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Prepared by
The Insight Centre
for **AMSANT**

ABORIGINAL MEDICAL SERVICES ALLIANCE NORTHERN TERRITORY
AMSANT

Facing the Health Gap

The Key Challenges Undermining Progress in Aboriginal Health Outcomes in the NT

October 2025

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Glossary of terms

- **'Aboriginal[i] health'** means not just the physical wellbeing of an individual but refers to the social, emotional and cultural wellbeing of the whole community, in which each individual is able to achieve their full potential as a human being, thereby bringing about the total wellbeing of their community. It is a whole-of-life view and includes the cyclical concept of life-death-life.[1]
- **Aboriginal Community Health Services (ACCHSs)**, also known as Aboriginal Medical Services (AMSs), are incorporated bodies, with constitutions ensuring control by Aboriginal people under the principle of self-determination, and compulsory accountability processes, including annual general meetings open to all members of the relevant Aboriginal community and regularly elected management committees.[2]
- **Community control** describes a governance model where decisions, policies, and management of services or organisations are led by and accountable to the local community they serve. This means that the people of the community collectively make decisions about the planning, implementation, and evaluation of services, ensuring that these reflect their cultural values, priorities, and aspirations. This concept is grounded in self-determination and empowerment.
- **Comprehensive Primary Health Care (CPHC).** Following from the Aboriginal definition of health (see above), CPHC seeks to extend the provision of treatment for those who are unwell to include health promotion and illness prevention, promotion of community and individual self-reliance and participation, and intersectoral action to address the social determinants of health.[3]
- **Social determinants of health** are those issues such as poverty, housing, education, and food supply which underlie the health of populations.[4]

i The terms used in this report align with those used by the Aboriginal Services Alliance Northern Territory (AMSANT), which reflect the wishes of Aboriginal people in the Northern Territory. As such, the term Aboriginal is used throughout this report to refer to all people of Aboriginal and Torres Strait Islander descent who are living in the Northern Territory. Where other terms like Indigenous or Aboriginal and Torres Strait Islander are used in original documents or datasets, these will remain unchanged.

Executive summary

Aboriginal Community-Controlled Health Services (ACCHSs) in the Northern Territory provide immense value to regional and remote Aboriginal communities and the broader economy, playing a critical role in achieving the National Agreement on Closing the Gap targets. Research shows that health interventions delivered by ACCHSs have a significantly greater impact on the health outcomes of Aboriginal people compared to those delivered by mainstream services.[5]

However, the sector in the Northern Territory faces significant challenges, particularly in the areas of infrastructure, workforce supply, and funding. Many ACCHSs operate in outdated and inadequate facilities, making it difficult to address the growing complexity and demand for care. Workforce shortages stem from a limited pool of qualified professionals, insufficient/inadequate staff housing, and competition with agencies offering higher salaries. Moreover, the sector grapples with fragmented, short-term, and administratively burdensome funding systems that detract from service delivery and undermine effective long-term planning.

To gain deeper insights into these challenges, we conducted an online survey with the executives of all 14 ACCHSs in the Northern Territory. The findings highlight a critical situation:

POOR INFRASTRUCTURE

- Almost all ACCHSs (93%) state that their service lacks adequate funding to maintain healthcare facilities and staff accommodation to a safe and acceptable standard.
- The majority of organisations (79%) is currently unable to meet client and service demand due to poor infrastructure.
- 79% believe they are not adequately equipped to meet the growing demand for healthcare services over the next 12 months.
- 11 in 14 have reduced their services in the past year due to poorly maintained equipment, insufficient space, or a lack of specialised infrastructure.
- Up to half of ACCHS facilities (including accommodation) require complete replacement.

LACK OF WORKFORCE SUPPLY

- 10 in 14 ACCHSs reduced their core services in 2024 due to critical staff shortages.
- Half of ACCHSs have more than ten unfilled positions which are critical to meet demand.
- Recruitment and retention are hindered by a shortage of qualified candidates, remoteness and insufficient or unsafe staff accommodation.

