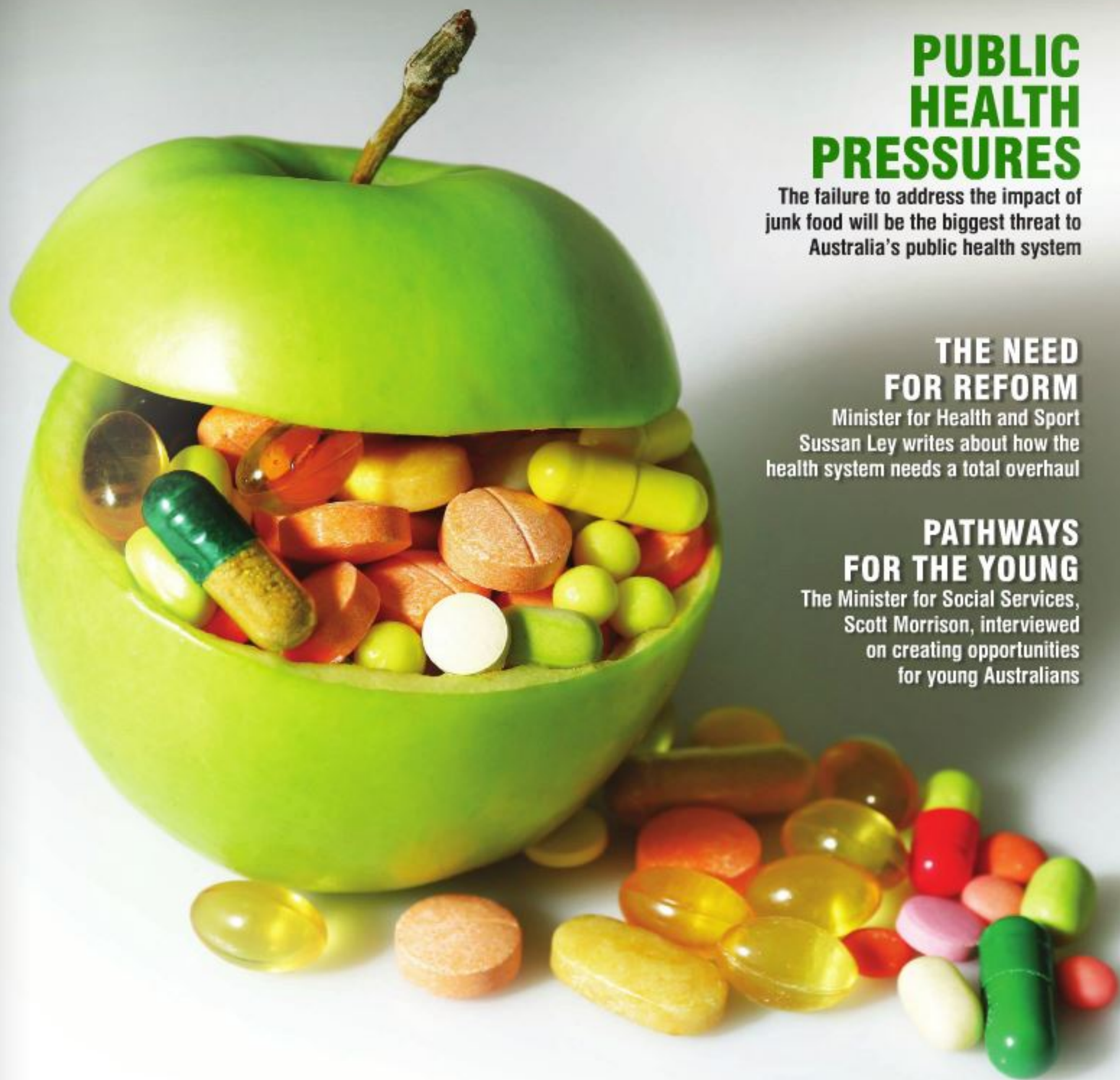


TRANSFORMING THE NATION'S HEALTHCARE

HEALTH & AGEING AUSTRALIA 2015



PUBLIC HEALTH PRESSURES

The failure to address the impact of junk food will be the biggest threat to Australia's public health system

