

Australian Private Hospitals Association (APHA)

Submission to Review of regulatory settings relating to overseas health practitioner registration

8 March 2023

Discussion questions

1. The Review is considering recommendations to ease skills shortages in registered health professions including medicine, nursing, midwifery, psychology, pharmacy, occupational therapy and paramedicine on the basis of current and projected labour market shortages. a. Do you agree there are current and/or projected skills shortages in these professions?

b. If yes, is there any data or evidence you can provide to demonstrate these shortages?

APHA agrees there are current and projected skill shortages in these professions. A copy of a recent survey report completed by APHA is attached. Of note survey respondents reported that severe workforce shortages were being experienced in both metropolitan and regional areas.

2. What, in your view, are the key strengths and weaknesses of the current regulatory settings relating to health practitioner registration and qualification recognition for overseas-trained health practitioners?

One current weakness relates to the restrictions placed on overseas trained doctors in accessing the right to submit claims for MBS funded services. While some level of restriction has been necessary in order direct overseas trained doctors to areas of greatest need, the design of these restrictions has been too rigid. Specifically:

- The data used to define areas of need is often out of date because it does not accurately capture when individual clinicians move to new locations and does not delete provide numbers that may no longer be in use.
- The methodology presumes that services are and should be provided close to where people live. This assumption overlooks the fact that private hospital services are often provided to people who have travelled significant distances to receive care. Consequently, private hospitals service and the clinicians who work with them serve populations well beyond their local area. This is particularly the case in relation to psychiatry.

3. During the pandemic, a range of regulatory settings and processes relating to registration and qualification recognition of overseas-trained health practitioners were temporarily waived, relaxed or had greater flexibility. a. Are there settings or processes that were particularly beneficial or challenging from a professional or employer perspective?

b. Do you believe any of these temporary changes were beneficial or potentially detrimental to patient safety?

c. What opportunities/challenges may arise if these settings and/or processes are retained permanently?

No comment

4. The end-to-end process for overseas health practitioners seeking to work in Australia can be complex, time-consuming and costly. Current regulatory requirements may set unduly restrictive barriers, which in turn may deter potential practitioners from seeking to work in Australia. a. Do you agree with this premise? If so, why?

b. What practical changes could be made to current regulatory settings to most significantly improve the end-to-end process:

APHA agrees with this premise. The biggest problem is that applicants must navigate both migration/visa application processes and registration processes concurrently. These processes need to be streamlined and coordinated.

i. over the next 12 months

There should be a wider range of options/locations for testing including online options.

There should be a wider range of options and more affordable options for those who are required to undertake bridging qualifications, particularly in nursing.

ii. in the medium- to longer-term?

Consideration should be given to recognising a wider range of qualifications from overseas countries, particularly where applicants have worked successfully in relevant health settings within countries whose qualifications are recognised as both relevant and substantially similar.

Consideration should be given to accepting nurses whose qualification is lower than AQF 7 in cases these individuals entered the profession before AQF7 qualifications became the usual entry level standard and where they have substantial subsequent experience. Currently there is a pathway for applications whose qualification is solely in mental health, paediatric or disability nursing. These applicants are granted conditional registration which requires a period of 12 months full time equivalent supervised practice. APHA proposes that this supervision requirement should be waived for applicants with substantial current clinical experience.

5. If you are an overseas health practitioner or employer – are there any thoughts you would like to share in terms of your experience of the end-to-end process for working in Australia or employing an overseas-trained health practitioner?

Not applicable.

APHA Workforce Survey

August 2022

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Executive summary

In March 2022, the Australian Private Hospitals Association (APHA) conducted a survey of members concerning their experience of workforce shortages, current and future nursing workforce requirements, skilled migration, nursing graduates and nursing student placements. The survey also sought feedback on a range of reform options.

APHA received responses from 22 independent hospitals and 12 groups representing 158 individual facilities. Key conclusions from the survey were:

- There is a shortfall in the private hospital sector nursing workforce of around 4,600 full time equivalent (FTE) or 7,000-8,000 people and in addition a shortfall in midwives of around 300 FTE.
- There was an estimated shortfall of between 184 and 199 FTE of medical professionals in the private sector.
- The shortfall in allied health workers was estimated at between 347 and 384 FTE.
- The main reasons for vacancies are the choice by health workers to retire, resign or reduce their hours of work. Day hospitals also reported vacancies arising due to expansion in services.
- The main challenges faced by employers were a lack of skilled and experienced Australian nurses and increased competition with other employers. Corporate groups also cited the lack of skilled migrant nurses.

