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AMA Submission to the ‘Bright Future’ Strategic Review of Australian Health and Medical Research.

As the professional organisation for medical practitioners across all disciplines in Australia, the AMA has a strong interest in ensuring that Australia’s capacity to be among the world leaders in health and medical research is recognised and properly supported. Currently, this potential is not supported, and consequently, Australia is falling further behind in the context of global research, discovery and innovation.

Australia has a proud record of achievement in health and medical research. Health and medical research funded through the National Health and Medical Research Council (NHMRC), other agencies and charitable foundations is crucial to ensuring best practice health and medical care in Australia. The assessment of health system reforms, innovation, new treatments and new technologies is essential to the continuous improvement of both the efficacy and efficiency of health service delivery.

Increased support for health and medical research in areas such as child health, chronic disease, primary care, clinical trials and basic epidemiological and laboratory research is essential if Australia is to gain the maximum benefit from the expertise that exists in our hospitals, universities and community. The challenge associated with increasing numbers of older Australians requires medical research to properly inform decisions based on the cost-effectiveness of health care and the prevention of illnesses that would otherwise require health care.

Health and medical research is a substantial part of Australia’s contribution to global science, and investments in this research result in significant broader benefits to the Australian economy.

Australian Government needs to make a more substantial investment in health and medical research. In comparison to other OECD countries, Australia is mid-table for investment in health and medical research. However, with Australia’s general prosperity, strong economy, and track-record in innovation Australia should be aiming for leadership.

To begin to achieve this, the AMA believes that the Australian Government must increase support for health and medical research by at least 10 per cent each year over the next four years.

Specific funding should be allocated to improve the evidence base for preventive medicine and chronic disease management. In particular, the Government should provide additional funding to:

- enable the NHMRC to provide stronger support for research to address rising rates of conditions such as diabetes, cancer and dementia, and to build workplace productivity and address population ageing;
- build health research infrastructure and increase program and project grant funding to improve the evidence base for health care and to ensure that high quality evidence is implemented as an integrated component of routine clinical care. This is essential to the evaluation of health reforms and will provide evidence to drive excellence and continuous improvement in the health system;
- support an arrangement where groups conducting research that produces cost savings for the community can share in a proportion of those savings in order to fund future research;
- provide stronger support for clinical trials to capitalise on the results of basic research. This would be best achieved by central infrastructure support for the non-cancer clinical trials group of the same type that is provided to the cancer clinical trials groups by Cancer Australia;
- increase funding to enable innovative ideas and new technologies from Australia to transition to the world market in an environment where the available venture capital support is discordant with the quality of publicly funded science; and
- reform tax and other relevant arrangements to provide an environment for greater and more effective philanthropic contributions to medical research.

Funding of research within hospitals is recognised as part of existing health budgets, but this funding is often lost because it is not separated out from the cost of clinical care (and can be used to fund clinical care). Funding for research is also not appropriately coordinated across areas of need when it is allocated at hospital level. To avoid these problems, the Government must:

- explicitly identify the research component within the cost of health care; and
- establish a health system-wide process for distributing that funding so that it has maximum impact.

If you require further information regarding this submission, please contact Dr Maurice Rickard, Manager, Public Health Policy, at mrickard@ama.com.au, or on 02 6270 5449.

Yours sincerely

[Signed]

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President