



THE GEORGE INSTITUTE
for Global Health

**Submission to the Senate Community Affairs
Legislation Committee: Medical Research Future
Fund Bill 2015 & Medical Research Future Fund
(Consequential Amendments) Bill 2015**

July 2015

Overview

The George Institute for Global Health is a leading not-for-profit Medical Research Institute committed to improving health in Australia and around the world by addressing the leading causes of death and disability.

The George Institute commends the Federal Government's recognition of the importance of the health and medical research sector in improving the health of all Australians, and strongly supports the decision to establish the Medical Research Future Fund (MRFF). This dedicated endowment fund should support targeted investments in medical research and innovation that will translate into direct improvements in the health, life expectancy and quality of life of all Australians.

While Australia's health system is among the world's best, health expenditure is increasing and is likely to rise above the OECD average by 2023 if current trends continue, with the recent Intergenerational Report warning that health spending per person will double by 2055. In addition, 7 million people in Australia are living with a chronic disease today, with this number expected to continue to grow with our ageing population. The implications for the sustainability of our health system are substantial, given that these conditions requiring multi-faceted and ongoing care.

Establishing the MRFF offers an opportunity to fund high quality, targeted research that will in turn translate into real benefits for all Australians. In addition, the MRFF offers an opportunity to redress some current imbalances in the health and medical research sector, providing a greater focus on the 'end user' (patients, health care funders and providers), across metropolitan, regional and rural Australia; and to address the adverse effects of the socio-economic gradient on health outcomes, much of which stems from suboptimal resource allocation as well as fragmentation across the health system.

Achieving the right governance model is imperative to ensuring that the MRFF systematically and strategically addresses the biggest health challenges in Australia, contributes to health system strengthening, and enhances the contribution of the research and health sectors to economic productivity and prosperity. The George Institute is therefore pleased to make the following recommendations, with the aim of ensuring the MRFF delivers on its promise to improve the health of all Australians.

The Medical Research Future Fund Bill & Governance

The George Institute supports the Medical Research Future Fund Bill 2015 and Medical Research Future Fund (consequential amendments) Bill 2015, in particular the further amendments made on 22 June to enhance the decision making and accountability mechanism for the disbursement of the MRFF.

The George Institute agrees, as outlined in the Bill, that the MRFF should target translation-focused medical research that yields strong and immediate health and economic benefits, as recommended by the McKeon Review as well as many others. In particular the Institute endorses the following governance and disbursement arrangements:

- That the MRFF complement the Medical Research Endowment Account (MREA) operated by the National Health and Medical Research Council (NHMRC), and leverage current capabilities of the NHMRC such as peer review, grants management, and expert advice. The ongoing contribution of the MREA, complimented by a MRFF focused on translation, is a model employed with great success in other countries.
- The establishment of an expert Australian Medical Research Advisory Board. We suggest that membership of this Advisory Board should be structured in a way that ensures a priority driven approach focused on translation.

- The development of an Australian Medical Research and Innovation Strategy, which outlines the Australian Medical Research and Innovation priorities that underpin the disbursement of the MRFF funds; and the regular review of this strategy and the priorities.
- The Advisory Board, in setting these priorities, takes into account the burden of disease on the Australian community; and how to deliver practical benefits to as many Australians as possible from medical research and innovation.
- That the funding be made available through the COAG Reform Fund to States and Territories to support medical research infrastructure development; and that this for example may involve supporting infrastructure projects by hospitals, health services, universities or collaborative projects between state governments and medical research institutes, and funding for hospitals and Local Health Districts to help embed research in the health system.

The George Institute supports the importance of a range of relevant experts being involved in decisions around the disbursement of the MRFF and that the NHMRC CEO and Government Departments have a role in this process, especially to avoid duplication between the NHMRC and the MRFF.

Of equal importance is to have adequate end-user representation incorporated in decision making about the priorities for the MRFF, as well as areas for disbursement, so all facets of the health system and of medical and health innovation and commercialisation are equally considered in the disbursement of funds. This includes consumer, hospital, primary care providers, researchers (especially those involved in areas of translation such as clinical trials and health services research), and other relevant industry groups.