Survey results show that the labour markets in most major metropolitan areas and all regional areas were rated as difficult to very difficult. Overnight hospitals were much less confident than day hospitals in being able to fill their workforce requirements.

The survey results also show private hospital operators are using a range of strategies to address their workforce shortages, including skilled migration, graduate recruitment and support for student placements. APHA estimates at the start of 2022, private hospital operators were seeking to recruit around 1000 skilled migrant nurses, 3300 registered nurse (RN) graduates and 500 enrolled nurse (EN) graduates.

HOW CAN GOVERNMENT ASSIST?

- **Increase the number of skilled migrants admitted to Australia including nurses and other clinical professions.**
- **Reduce the complexity and cost of sponsoring skilled migrants:**
 - Reduce the time taken to process visa applications.
 - Introduce a 12-month moratorium on charges to employers for health care related skilled migration.
 - Introduce a 12-month moratorium on Labour Market Testing for clinical professions in acute shortage.

- Refund employer costs when the candidate withdraws prior to lodging a visa application.
 - Improve flexibility by allowing employers to move skilled migrant clinicians between sites and between jobs within their scope of professional practice.
- **Make Australia a more attractive destination:**
 - Remove age limits for permanent residency and working holiday visas for nurses and other health professionals.
 - Restore pathways to permanent residency for highly skilled migrants.
 - Reduce costs for skilled migrants and their families:
 - Speed up (and, for a period, make free) the Australian Health Practitioner Regulation Authority (AHPRA) registration process.
 - Review registration requirements and barriers for applicants from some countries and where appropriate put in place efficient and affordable qualification pathways.
- **Initiate workforce planning on a national basis including a rapid assessment of the impact of COVID-19, considering local and global factors.**
- **Invest in training and workforce development priorities aligned with skill shortages and programs that will deliver urgently needed solutions:**
 - Fast track pathways to graduation and registration for students and early career professionals whose training has been interrupted by COVID-19.
 - Fund expanded training opportunities including training opportunities in the private sector, e.g. fund appointment of additional nurse educators.
 - Increase training pathways for people seeking to re-enter the health workforce or re-skill from other occupations.
 - Reduce the administrative burden on hospitals so clinical placements can expand.

Part A: Medicines, nursing and allied health

VACANCIES

- Using the survey data, and data published by Catholic Health Australia (CHA) on vacancies reported by CHA members¹, APHA was able to estimate the overall number of vacancies in the sector at the start of 2022.
- There was a shortfall of around 4,600 FTE in nursing staff.
- In addition, there was an estimated shortage in midwives of around 300 FTE.

VACANCIES (FTE)	LOW EST	HIGH EST
Registered nurses (RN), nurse educators, nurse managers and nurse practitioners	4,012	4,154
Enrolled nurses (EN) and assistants in nursing	568	576
Total nursing	4,580	4,730
Midwives	289	295
Total	4,869	5,025

- There was an estimated shortfall of between 184 and 199 FTE of medical professionals in the private sector.
- The shortfall in allied health was estimated at between 347 and 384 FTE. The majority of the vacancies reported were for allied health professionals, although some hospitals reported they were turning to allied health assistants to provide support to their allied health professionals.²
- The majority of registered nurse vacancies were reported in critical care, perioperative and general areas. Mental health nursing was also of significant concern. The following figures are derived from the APHA survey. CHA did not collect this level of detail.

¹ Alastair Furnival, Evaluate & Dr Michelle Campbell, University of Notre Dame Australia, Excess Demand for Nursing and other Professional Services in Hospitals and Aged Care, Catholic Health Australia, 12 April 2022

² Reported results are weighted by the number of independent hospitals including individual hospitals operated by groups.

