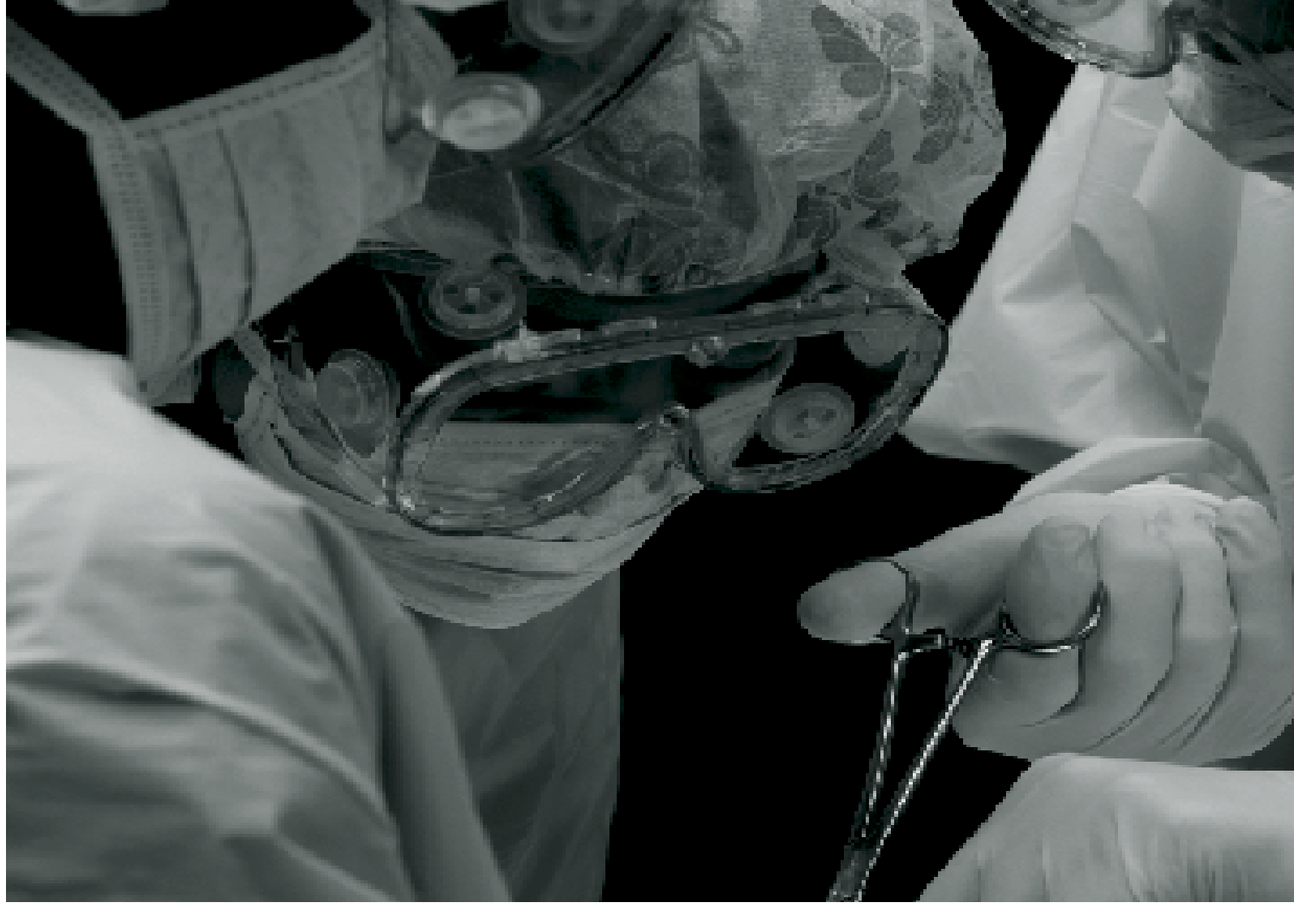

REFORM OF THE HEALTH CARE PROFESSIONS

National Competition Council
Community Information
2000

PROTECTING THE PUBLIC INTEREST

Doctors, surgeons, nurses, dentists, optometrists, physiotherapists, pharmacists, chiropractors, and psychologists are all examples of health professionals.

In order to protect public health and safety Australian Governments use a range of laws, regulations, professional rules and responsibilities to govern entry and practice within the health professions.

A good system of regulation will protect consumers by ensuring that health professionals are properly qualified and base decisions on need and quality rather than price.