THE NEED FOR REFORM

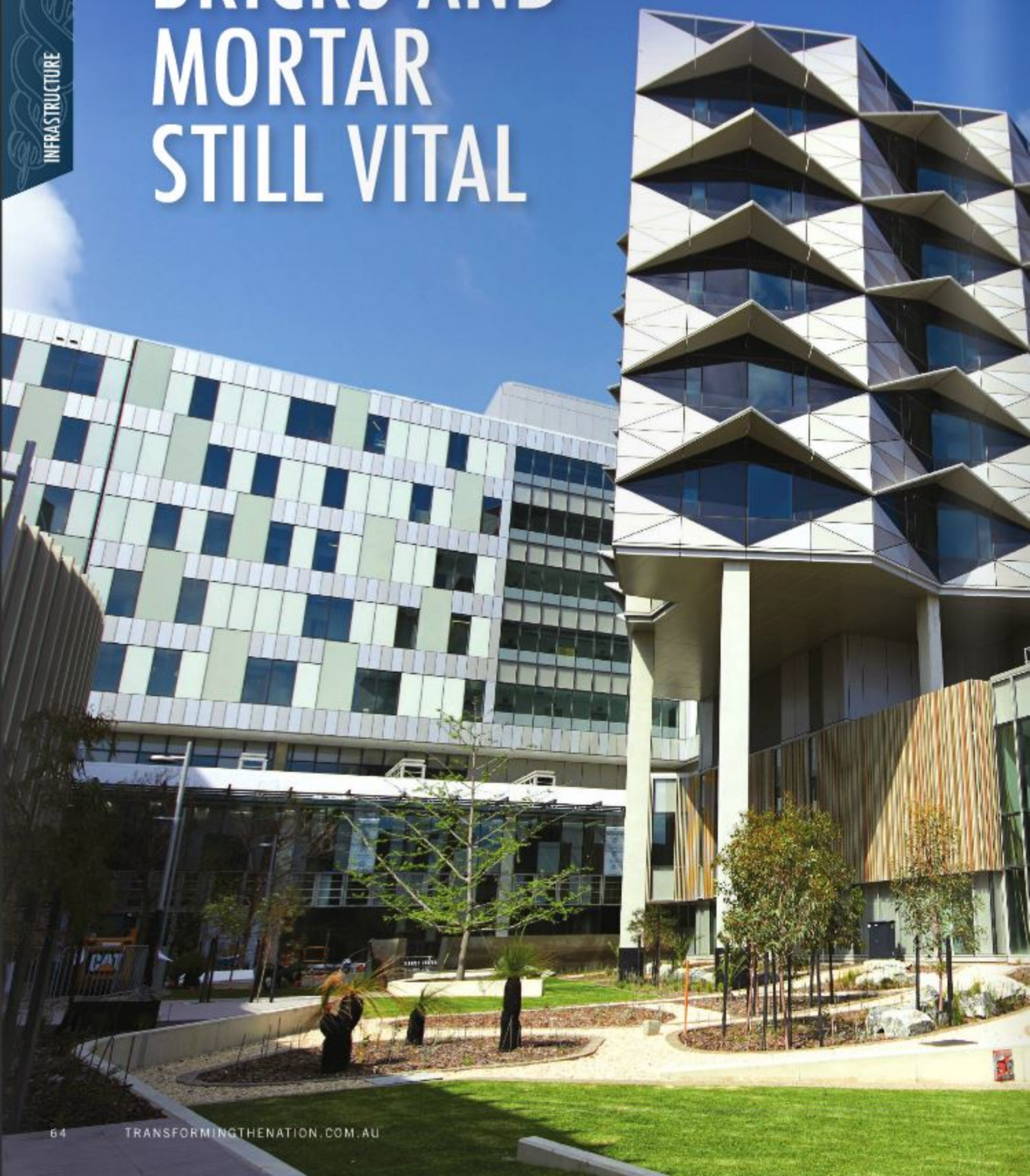
Minister for Health and Sport
Sussan Ley writes about how the health system needs a total overhaul

PATHWAYS FOR THE YOUNG

The Minister for Social Services,
Scott Morrison, interviewed
on creating opportunities
for young Australians

PLUS: TECHNOLOGY INDIGENOUS MENTAL HEALTH DISABILITY

BRICKS AND MORTAR STILL VITAL



While much of the healthcare spend is directed at prevention so that people stay healthy and need minimal contact with the system, the reality is that physical infrastructure remains a crucial component in Australia's healthcare budget. **By Jacqueline Fox**

The buildings in which health services are delivered and which also accommodate patients continually need refurbishment, and older facilities are constantly being replaced with new greenfield sites.

Health planners must strike the right balance between creating new hospital and healthcare infrastructure, and funding the jobs of the people who work in them and the equipment they will use. Telemedicine and e-health are enabling remote communication with health professionals, but infrastructure remains a constant priority.