INEFFECTIVE FUNDING MODELS

- All ACCHSs agreed that the current funding system imposes excessive administrative burdens on health services.
- 93% stated that meeting grant reporting requirements reduces their capacity to deliver health services.

Addressing these challenges is essential to ensure these critical services remain fit-for-purpose and capable of meeting future needs. Importantly, there is a pressing requirement for a coordinated, long-term strategy that prioritises sustainable and equitable investment.
A well-supported ACCHS sector is not only fundamental to achieving Closing the Gap targets but also crucial to the health, wellbeing, and economic resilience of the Northern Territory's communities.

1. Introduction

Aboriginal Community-Controlled Health Services (ACCHSs) are widely recognised as central for improving the health and wellbeing of Aboriginal people in the Northern Territory. In 2023, ACCHSs provided over two-thirds (68%) of the total primary healthcare episodes of care to 55,000 Aboriginal people in the Northern Territory, servicing approximately 90% of the Northern Territory's Aboriginal population. [6]

These services deliver a culturally safe, holistic, and comprehensive model of primary healthcare, addressing not only clinical needs but also the social determinants of health that disproportionately impact Aboriginal communities.[7] A third (31%) of the Northern Territory population identifies as Aboriginal - by far the highest proportion of any state or territory in Australia.[8] Widespread access to culturally safe healthcare – which evidence shows drastically improves health outcomes of Aboriginal people[9] – is a critical need for Northern Territory communities.

ACCHSs are essential in driving progress toward achieving Closing the Gap targets. Better resourcing of ACCHSs over the past two decades has led to improvements in health outcomes of Aboriginal communities. However, the life expectancy gap between Aboriginal and non-Aboriginal people in the Northern Territory remains stark at 13.5 years for men and 13.8 years for women.[10] This disparity highlights the urgent need for continued investment in Aboriginal healthcare.

Despite their pivotal role, ACCHSs in the Northern Territory face significant challenges, particularly in relation to infrastructure, workforce supply, and funding. Many facilities are aging, unsafe, or inadequate, posing risks to both staff and patients and undermining efforts to recruit and retain healthcare professionals. The sector is facing a workforce crisis, with staff shortages and unavailability of qualified health professionals a key challenge. Insecure, fragmented funding models lack transparency and place unsustainable administrative burdens on already under-resourced ACCHSs.

These issues are often caused or escalated by the remote location of many ACCHSs in the Northern Territory. Funding arrangements frequently fail to account for the unique needs and higher operational costs of remote services, limiting both their capacity to operate with the flexibility they require, and their capacity to sustainably plan.

To ensure these critical services remain fit-for-purpose and capable of meeting future needs, there is a pressing requirement for a coordinated, long-term strategy that prioritises sustainable and equitable investment.

To gain firsthand insights into the key challenges faced by Aboriginal healthcare providers in the Northern Territory, The Insight Centre distributed a survey to the CEOs of all Northern Territory ACCHSs. Every CEO from the 14 operating services responded, ensuring full representation of the Aboriginal community-controlled health services in the region.

This report highlights the critical challenges these organisations face, aiming to raise awareness and advocate for sustainable solutions to ensure that ACCHSs can continue delivering life-changing care for Aboriginal communities for generations to come.

2. The value of ACCHSs

Currently, 14 ACCHSs operate across the Northern Territory, serving six regions: Barkly, Big Rivers, Central Australia, East Arnhem, Darwin and Top End. They often provide health services across vast geographical areas, with some clinics seven hours or more drive on unsealed roads from the nearest town.

WHY ABORIGINAL COMMUNITY-CONTROLLED HEALTH SERVICES ARE CRITICAL

ACCHSs provide a comprehensive model of care. It's benefits go beyond the treatment of individual clients for discrete medical conditions, and include:

- population health programs including health promotion and prevention;
- public health advocacy, research and intersectoral collaboration;
- a focus on health services delivery that respects and upholds the cultural identity, values, and practices of Aboriginal people;
- participation in local, regional and system-wide health planning processes;
- structures for community empowerment, engagement and control;
- significant employment of Aboriginal people.