Further Recommendations

The George Institute supports the submission of the MRFF Action Group and calls for the MRFF to be implemented in its entirety as a matter of urgency. We also urge the Government to ensure that the structure, governance and leadership of the MRFF be created in such a way as to ensure that it will:

- (1) Prioritise patient needs by tailoring investment in the prevention and treatment of conditions causing the greatest burden of disease and injury in Australia; and ensuring the Australian health system adequately meets the needs of patients.** By strategically targeting investment in healthcare delivery and solutions for health system strengthening, the MRFF can provide the means to grow links between research and clinical practice, as recommended by recent McKeon review, and to help remove duplication, waste and fragmentation across the health system. This will help re-align the way healthcare is delivered so it is patient focused and based on evidence regarding what works and does not work, and more broadly, facilitates a process by which the health system has an in-built continuous improvement mechanism so it operates as a learning system. Further, investment in research to develop cost-effective, population-focused preventive health programs is a critical yet underutilised mechanism to reduce health care costs. Sustained investment will yield significant reduction in chronic diseases and injuries which incur the vast majority of health care costs.
- (2) Maximise translation and innovation by boosting investment in:**
 - **Research to improve healthcare delivery and patient outcomes.** Health services research is a largely underfunded area, representing only 5.2% of NHMRC funding in 2014. Yet this type of research is best placed to create the biggest improvement in the health system within a short timeframe. The health system needs to be

responsive to new evidence, modern technology and innovation; and to be able to fast track the uptake of effective health interventions, the withdrawal of ineffective interventions, and to ensure proven treatments reach all who need them - the history of scientific breakthrough and translation into clinical practice has typically revealed decades of delay. Specific investment in this area offers an opportunity to remove this delay, and dramatically improve health outcomes.

- **Clinical trial infrastructure to support high quality research.** Clinical trials provide the only reliable evidence regarding the effects of interventions, and Australia is home to over 50 clinical trials networks (represented by the Australian Clinical Trial Alliance- ACTA) collectively producing crucial evidence guiding modern health care, and which can be leveraged further to achieve dramatic additional gains with the right funding support. The infrastructure developed will help deliver greater efficiencies, ensuring appropriate care is identified and inappropriate interventions are avoided, and further grow Australia's world leading clinical trials industry. Investment in clinical trials will also enhance linkages between researchers and industry, contributing to job creation and a sustainable research sector. The MRFF is an ideal mechanism to build on the work underway by ACTA, the Clinical Trials Jurisdictional Working Group and other initiatives which are bringing together health care providers, government, industry researchers, and others aiming to streamline and improve the way clinical trials are run nationally, and to strengthen Australia's clinical trials capacity.
- **Funding schemes to support clinician researchers.** Clinicians involved in care provision as well as research provide the strongest link between clinical practice and research, and are an extremely effective conduit to translation. Current funding options for clinician researchers are extremely limited and yet are critical to building research capacity and ensuring Australia retains and maximises its world class scientific and health expertise. For example, the NHRMC Practitioner Fellowship represented 6% of all fellowships awarded in 2014, and only 1.5% of all NHRMC funding. Increased investment in our best clinician researchers may be the most effective pathway to improved translation.

Conclusion

Medical research must underpin and be embedded in our health system as it provides the evidence regarding interventions that work, where there are gaps and what can be done to fix these gaps.

The MRFF is a once in a generation opportunity to take a strategy-driven approach to funding medical and health research, while complementing the objectives of the NHMRC, where a focus on investigator-driven research can lead to major breakthroughs. The combination of the two approaches, with separate governance but shared resources, is extremely powerful and has been a very effective model elsewhere. The MRFF offers an opportunity to make research an integral part of the Australian health system, in particular to accelerate the translation of research into clinical practice and to ensure our health system is as efficient and effective as possible.

The MRFF as proposed in the Medical Research Future Fund Bill 2015 provides an ideal mechanism to reinvest in our health system in order to maximise every research dollar spent so all Australians receive the best and right treatment at the right time. This George Institute welcomes the opportunity to make this submission to ensure the MRFF fulfils its goals for the benefit of all Australians, today and in the future.

About The George Institute for Global Health

The George Institute conducts targeted, innovative health research aimed at reducing the burden of leading causes of death and disability in Australia and around the world and to ensure all Australians have access to safe, effective treatments that don't create unnecessary burden on the health care system.

For the past 15 years our research has influenced medical guidelines and changed ways of thinking about some of the most common medical treatments around the world. Since its establishment, The George Institute established a global research program with offices in China, India and the United Kingdom, as well as retaining its presence in Australia, and has over 450 staff and 50 ongoing research projects. It has raised over \$500 million for global health research, and is affiliated with the University of Sydney, Peking University Health Science Centre, and the University of Oxford. For the fourth year running The George Institute was listed in the SCImago Institutions Rankings as one of the world's top 10 research organisations for impact. In addition, the National Health and Medical Research Council's (NHMRC) 'Measuring Up Australia 2013' report ranked the George Institute first among Australian research organisations.

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