

Medical Research Future Fund Strategy Consultation: IRU submission

The Innovative Research Universities (IRU) has supported the setting up of the Medical Research Future Fund (MRFF) since it was announced in the 2015-16 Budget.

In its <u>submission</u> to the Senate Inquiry into the MRFF, the IRU underlined the potential for the MRFF to bridge current gaps in Australia's investment in health and medical research. Used well, the MRFF provides the opportunity to advance health outcomes across Australia.

All IRU members undertake research assessed as being above or well above world standard in the health and medical fields, with a strong emphasis on effective improvement in health outcomes. IRU universities have a particular commitment to conduct translational research to deliver lasting benefits to the communities in which we work. We are based in outer metropolitan areas of the State capitals and in Australia's regional areas, areas with concentrations of populations with lower level health outcomes. Embedded in these regions, we can, through the MRFF, immediately contribute towards critical health outcomes.

The IRU submission for the Fund's strategy sits with the separate submissions by its members and the particular priorities which they identify.

Defining a five-year strategy for the MRFF is an important step for the broader health landscape in Australia. The MRFF must define a new approach to how Australia gains the most from its extensive health and medical research capability reaching beyond the outcomes supported through the grants of the National Health and Medical Research Council.

Figure 1 'Building Blocks for the Australian Health and Medical Research and Innovation Strategy' included in the Advisory Board's Consultation Paper outlines the key current challenges. Of these, the MRFF should focus in particular on facilitating the translation of research into health outcomes and the continuous improvement and efficiency in healthcare delivery, being areas where the current health and medical research system is weak.

Hence the IRU makes the following key recommendation to the Advisory Board:

Existing in parallel with the NHMRC funding and the newly-established Biomedical Translation Fund (BTF), the MRFF should focus on the translation of health research with a view to improving public health outcomes, the delivery of health care and the efficiency of health care systems in Australia.

The wide-ranging objectives of the Medical Research Future Fund (MRFF)

Currently, Australia invests heavily in basic medical science. As outlined in the article 'Better ways to spend the medical research future fund' published when the MRFF was first announced, most of the NHMRC-funded project grants, Medical Research Institutes (MRIs) and the majority of fellowships focus on medical rather than health research.

The setting up of the Biomedical Translation Fund (BTF) through the National Innovation and Science Agenda (NISA), has directed money from the MRFF to focus on the commercialisation of late stage

¹ https://theconversation.com/better-ways-to-spend-the-medical-research-future-fund-26685



medical research discoveries, an area needing further support. With this underway, the key areas the IRU has identified become the focus.

Various reports, including the 2013 McKeon review and the 2015 Productivity Commission's 'Efficiency in Health' report, have highlighted the need for embedded health and medical research in the health systems that would lead to an improvement in health outcomes and improve efficiency of delivery.

This is a long-standing issue that the MRFF should address as provided for in the MRFF Act.

- The Act's definition of medical research includes 'research into health'.
- The Act stipulated that the membership of the MRFF Advisory Board must collectively include expertise in "policy relating to health systems" and "the management or delivery of health services."
- In determining the Australian Medical Research and Innovation Priorities, the Advisory Board must take into account, among other issues, "how to deliver practical benefits from medical research and medical innovation to as many Australians as possible."

What should the MRFF five-year strategy focus on?

The MRFF five-year strategy should address two key issues:

- 1. Improving public health outcomes across all of Australia
- 2. The efficiency of health care systems

Improving public health outcomes across Australia

As outlined earlier, IRU universities are based in areas of concentrations with populations with lower level health outcomes. According to the Australian Institute of Health and Welfare 2014², Australians in regional and remote areas tend to have shorter lives and higher rates of disease and injury than people in major cities.

In line with the MRFF's stated objective 'to deliver the practical benefits from medical research and medical innovation to as many Australians as possible', the five-year strategy needs to clearly outline means of addressing disparate health outcomes across Australia.

Translation of health research

One way of achieving this is through a greater emphasis on the translation of health research with reflection on the challenges from application including uptake and compliance.

 Advancing indigenous and migrant health outcomes towards improved overall health outcomes

In line with the focus on bridging the gap with indigenous Australia, there should be a specific stream (or increased weighting) for funding that would improve health outcomes for indigenous Australians and migrant groups. While the NHMRC and the ARC already operate such schemes, their focus is on project grants. This MRFF strand should focus on issues relating to health systems and the efficiency of delivery for indigenous Australians and migrants. An improvement in health outcomes for these communities would have a positive impact on the overall health outcomes for all Australians.

² Australia's health 2014, Australia's health series no. 14. Cat. no. AUS 178. Canberra: AIHW



Health and medical research expertise in Australia's regions

IRU universities, located in regional and outer-metro Australia, and with world standard health and medical research, are uniquely positioned to address the challenges of improving health outcomes across Australia as well as the efficiency of health care systems.

The nature of IRU members is to draw on their base to pursue research that is not only relevant to the needs of the regions in which they thrive but also internationally. This research is critical in its own right. The benefit for the government is that this expertise is already present across Australia – it simply needs to be tapped and maximized through investing in research based in the regions with health challenges.

Investing in capable research in the regions across Australia has a spillover effect in stimulating those regions which in itself will enhance health outcomes and broader community wellbeing.

The MRFF should focus on research that leads to improved and equitable health outcomes across Australia. This can be achieved through targeting:

- the translation of health research;
- issues relating to health systems and the efficiency of delivery for indigenous Australians and migrants; and
- research carried out in Australia's outer metro and non-major urban regions.

The efficiency of health care systems

According to Treasury projections in 2014, the total health spending of all states will exceed 100 per cent of their tax revenues excluding the GST possibly as early as 2032-33. The Productivity Commission's 2015 report on 'Improving Australia's health system', indicates that 10% of Australia's GDP is spent on health care each year (\$147 billion in 2012-13) with governments accounting for around two-thirds of this expenditure. According to the report, reducing the inefficiency in Australia's health care system will improve health outcomes across the board.

One mechanism of addressing inefficiency is through focusing on health-workforce related issues. In the education sector, universities are encouraged to adopt more nimble approaches in the delivery of the curriculum. Similarly, there are opportunities for innovative approaches to health workforce issues including the potential to expand workforce roles³ and improving the career structures and prospects of the research-engaged health workforce such as for instance through Fellowships.

The MRFF should fund research into improving the efficiency of Australia's health care system.

02 June 2016

³ National Commission of Audit report (2014)