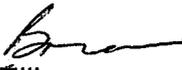


**Deputy Premier of Western Australia
Minister for Health; Tourism**

Our Ref: 25-28366

Hon Brian Ellis MLC
Chair
Standing Committee on Environment and Public Affairs
Parliament House
PERTH WA 6000

Dear Mr  Ellis

Following my previous reply regarding the request by the Standing Committee on Environment and Public Affairs for comments on Petition No 163 – Red Cross Blood Services in Regional Hospitals, please find attached my response.

The submission raises a number of issues and these are addressed in the attached response. Some of the issues raised are directly related to operational matters of the Australian Red Cross Blood Service (Blood Service) and are best answered by the Blood Service directly.

The provision of fresh blood products is an essential service for all Australians. The importance of an adequate, safe and secure supply of blood and blood-related products is recognised by governments.

Supply of fresh blood products is complex. In Australia, this process is managed by the Blood Service under a Deed of Agreement between the Australian Red Cross Society and the National Blood Authority (NBA), acting on behalf of all governments. The Blood Service is a national organisation and has the responsibility throughout Australia for the collection, manufacture and distribution of fresh blood components. In this, the Blood Service must meet the strict regulatory requirements of the Therapeutic Goods Administration, Australia's regulator of therapeutic goods, including blood products.

These processes ensure that essential blood products and services are available when and where they are needed, and that these products meet strict safety and quality requirements. The safety and wellbeing of those who donate is also of paramount importance.

PUBLIC

I would like to reiterate that the location of a blood donor centre has no bearing on the supply of fresh blood components to hospitals in Western Australia (WA). All fresh blood products provided to hospitals throughout WA are distributed from the Blood Service's manufacturing facility in Perth. Regardless of where blood is collected in WA it must be sent to Perth for testing and processing prior to distribution to health care providers. The location of a blood donor centre does not affect this arrangement.

I recognise that the closure of the blood donor centre in Geraldton, and the previous closures of other regional blood donor centres in WA, has limited access for rural Western Australians who wish to donate. I would continue to encourage all Western Australians to consider making this important gift where they are able.

Yours sincerely

A handwritten signature in black ink, appearing to be 'KH', with a long horizontal flourish extending to the right.

Dr Kim Hames MLA
DEPUTY PREMIER
MINISTER FOR HEALTH

Att:

07 AUG 2012

PUBLIC

Petition No 163 – Red Cross Blood Services in Regional Hospitals

Terms of the Petition

Petition No 163 calls on the Legislative Council to recommend to the Government of Western Australia that the Government provide blood collection centres in all regional hospitals in Western Australia to better serve the people of the State.

The importance of a safe and secure supply of blood and blood products is recognised. However, this needs to be differentiated from the question of the specific location of blood donor centres. Nor should one assume that closure of a donor centre would necessarily significantly impact upon the overall supply and availability of blood and blood products in Australia.

Australia is self-sufficient for the supply of fresh blood products, including red blood cells, platelets and plasma. This is achieved through the operations of the Australian Red Cross Blood Service (Blood Service) which is responsible for the collection, testing, processing and distribution of fresh blood components. The National Blood Authority (NBA), on behalf of all governments, funds the Australian Red Cross Society for this service throughout Australia.

Government's primary priority is to ensure an adequate supply of safe blood products across Western Australia (WA) and Australia. The ability of all Western Australians, regardless of location, to donate blood is a separate question. The decisions regarding donor centre locations are influenced by regulatory and staffing considerations, as well as the donation rate.

A strict regulatory framework underpins the collection and manufacture of fresh blood components for use in patient treatment. This is to ensure the highest standards of safety and quality of the products produced. The regulatory requirements are set by the Therapeutic Goods Administration (TGA), Australia's regulator of therapeutic goods, including blood products.

To undertake blood collections and manufacture of fresh blood components the Blood Service is required to maintain appropriate licences from the TGA. The TGA must licence all Blood Service collection and manufacturing facilities. Under current arrangements, the Blood Service has accountability for the safety and quality of the products it produces, from collection of donated blood to release of blood components to hospitals and health providers.

Australia relies on voluntary, non-remunerated blood donors. Ensuring the safety and wellbeing of those who donate is also of paramount importance. Thus, donation centres must be staffed adequately with appropriately qualified and trained personnel. The maintenance of staffing levels and staff training and development requires significant resources. Key factors that have led to the closure of regional donor centres have been the inability to attract or retain both staff and donors.