OCCUPATION	FTE	PERCENT OF RN VACANCIES
RN Critical Care	520	12.4%
RN Emergency	99	2.4%
RN- Medical	220	5.3%
RN Mental Health	306	7.3%
RN Paediatrics	22	0.5%
RN Perioperative	1,049	25.1%
RN Rehabilitation	137	3.3%
RN Surgical	389	9.3%
RN General	1,195	28.6%
Nursing managers	164	3.9%
Nursing educators	57	1.4%
Nursing practitioners	21	0.5%

These results also suggest the private hospital sector could be experiencing extraordinary levels of vacancies (summarised in the next table). However, it must be noted the vacancy data captured in the survey reflected desired levels of recruitment over the first half of 2022 rather than vacancies at a particular point in time.

OCCUPATION	FTE		VACANCY RATES	
	2016-17	Est 2021-22 ³	Low	High
Salaried medical professionals	1,395	1,427	13%	14%
Diagnostic/ allied health	4,640	4,747	7%	8%
Full time equivalent nursing staff				
Registered nurses	32,272	33,014	13%	13%
Enrolled nurses	6,024	6,163	9%	9%

³ Note FTE for 2021-23 are estimated to be 2.3% higher than for 2016-17 on the basis that admitted patient days increased from 9,872,963 in 2016-17 to 10,133,022 in 2018-19 since when they have been at lower levels due to the pandemic.

REASONS FOR VACANCIES

APHA invited survey respondents to rank the following reasons for vacancies arising in order of importance:

- Retirement or resignation of existing staff
- Clinical staff reducing their hours
- Clinical staff electing to switch to casual contracts
- Expansion of staffing requirements in nursing
- Staff leaving to take up public sector COVID-19 response roles, e.g. vaccination hubs
- Other

Key Observations:

- “Retirement or resignation of existing staff” was selected as the main reason for vacancies by both corporately owned hospitals and independent hospitals.
- The second main reasons were “Clinical staff electing to switch to casual contracts” (corporate owned hospitals) and “Clinical staff reducing their hours” (independent hospitals).
- This order was followed by “Expansion of staffing requirements in nursing”, “Staff leaving to take up public sector COVID-19 response roles, e.g. vaccination hubs” and “Other” reason. These responses were consistent across corporate groups and independent hospitals.
- Day hospitals reported “Retirement or resignation of existing staff” as the main reason for vacancies, but differed from overnight hospitals reporting that expansion of staffing requirements rated the second most important reason.
- “Other reasons” reported included: shortage of candidates in the advertised positions, lack of experienced staff, vaccine mandate, staff moving interstate, busy hospital environment, and medical/ family reasons.

PRIVATE HOSPITALS’ CONFIDENCE OF FILLING THEIR BUDGETED WORKFORCE REQUIREMENTS

APHA asked respondents:

- How confident are you of filling your budgeted workforce requirements during the first half of the calendar year 2022?

Key observations:

- Almost 60 percent of hospitals were not confident that budgeted workforce requirements would be met.
- There was a marked difference in confidence between segments of the private hospital sector.

- The most confident were day hospitals. All day hospitals were very confident they would meet workforce requirements, only 30 percent of overnight hospitals were moderately confident while the remaining 70 per cent were not confident.
- The independent hospitals were varied in their responses and this likely reflected their varying characteristics, however, 48 percent were not confident.
- Corporately owned hospitals were also varied in their expectations, but almost 59 percent of them were not confident targets would be met.

RESPONSE	ALL		CORP		INDEP'ENT		DAY		OVERN'T	
	N	%	N	%	N	%	N	%	N	%
Very confident	29	16%	28	18%	1	4%	29	100%		
Moderately confident	48	26%	36	23%	12	48%			48	31%
Not confident	105	58%	93	59%	12	48%			105	69%
Total response	182		157		25		29 ⁴		153 ⁵	

LABOUR MARKET RATINGS

APHA invited respondents to rate the labour markets in the locations in they operated.

Key observations: Metropolitan areas

- Greater Melbourne had the most difficult labour market conditions with 65 percent of participating hospitals reporting “very difficult” or “critical” conditions.
- Greater Sydney was the next most difficult. Two thirds of respondents in rated the labour market as “difficult” and 22 percent rated it at “very difficult” and 11 percent as “critical”.
- In Canberra, 89 percent of participating hospitals rated the labour market as “difficult” or “very difficult”
- in Greater Perth 69 percent of participating hospitals rated the labour market as “very difficult”. Although 23 percent of Perth respondents reported the labour market was “not a problem”. This result must be treated with caution because of the relatively low number of respondents and the timing of the survey.
- In Greater Brisbane 60 percent of participating hospitals rated the labour market as “difficult” and a further 27 percent as “very difficult”.
- Results for Adelaide were less easy to interpret due to a small number of responses and a wide range of opinion. Of the respondents, 30 percent of hospitals in Greater Adelaide rated the labour market as "critical", while 40 percent rated it as "not a problem"- higher than other big cities. Niche hospitals may have been less likely to rate the labour market “difficult”.

