

Mr James Downie Chief Executive Officer Independent Hospital Pricing Authority PO BOX 483 Darlinghurst NSW 1300

Your ref N/A Our ref H17/76462

Dear Mr Downie

Australian Teaching, Training and Research Classification Version 1

Thank you for the opportunity to provide comment on the IHPA's Consultation Paper on the Development of the Australian Teaching and Training Classification. Please find attached the NSW submission.

If you would like to discuss any aspects of the submission, please contact Mr Neville Onley, Executive Director, Activity Based Management on 02 9391 9035 or at nonle@doh.health.nsw.gov.au.

Yours sincerely

3.10.17

Dr Nigel Lyons Deputy Secretary, Strategy and Resources

Encl.: NSW Submission – Teaching, Training and Research Consultation Paper

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Independent Hospital Pricing Authority Consultation Paper Development of the Australian Teaching and Training Classification

NSW Health Submission

This submission provides comment on the Consultation Paper prepared by the Independent Hospital Pricing Authority (IHPA) regarding development of an Australian Teaching and Training Classification (ATTC).

General Comments

NSW supports in principle the ongoing development of an ATTC. We acknowledge that teaching and training activities represent an important role of the public health system alongside the provision of care to patients.

NSW has significant concerns however regarding implementation of an ATTC without further improvements to the robustness and quality of data collected for the classification.

Of particular concern is the inadequate representation of data across all jurisdictions, with only three jurisdictions taking part in the TTR Costing Study 2015. There are also limitations within the collection sites with cost structures not being a true representation of differences in teaching and training costs by profession, geography, training stage and other distinguishing factors.

NSW notes that it may take jurisdictions up to five years to meet reporting requirements for the National Best Endeavours Data Set (NBEDS). NSW seeks further clarification from IHPA on how jurisdictional compliance for meeting teaching and training data submission to NBEDS will be reported. NSW believes that reporting on NBEDS should continue to be best endeavours only and excluded from compliance reporting.

NSW notes that findings from the TTR Costing Study indicate that embedded teaching and training costs represented nearly 80 per cent of total teaching and training costs, and that these have been excluded from data modelling for the development of the ATTC. NSW believes that this has significantly reduced the ability to fully understand true teaching and training costs. NSW is also concerned with seasonality elements and data trimming on an already reduced data set being considered for this classification development.

Recommendations:

- NSW recommends a further period of national data collection inclusive of all jurisdictions to enable a direct comparison against the TTR Costing Study results. This will improve the quality of data collected nationally and inform development of more robust teaching and training classification.
- NSW seeks further clarification from IHPA on how jurisdictional compliance for meeting teaching and training data submission to NBEDS will be reported. NSW believes that reporting on NBEDS should continue to be best endeavours only and excluded from compliance reporting.
- NSW recommends IHPA ensures consistency of practice across jurisdictions before the classification is used for pricing.

While NSW supports the standardisation and consistency of the architecture across all five clinical disciplines, NSW does not currently capture nursing and midwifery postgraduate and vocational data. Further work is needed by NSW to clarify how to identify this cohort of workforce.

NSW notes that each clinical discipline may have varying role definitions across jurisdictions and that this should be outlined within the scope of the consultation document.

Recommendations:

- NSW seeks clarity on the intended method for application of FTE between direct and indirect teaching and training. There is significant variation in the average direct and indirect costs per FTE across hospital sites, with differences ranging from \$33 to \$1600 per trainee per FTE.
- NSW requests further collection of teaching and training data across the dentistry and midwifery disciplines prior to implementation of this classification to ensure equity across all jurisdictions.

Consultation Question:

3. Are there other variables which should be considered in future versions of the ATTC?

Broadening the collection of teaching and training cost data across jurisdictions prior to introduction of an ATTC may identify additional cost drivers for consideration.

NSW suggests a review of jurisdictional models for visiting medical officers and staff specialists to identify any potential impact on implementation of this classification.

Recommendation:

• NSW suggests a review of jurisdictional models for visiting medical officers and staff specialists to identify any potential impact on implementation of this classification.

Chapter 5 Next steps and further opportunities to participate

Finalise ATTC Version 1.0

Consultation Question:

4. What supporting material would be beneficial for the ATTC?

NSW is of the view that nationally applicable definitions and data dictionaries would avoid misinterpretation and would benefit implementation and sustainability of the classification.

Recommendation:

 NSW suggests additional supporting material which provides a clear delineation between direct, indirect and embedded teaching and training to enhance national understanding and application.

Consultation Question:

7. Are there any further considerations that should be taken into account when developing the ATTC?

With regard to supporting future iterations of the ATTC, NSW does not support the expansion of additional data items to be reported in NBEDS until a further 12 months of complete national activity data set is collected, costed and funded and the impacts of implementation is better understood.

Recommendations:

- NSW suggests further consideration of the use of FTE as a costing and classification variable, as this is viewed as ambiguous particularly where students are not paid employees of a health service, which will affect the ability to appropriately match activity to cost.
- NSW suggests IHPA clarify how it will adjust for variation within costs based on hospital characteristics as the TTR Costing Study shows significant variation within these characteristics.
- NSW suggests IHPA consider a timeframe to expand the teaching and training definition to include clinical and non-clinical staff undertaking teaching and training to achieve additional tertiary qualifications, e.g. health managers.
- Consideration should be given to back casting and operationalisation of the classification and modelling considered in the work plan before the classification is introduced as part of the risk mitigation strategy to ensure jurisdictions are not exposed to financial uncertainties.
- NSW recommends costing standards be updated to reflect the classification.