However, overly restrictive or anti-competitive regulation can impose major and unnecessary costs on consumers. They also contribute to the severe shortages of many health professionals, particularly in rural and regional Australia.

This paper discusses regulation of the health professions and what can be done to protect consumers from abuses of self-regulation and unnecessary limitations on competition.

More than 80 overseas trained doctors have gone to rural NSW since the Government increased competition in rural practice.

ANAESTHETICS – GOOD WORK IF YOU CAN GET IT.

Fees charged by anaesthetists are more than $100 million per year above the Medicare benefits. On average anaesthetists earn more than $250,000 a year.

The hefty pay packets and the high cost of anaesthesia are due in part to a shortage of specialist anaesthetists. The College of Anaesthesia severely limits the number of trainees, who can train them, and where they can be trained.

Public hospital waiting lists are exacerbated by a lack of anaesthetists. One in seven public hospital anaesthetist positions is permanently vacant and there are numerous examples of surgery being cancelled because of too few anaesthetists.

WHY IS THERE A SHORTAGE OF SUPPLY?

There is an important distinction between excluding competent practitioners (by using subjective standards or limiting training opportunities), and enforcing objective standards.

Clear standards, such as a medical degree from an Australian University or passing an independent examination, are appropriate to ensure competency. But, subjective and/or anti-competitive regulations will ensure an artificial shortage of supply. The consequence of this is higher prices, long waiting times for consumers, and higher salaries for the professionals.

In Australia numerous overseas-trained health professionals have been excluded from practice or have had extensive barriers put in their way. While some overseas-trained practitioners clearly do not have the skills or competence to practise to Australian standards, many others have been treated unfairly.

There are also significant restrictions on young Australian doctors who want to become specialists. Training numbers are strictly limited, and many speciality training programs are heavily oversubscribed. Historically the Specialist Colleges have dictated the terms and conditions and controlled the numbers of trainees.

This control needs to be re-examined and the community should be involved in the decision making process. If the specialist Colleges cannot, or will not, enable adequate training and competition then alternatives must be sought. Governments could set up independent bodies to assess overseas qualifications and other training providers, such as universities, could become involved in the training process.

Waiting times to see some specialists can be weeks or months.
More specialists would mean that waiting times would be shorter, and services could become more widely available in rural and regional centres.

HEALTH PROFESSIONALS AND NATIONAL COMPETITION POLICY.

In 1995, all nine Australia Governments agreed that in order to stimulate economic growth and job creation a co-ordinated approach to market reform was required.

As a result, all Governments undertook to implement, on an ongoing basis, a package of reforms to be known as the National Competition Policy.

In its simplest form, 'competition' in a marketplace is about choice and exists when a number of businesses strive against each other to attract customers and sell their goods and services. Competition generally will foster production efficiency and innovation and thus generate lower prices, greater choice and better levels of service for consumers.

One of the most important National Competition Policy undertakings is that each Government will review and reform all laws that restrict competition unless the benefits of the restriction to the community as a whole outweigh the costs.

In line with this policy, anti-competitive restrictions and regulations for health professionals must be comprehensively reviewed by the Commonwealth and all State and Territory Governments and reformed if they are found not to be in the public interest.

CLINICAL INDEPENDENCE

Health professionals jealously guard their clinical independence. They argue that clinical independence allows them to make decisions about a patient's care without reference to external factors such as cost.

However, critics argue that clinical independence is deployed as a smokescreen to avoid scrutiny of decisions and thus accountability and competition.

Health professionals are not the only interested parties in the delivery of health care. There is a legitimate role for governments and others who fund the health system, such as individual patients and insurance companies, to help ensure high quality treatment.

TURF WARS

There are constant battles between health professions on appropriate practice limits. Nurse practitioners, for example, have had great difficulty being recognised in most States and Territories. Nurse practitioners perform limited functions usually reserved for doctors, such as writing referrals to specialists and doing physical examinations.

In the UK and the US nurse practitioners are an entrenched part of the health care system. But in Australia, even in remote rural areas where doctors refuse to practice, there is still major hostility from doctors to nurses taking a more active role in health care.

RURAL DOCTORS

In 1999 the Western Australian Government announced a new plan to provide greater access to rural practice to doctors trained overseas. They were able to promote competition under existing laws by changing registration requirements.

Most other States have now followed Western Australia's lead. In New South Wales alone, more than 80 rural vacancies have been filled in the first nine months of opening up competition in this sector.