ACCHSs focus on prevention, early intervention, and comprehensive care. They reduce barriers to accessing healthcare services, leading to significant improvements in health outcomes for Aboriginal people.[11] By addressing language barriers, providing care close to home, and building trust through culturally appropriate care, ACCHSs create an environment where Aboriginal people feel respected and supported, making it easier to seek and receive care.

While the life expectancy gap between Aboriginal and non-Aboriginal people in the Northern Territory is still unacceptably high (over 13 years) there has been substantial improvement over the last two decades: a nine-year improvement in life expectancy for men (from 56.6 years in 1999 to 65.6 years in 2020/22) and almost five years for women (from 64.8 to 69.4 over the same period).[12] The improved resourcing of primary healthcare, especially as delivered by ACCHSs, has made an important contribution to this change.

ACCHSs have also played an essential role in advocating for better funding for primary healthcare in the Northern Territory, and for mainstream services such as hospitals to be more clinically and culturally safe for their Aboriginal clients.

There is also substantial economic value to ACCHSs. They are one of the biggest employers in the Northern Territory, employing almost 1,300 full-time equivalent (FTE) staff in 2023.[13] Additionally, ACCHSs play a significant role in training the medical workforce and employing Aboriginal people.[14]

The greater cost effectiveness of ACCHSs in primary healthcare delivery was confirmed by a major study conducted by the University of Queensland and Deakin University, which concluded that:

> The lifetime health impact of any of these interventions delivered to the Indigenous population by ACCHSs is 50% greater than if these same interventions were delivered by mainstream health services.[15]

ACCHSS ARE CRUCIAL FOR MEETING CLOSING THE GAP TARGETS

ACCHSs are an important aspect of the country's attempt to close the gaps in health outcomes, social determinants, and opportunities that exist between Australia's non-Aboriginal and Aboriginal populations. The National Agreement on Closing the Gap includes a commitment to supporting a strong and sustainable Aboriginal community-controlled sector delivering high quality services to meet the needs of Aboriginal people.

The National Agreement on Closing the Gap (the Agreement) was signed by all Australian governments and the Coalition of Aboriginal and Torres Strait Islander Peak Organisations (the Coalition of Peaks) in July 2020. At the centre of the Agreement are four priority reforms that focus on changing the way governments work with Aboriginal and Torres Strait Islander people:[16]

1. **Shared decision-making:** Aboriginal and Torres Strait Islander people are empowered to share decision-making authority with governments to accelerate policy and place-based progress on Closing the Gap through formal partnership arrangements.
2. **Building the community-controlled sector:** There is a strong and sustainable Aboriginal and Torres Strait Islander community-controlled sector delivering high quality services to meet the needs of Aboriginal and Torres Strait Islander people across the country.
3. **Improving mainstream institutions:** Governments, their organisations and their institutions are accountable for Closing the Gap and are culturally safe and responsive to the needs of Aboriginal and Torres Strait Islander people, including through the services they fund.
4. **Aboriginal and Torres Strait Islander-led data:** Aboriginal and Torres Strait Islander people have access to, and the capability to use, locally relevant data and information to set and monitor the implementation of efforts to close the gap, their priorities and drive their own development.

However, in February 2024, the Productivity Commission's Review of the Agreement found that fundamental changes are required to deliver on its objectives, and that:

> This requires more than consultation and partnerships with Aboriginal and Torres Strait Islander people. It requires governments to relinquish some control over decisions and to trust that in doing so, they are enabling better outcomes for Aboriginal and Torres Strait Islander people.[17]

The review of the Agreement as well as the data on the sector's positive impact on Aboriginal communities outlined above reinforce the need to build upon the successes of the ACCHS sector in the Northern Territory over the past half-century. However, the current resourcing crisis facing ACCHSs poses a serious threat to the Territory's progress on improving health outcomes. Key challenges of infrastructure, staffing and funding must be addressed to prevent Closing the Gap targets becoming out of reach.