⁴ ibid

⁵ ibid

LOCATION	NOT A PROBLEM	DIFFICULT	VERY DIFFICULT	CRITICAL	TOTAL
Sydney	3%	64%	22%	11%	37
Melbourne	7%	28%	51%	14%	29
Brisbane	13%	60%	27%	0%	15
Adelaide	40%	20%	10%	30%	10
Perth	23%	8%	69%	0%	13
Canberra	11%	56%	33%	0%	9

Key observations: Regional areas

- Majority of the regional NSW, VIC and QLD hospitals rated the labour market as “very difficult”.
- In Regional NSW, 73 percent of participating hospitals rated the labour market as “very difficult”. However, APHA observed a range of the responses from “not a problem”, “very difficult” to “critical” in the responses provided.
- In South-East Queensland 54 percent of participating hospitals rated the labour market as “difficult”.
- In Tasmania, 75 percent of participating hospitals rated the labour market as “difficult” or “very difficult”.
- No results were collected from private hospitals operating in the Northern Territory.

LOCATION	DIFFICULT	VERY DIFFICULT	CRITICAL	NOT A PROBLEM	TOTAL
Rest of NSW	0%	73%	12%	15%	26
Rest of VIC	11%	89%			9
Rest of QLD	18%	65%		17%	17
SE QLD	54%	38%		8%	13
Tasmania	50%	25%		25%	4

DIFFICULTIES IN FILLING VACANCIES

APHA asked respondents if they were experiencing any of the following difficulties in filling vacancies:

- Lack of Australian nurses with the required skills and experience.
- Lack of suitable Australian graduates to fill graduate vacancies.
- Lack of self-sponsored skilled migrant nurses.
- Lack of skilled migrant nurses to take up employer sponsored positions.
- Increased competition with other employers – e.g. applicants decline positions offered.

Key Observations:

- The majority of the corporate and individual hospitals reported a lack of Australian nurses with the required skills and experience, and increased competition with other employers – e.g. applicants decline positions offered – as major challenges to filling their vacancies.
- Corporate groups were more likely than independent hospitals to highlight the lack of self-sponsored skilled migrant nurses, lack of suitable Australian graduates and lack of skilled migrant nurses to take up employer sponsored positions as major issues when trying to fill vacancies.⁶

⁶ Reported results are weighted by the number of individual hospitals operated by groups.

ISSUES	GROUPS ⁷			INDEPENDENT			TOTAL ⁸	
	N	Yes	Not Relevant	N	Yes	Not Relevant	Yes	Not Relevant
Lack of Australian nurses with the required skills and experience, n=179	155	99%	0.0%	24	83%	8.3%	96.6%	1.1%
Lack of suitable Australian graduates to fill graduate vacancies, n= 178	152	59.2%	2.0%	23	34.8%	47.8%	56.0%	8.0%
Lack of self-sponsored skilled migrant nurses, n=175	155	76.1%	20.0%	20	40.0%	40.0%	72.0%	22.3%
Lack of skilled migrant nurses to take up employer sponsored positions, n=175	155	54.2%	39.4%	20	15.0%	55.0%	49.7%	41.1%
Increased competition with other employers – eg applicants decline positions offered, n=178	155	98.7%	0.0%	23	87.0%	4.3%	97.2%	0.6%
All of the above (yes), n=140	125	60.0%	40.0%	15	33.3%	53.3%	57.1%	41.4%

⁷ Reported results are weighted by the number of individual hospitals operated by corporate groups.

⁸ Reported results are weighted by the number of hospitals including individual hospitals operated by groups.

Part B: Graduate nurses

The survey examined trends in the employment of graduate nurses in the private hospital sector over the last four years.