The Blood Service does undertake collections at some regional hospitals. These arrangements are due to historical circumstances. In these situations, it is the Blood Service and its staff who hold the licence to collect donated blood and perform the collection function, not the regional hospital.

PUBLIC

Establishing blood collection centres in regional hospitals in WA is not feasible because:

- hospitals are not licensed to collect and manufacture fresh blood components. In Australia, the Blood Service is the only organisation licenced to collect and manufacture fresh blood components;
- in light of accountability issues and concerns regarding potential liability, it is unlikely that blood collected from sites not operated by the Blood Service would be acceptable to the Blood Service to incorporate into their manufacturing process;
- WA hospitals would be required to address space, infrastructure and staffing requirements for the safe collection of donated blood. This includes the need for adequate staff numbers and training. In some WA regional areas, staff turnover within the health system is high. Issues in relation to the retention of staff have impacted on the collection performance and viability of Blood Service donor centres;
- donation rates would be required to be sufficient to maintain the viability of the service. Given the issues faced by the Blood Service in maintaining the cost-effectiveness of some regional donor centres, it is not anticipated that the hospitals would improve on this; and
- there are significant logistical issues, as all donated blood must be sent to Perth for processing and testing within 24 hours.

Comments on the Submission Supporting the Petition

The submission supporting the petition raises a number of concerns in relation to perceived risks to regional and remote communities arising from the closure of regional blood donor centres in WA. These are as follows:

- **Security of emergency blood product supplies to regions should centralised services become compromised** – All fresh blood components supplied to hospitals throughout WA are distributed from the Blood Service's manufacturing facility in Perth. The WA Department of Health undertakes dialogue with the WA Country Health Service (WACHS) and PathWest around the planning and supply of blood products to regions. In emergency situations, action can be undertaken to either move product to where the patient is being treated or transport the patient to Perth, whichever is the most appropriate for the particular clinical scenario.

In addition to the manufacturing facility in Perth, the Blood Service operates manufacturing facilities in Brisbane, Sydney and Melbourne. The Blood Service operates as a national entity and is able to move product between jurisdictions, to address local demand needs. The Blood Service has advised that there are contingency arrangements for the supply of fresh blood components to WA should there be an issue with the manufacturing facility in Perth. Similar contingency arrangements exist for the supply of fresh blood components elsewhere in Australia.

- **Failure to respond in time to regional and remote demand for emergency blood products** – All fresh blood components supplied to hospitals throughout WA are distributed from the Blood Service's manufacturing facility in Perth. The location of a donor collection centre does not affect this arrangement or the supply of fresh blood components to hospitals.
- **Failure to adequately support those who must give blood to control serious illnesses** – The primary role of the Blood Service is to provide fresh blood components for use in our health system. While some patients have received therapeutic venesection at blood donor centres, this is essentially a medical procedure (most frequently performed for patients with haemochromatosis). Some of these patients may also be eligible to donate a blood component for contribution to the blood supply.

Provision of therapeutic venesection services has been historically provided by the Blood Service when there has been spare capacity. It does not form a core expectation of governments upon the Blood Service.

Patients requiring therapeutic venesections have recourse to either their General Practitioner (GP) or services provided by WACHS hospitals in the region. A Medicare MBS item number is available for therapeutic venesection for the control of haemochromatosis.

In Geraldton, 54 patients require therapeutic venesection. Since the closure of the Blood Service's blood donor centre in Geraldton on 10 January 2012, 52 of these patients (96%) are receiving therapeutic venesection from their GPs. Geraldton Hospital has arranged to provide therapeutic venesection for the remaining two (2) patients (4%).

- **Failure to recruit young Western Australians across the wider community as donors for the future** – It is recognised that Australia relies on voluntary, non-remunerated blood donors.

In WA, young people aged 16–18 years, can donate blood with parental consent. The closure of the blood donor centre in Geraldton, and the previous closures of other regional blood donor centres in WA, does limit access for youth donors in these areas. This is unfortunate, but must be balanced against the other factors leading to the closure of this centre.

- **Community concern about importation of blood products from other countries where quality control is perceived as less than adequate, and where supply is dependent on external factors outside the control of the ARCBS** – Australia is self-sufficient for all fresh blood components.

Australia does import some blood-related products, because we cannot supply enough, or these products are not produced in Australia. These products are largely used in the treatment of immune disorders or haemophilia. Importing these products enables all patients in Australia to have access to products when they need them.

Blood and blood-related products supplied in Australia, whether domestic or imported, all meet the same stringent safety and quality guidelines set out by the TGA.