3. Key challenge 1: Inadequate infrastructure

ACCHSs in the Northern Territory are facing a number of infrastructure challenges in relation to their healthcare facilities, staff accommodation, transport and communication. Our survey shows that many health facilities and staff housing are not fit-for-purpose and present significant barriers to the delivery of adequate health services, as well as to the recruitment and retention of health professionals. Infrastructure challenges are often exacerbated by the remote location of services, which negatively impacts costs and accessibility.

The main infrastructure challenges of ACCHSs in the Northern Territory include:

HEALTHCARE FACILITIES

- Many clinics in remote areas are outdated and no longer fit-for-purpose.
- Consultation rooms and waiting areas often lack essential privacy and security.
- Limited availability of medical equipment and advanced diagnostic technology hampers effective care.

STAFF ACCOMMODATION

- Poor housing conditions for healthcare staff contribute to high attrition rates.
- Local Aboriginal staff are frequently living in unfit and overcrowded housing.
- Maintaining or upgrading staff housing in remote areas is often costly.
- Insufficient accommodation for visiting specialist teams results in communities missing out on critical services.

TRANSPORT CHALLENGES

- Poor road and airstrip conditions restrict access to remote communities.
- Limited availability of reliable public transportation complicates patient travel.
- Transporting patients to and from their appointments is a persistent challenge.

COMMUNICATION GAPS

- Reliable internet connectivity is often unavailable, particularly in very remote areas.
- Prolonged communication outages disrupt service delivery and access to telehealth.

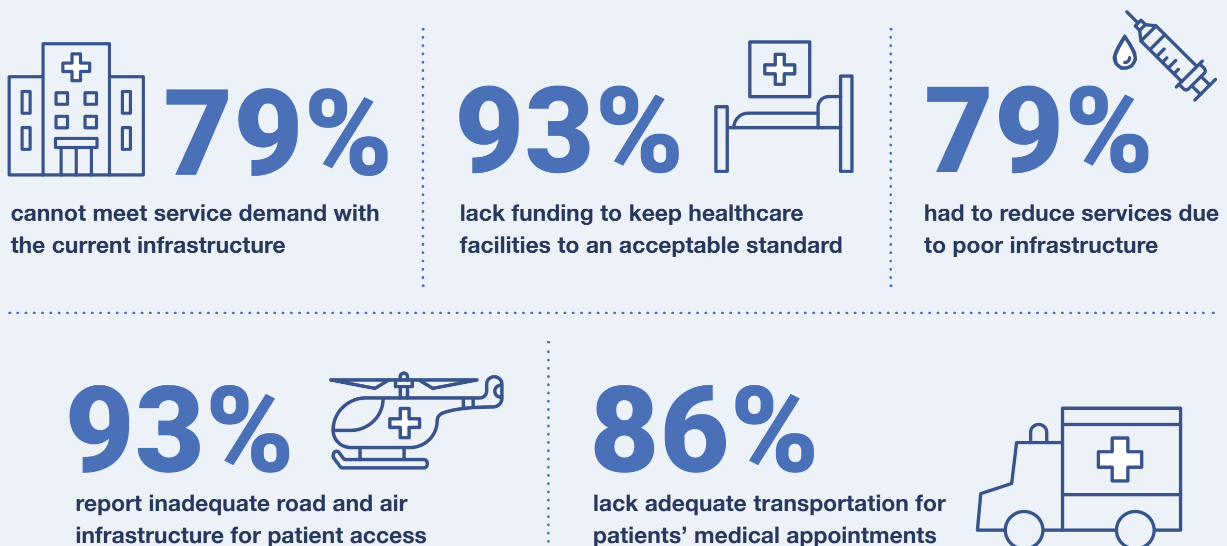
Almost all survey respondents (93%) reported that their service lacks adequate funding to maintain healthcare facilities and staff accommodation to a safe and acceptable standard. 11 of the 14 participating organisations are currently unable to meet client and service demand due to poor infrastructure. Additionally, 79% of respondents believe they are not adequately equipped to meet the growing demand for healthcare services over the next 12 months.