Key observations – Corporate groups:

- Corporate groups operating overnight hospitals were able to maintain graduate recruitment during COVID-19 and some of the groups adopted a strategy to employ additional graduate nurses, particularly RNs, in 2022.
- All these groups, representing 84 overnight hospitals, reported they would increase the number of nursing graduates if government funding was provided for nursing educators and graduate placements.
- Extrapolating from the responses received from major hospital groups, APHA estimates the private hospital sector is seeking to recruit around 3,300 RN graduates and 500 EN graduates.
- Responses also indicate the sector would be able to employ 700 to 1,000 additional graduate placements if additional funding was provided by the government.

Key observations – Independent overnight hospitals

- The number of graduate placements provided in 2022 varied from one to 22 for RNs and from one to 21 for ENs in 2022. Recruitment of ENs was much less common.
- Only the larger independent hospitals were able to take more than six graduates.
- Some hospitals have chosen to increase their graduate RN recruitments, but most have retained numbers consistent with pre-pandemic levels. The number of graduates generally fell in 2020 and 2021.

The majority of respondents, including specialty hospitals such as psychiatric hospitals, reported they would increase the number of nursing graduates if government funding was provided for nursing educators and graduate placements.

Key observations – Groups operating day hospitals

- Corporate groups operating day hospitals offer graduate placements but the numbers were much lower than in the overnight hospital sector. Numbers recruited in 2022 were steady or reduced compared to pre-pandemic levels.
- Most of the day hospitals within groups reported they would increase the number of nursing graduates if government funding was provided for nursing educators and graduate placements.

Key observations - Independent day hospitals:

- Of the nine respondents, only five had recruited graduates at any time in the last four years. This is likely reflective of their small size.
- Most individual day hospital respondents supported the provision of government funding for nursing educators, and four (possibly five) indicated that if funding was also provided for supernumerary placements they would increase their graduate intake and/or recruit graduates although they had not done so in recent years.

Part C: Skilled migration

APHA asked respondents which potential reform options they would support:

- A twelve-month moratorium on the costs of employer sponsored visas for nurses and midwives.
- A twelve-month moratorium on the costs of employer sponsored visas for an international graduate in nursing/midwifery.
- A twelve-month moratorium on the labour market testing requirements for employer sponsorship for nursing/midwifery.
- Improved flexibility to employ a skilled migrant outside the role for which they were originally sponsored.
- Reintroduction of pathways to permanent residency for nurses and midwives on temporary skilled migration visas.

All of these reforms received strong support, there was also significant feedback that visa processing timeframes need to be reduced. These reforms were also supported for health worker occupations experiencing shortages including medical professional and allied health workers.

APHA estimates that at the start of 2022 the private hospital sector was seeking to recruit 1,000 FTE in skilled migrant nurses alone.

Part D: Student placements

The survey examined trends in the student placements in the private hospital sector.

Corporate groups operating overnight hospitals

- Historically, most of the corporate groups operating overnight hospitals have provided a significant number of clinical placements for RNs and ENs. The survey showed the number of clinical placements provided fluctuated significantly over the four years for which data was collected. It would appear that different groups have adopted different strategies in response to their own circumstances and priorities.
- Some groups are exploring other innovative models of student placement or employment such as cadetship.
- Most major operators get paid for the provision of these clinical placements.
- All these groups reported that they would increase the number of clinical placements if government funding was provided for nursing educators and clinical placements.

Independent overnight hospitals

- Twelve overnight individual hospitals responded to this section.
- Most of the respondents, including specialty hospitals such as psychiatric hospitals, reported providing student placements for RNs in the years 2019-2022. Most of them did not provide clinical placement for ENs.
- Most of these hospitals do not get paid for the provision of these clinical placements and some only receive nominal payments for some placements.
- One respondent indicated they were exploring other innovative models.
- Most respondents reported they would increase the number of clinical placements if government funding was provided for nursing educators and clinical placements

Groups operating day hospitals

- It is less common for corporate groups operating day hospitals to provide clinical placements. The APHA workforce survey shows the numbers provided are also fewer for day hospitals than overnight hospitals.
- Most of the day hospitals do not get paid for the provision of these clinical placements.
- Some groups are exploring other innovative models of student employment or employment such as cadetship.
- Most groups reported that they would increase the number of clinical placements if government funding was provided for nursing.

Independent day hospitals

- These day hospitals generally provided only one or two places for student placements because of their size. They were less likely to provide additional placements with funding.