- **Strategic direction of ARCBS is at odds with community expectations and government policy** – This should be answered by the Blood Service
- **Government of Western Australia should consider alternative solutions to guarantee the supply of high quality blood and derivative products for Western Australians** – Australia already has a system that ensures the highest quality, effectiveness and efficiency for the blood sector. Australia's blood supply is procured and managed nationally. Australia aims to be self-sufficient for the supply of blood and blood-related products where appropriate. Security of supply is enabled by regular supply planning processes involving hospitals, State and Territory governments, the NBA and the Blood Service. This is further supplemented by the ability of the Blood Service, as a national organisation, to move product between States and Territories to manage demand and reduce wastage. Quality of product supplied is ensured through a single consistent provider that adheres to the strict regulatory framework of the TGA.
- **Increasing population in regional WA** – This may impact on supply of blood and blood products in two ways. Firstly, the changing regional WA population may increase clinical demand for blood products. In this instance, the WA Department of Health in conjunction with WACHS and PathWest, reviews blood product inventory held by regional hospitals, and adjusts inventory to align supply with clinical demand.

Whether this population trend would increase regional capacity to donate blood remains untested. Where an increase in regional population is largely linked to mining activities there remain questions as to the ability to grow blood donor panels. The Blood Service has investigated how to maintain donor panels of fly-in fly-out workers and advise that these workers do not and generally cannot donate during working weeks. Long shifts and requirement to operate machinery on each day they are on location are the main reasons.

- **No blood collection facilities in WA north of Perth** – The staffing and regulatory requirements, coupled with low donation rates, do render some centres unviable. However, as all fresh blood components supplied to hospitals throughout WA are distributed from the Blood Service's processing facility in Perth, the location of a donor centre does not affect the supply of fresh blood components to regional hospitals or patients.
- **Willing donors in regions north of Perth are deprived of the opportunity to donate** – This should be answered by the Blood Service
- **Closure of regional blood donor centres in WA** – Decisions regarding blood donor centres, including communications in relation to the centres, are operational matters for the Blood Service. The WA Department of Health was informed by the Blood Service in November 2011 of the longstanding difficulties with the Geraldton donor centre. The Blood Service advised the Department that

any closure would not impact the supply of fresh blood components for health providers in WA.

Recurrent themes in the closure of regional donor centres are the inability to retain staff and low donation rates. The South Hedland blood donor centre closed in August 2005 with the support of the WA Department of Health, because the Blood Service was unable to recruit staff. The Broome blood donor centre closed at the end of November 2010 for the same reasons. Attracting and retaining staff in regional areas, with populations of less than 40,000, is very difficult. Likewise, these centres experienced challenges in maintaining an adequate donor pool.

- **Existing WA blood donor centres** – There are 11 static blood donor centres in WA including centres at Albany, Bunbury and Kalgoorlie. The Blood Service has recently informed me that they are finalising plans to expand the operations of several collection sites in WA, including Albany and Bunbury. I note, however, that both Albany and Kalgoorlie are centres that collect relatively low volumes of product, and the viability of these centres continues to be evaluated by the Blood Service.
- **Staff training and development** – Maintaining the safety and quality of Australia's blood supply is of vital importance. Ensuring that all donor centres are staffed adequately with appropriately qualified and trained personnel is the responsibility of the Blood Service. This is an important safety requirement for donors, as well as patients who receive blood components.

Blood Service policy requires more than one staff member to be present in the blood donor centre at all times of operation. Staff training and the maintenance of staff knowledge and skills requires significant resources.

- **Blood Service funding** – The Blood Service is funded by all Australian governments under a cost share arrangement (37% State and Territories and 63% from the Commonwealth). The Blood Service recognises that it has a responsibility to use public funding wisely. As part of this, the Blood Service regularly reviews its operations to ensure best use of resources and that it can continue to supply sufficient blood and blood products in a manner that is safe and efficient.

In 2010-11, the Blood Service returned a significant surplus (\$14.2 million) to governments. This surplus was realised as a result of various efficiency initiatives undertaken by the Blood Service. Under the cost-share funding arrangements for Australia's blood sector the WA portion of this surplus was \$535,075. In this instance, the "whole may be greater than the sum of the parts", thus, there was merit in not returning the \$535,075 to WA. Instead, Australian governments sought to retain the entire surplus intact in order to fund other clinical programs in the blood sector. Specifically, there is willingness to pool these sums to assist with meeting the needs of patients whose requirement for blood products exceeds \$750,000 in a single year.