Australia spends just under 10 per cent of the nation's annual GDP of \$1.5 trillion on health. This equates to national healthcare spend of just under \$150 billion,

HEALTH PLANNERS MUST STRIKE THE RIGHT BALANCE BETWEEN CREATING NEW HOSPITAL AND HEALTHCARE INFRASTRUCTURE, AND FUNDING THE JOBS OF THE PEOPLE WHO WORK IN THEM AND THE EQUIPMENT THEY WILL USE.

of which – according to the Australian Institute of Health and Welfare – capital expenditure comprises 7.9 per cent, or \$11.8 billion each year. Not all of this is infrastructure, of course, as a large percentage is equipment, but the breakdown does show the scale

Artist's impression of the new Royal Adelaide Hospital



of health spending, and the funds which are available.

State and territory governments hold the prime responsibilities for delivering health infrastructure, accessing Federal Government financial assistance for priority projects and involving the private sector where appropriate in Public Private Partnerships (PPPs), particularly around supplementary commercial projects such as hospital car parks.

The Commonwealth, which has a broad policy leadership and financing role, does have its own dedicated infrastructure budget lines, such as the National Rural and Remote Health Infrastructure Fund, established in 2008. This is a competitive grants program which aims to improve access to health services through funding infrastructure and equipment in remote rural communities.

To assist in the planning of new

facilities, the Australasian Health Infrastructure Alliance has created a set of guidelines to help deliver faster and more efficient project briefs for capital projects.

The guidelines comprise suggested standards on access, mobility and security, in addition to infection prevention and control, all of which flow from good environmental design.

The cost of compliance means that hospitals are among the most expensive infrastructure projects to deliver. In the private sector, the chief of Ramsay Health Care, Chris Rex, told a Business Leaders Forum in Sydney this year that building a hospital in France, where the company is also active, could be 40 per cent less than in Australia due to regulation.

In South Australia, the new \$2.1 billion Royal Adelaide Hospital was recently ranked as the world's third most expensive

building, beaten only by New York's One World Trade Centre and the Palace of Parliament in Bucharest, Romania.

It will, however, be one of the nation's most advanced hospitals, and most significant piece of health infrastructure, when it opens its beds for patients in April 2016.

In the case of the RAH, the site of the original hospital – built in the 1840s soon after South Australia was settled – will be abandoned for a new site less than two kilometres away down the North Terrace thoroughfare in the city's central business district.

"Within two or three years we're going to have a fantastic health precinct that will be the envy of many places in the world," says David Swan, the chief executive of SA Health. "What we're building is one of the largest hospitals in Australia. It's 800 beds and it's designed in a way that maximises

the care for all patients and we're very confident that it's going to be internationally recognised as a high level, professional health facility."

The new RAH is not a standalone facility either. It is situated right next to the already completed and highly distinctive \$200 million South Australian Health and Medical Research Institute, home to around 700 of the nation's elite medical scientists who conduct interdisciplinary research with the state's three universities and the soon to be completed RAH in a new health and biomedical precinct.

Given that the old RAH has served the state for more than 170 years, the new complex is health infrastructure designed to serve several generations.

In other states, governments are also delivering major new health infrastructure projects to cater for the needs of changing communities.

In Queensland, the Palaszczuk Government earmarked an additional \$180 million in its

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July 2015 budget to address the state's most urgent health infrastructure through a new Enhancing Regional Hospitals program. The program will fund vital upgrades and repairs at the Roma, Hervey Bay, Gladstone and Caloundra Hospitals.

"The Enhancing Regional Hospitals program will provide funding to refurbish and modernise ageing and outdated hospitals in regional Queensland,"



said Queensland Health Minister Cameron Dick.

The program includes the expansion of the Hervey Bay Hospital's Emergency Department, the upgrading of Gladstone Hospital and refurbishment at Caloundra to accommodate service delivery changes associated with the commissioning of the Sunshine Coast Public University Hospital.

Due to open in 2016 with 450 beds, Sunshine Coast is a new \$1.8 billion greenfields hospital being built as part of the 20 hectare Kawana Health Campus. Sunshine Coast can be expanded to 900 beds beyond 2021.

South of Brisbane, Queenslanders are already being served by a new public hospital, the Gold Coast University Hospital, which welcomed its first patients in

September 2013. Also built at a cost of \$1.8 billion, the 750 bed facility is built on a site adjacent to the Griffith University Gold Coast Hospital.

New South Wales is also upgrading its health infrastructure, with \$1.4 billion allocated in the 2015-6 budget to rebuild hospital and health facilities, funds dedicated to health infrastructure.

"In our first four year term, the NSW Liberals and Nationals invested \$4.8 billion to upgrade hospitals and health facilities across the state," said NSW Health Minister Jillian Skinner.

If re-elected, the government has pledged another \$5 billion on health, a significant percentage of which is earmarked for infrastructure.

Australia is entering a period of significant demographic change, and this will be reflected in health infrastructure needs.

According to a recent global study by Polycom, Australian health professionals have nominated health services infrastructure as the greatest healthcare challenge of the next 10 years. ●