11 in 14 respondents (79%) have had to reduce the services they offer because of poorly maintained equipment and facilities, insufficient space, or a lack of specialised infrastructure. Over 60% reported missing critical visits from specialist professionals in the past year due to inadequate accommodation or infrastructure in their communities.

Transportation challenges are also significant, with 86% of respondents stating that there are not enough appropriate options to get patients to and from medical appointments. Furthermore, 13 in 14 rate the road and air infrastructure in their area as inadequate.

When asked about the condition of their current facilities, including staff accommodation, almost half of the respondents indicated that either up to 25% or 50% of their facilities require complete replacement, underscoring the poor state of their healthcare infrastructure. Additionally, almost 80% of the respondents reported that between 26% and 100% of their facilities are in need of major upgrades. Overall, the majority of participants stated significant repair and upgrade needs, highlighting the inadequacy of much of the current infrastructure.

Infrastructure challenges



Infographic 1: Infrastructure challenges, 2024 NT ACCHSs survey.

Percentage of infrastructure repairs/upgrades/replacements

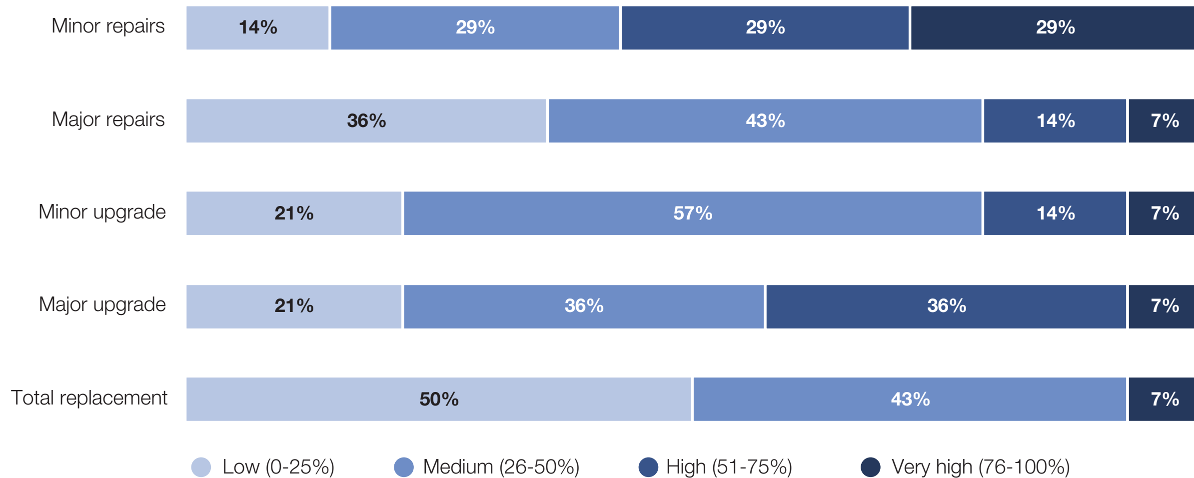


Chart 1: Infrastructure requirements, 2024 NT ACCHSs survey.

When survey respondents were asked about ACCHSs' main concerns regarding the infrastructure of their clinics and staff accommodations, several key themes emerged. Respondents highlighted the issue of deteriorating health facilities, with many clinics suffering from aging infrastructure, inadequate roofing, cramped consulting rooms, and outdated equipment. Inadequate staff housing was a significant concern, as not only was there limited housing available overall, but many properties were in poor condition or leased from third parties, leading to delays in necessary repairs and upgrades. These challenges collectively have a negative impact on healthcare delivery, as the inability to maintain clinics and provide suitable accommodation for staff compromises the quality and accessibility of primary healthcare services in remote communities.

The combination of these infrastructure issues makes it difficult to recruit and retain skilled workers, particularly locums and visiting services. This further undermines the ability to meet the healthcare needs of the communities.

DIRECT FEEDBACK FROM ACCHS CEOS IN THE NORTHERN TERRITORY

Respondents' concerns highlight the urgent need for investment in infrastructure upgrades, improved housing, and better facilities to ensure that ACCHSs can continue to deliver quality healthcare services in remote communities.

Major staff housing deficit in the region, wrong types of existing houses for the employee demographic, many houses of a poor standard and not maintained. Clinic buildings aging, too small for growing populations and designed as acute clinics with no actual or fit-for-purpose space for comprehensive primary services. Extensions are "cobbled on" and not integrated.

When there are heavy rains, [there are] leakages in [our] consult rooms and pharmacy. [...] Wifi keeps dropping in ED which is a big issue. Full wifi revamp is required.

We have lost clinical staff because they did not want to stay in staff accommodation because of its condition. 50% of our clinics cannot be made safe for staff and are not built to allow for a staff area separate from clients.

There is not enough housing and there is not enough power in the network to increase housing even though we have funding to do this. Power and water have advised that they have known of this problem for some time and have no plan to remedy this in the future.

4. Key challenge 2: Understaffed and overworked workforce

The Northern Territory Aboriginal primary healthcare sector, like many regional and remote areas across Australia, is facing a severe workforce crisis. The shortage affects all professions but is particularly concerning for doctors, nurses, and Aboriginal health practitioners (AHPs):

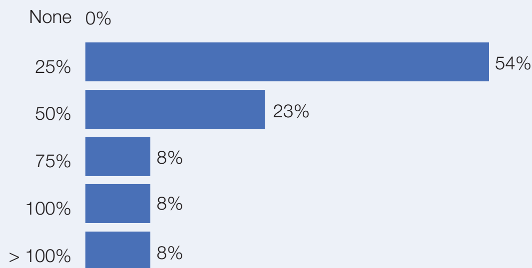
- In 2022-23, there were fewer primary healthcare professionals (6.6 FTE per 1,000 clients) compared to 2013-14 (6.9 FTE per 1,000 clients).[18]
- Nationally, health professional vacancies in Aboriginal community-controlled health services nearly quadrupled from 166 in 2014 to 624 in 2023.[19]
- The Northern Territory has the lowest rate of Aboriginal health professionals employed per 100,000 population of any jurisdiction, despite having the highest proportion of Aboriginal people and a particularly high health need compared to other jurisdictions.[20]

RETENTION OF STAFF IS A KEY ISSUE

The Aboriginal community-controlled health sector excels in employing Aboriginal people, who constitute 53% of the workforce in Aboriginal primary healthcare, with 89% employed within ACCHSs. This not only enhances cultural safety in healthcare but also provides stable, well-paid jobs.[21]

However, research has found that only one in five (20%) nurses/allied health professionals was still working at the same remote clinic 12 months after commencement and half had left after four months.[22] Retention of critical staff hired from within the community is made more difficult by the high turnover of non-local staff, which means AHPs and other Aboriginal staff continually need to orientate and support new hires. However, supporting and growing the local workforce is crucial, as it ensures continuity of care, strengthens community trust in health services, and reduces reliance on transient workers who may lack an understanding of local culture and context. A stable local workforce helps build capacity within communities, addressing health disparities more effectively and promoting long-term wellbeing.

Because of the remote to very remote location of many ACCHSs in the Northern Territory, attracting and retaining qualified staff is challenging due to limited professional support, insufficient housing options, and poor living conditions, which strain recruitment and retention efforts.



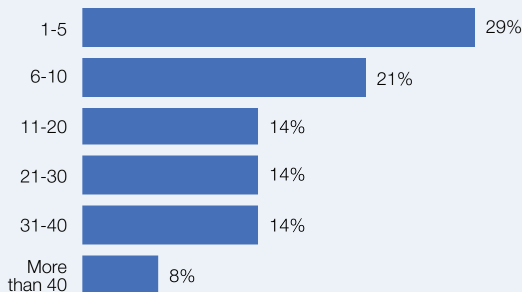


Chart 2: Staff challenges and needs, 2024 NT ACCHSs survey.

UNDERSTAFFING LIMITS THE SERVICES ACCHSS CAN PROVIDE

The COVID-19 pandemic (2020 to 2022) disrupted the delivery of primary healthcare across the world, especially for marginalised groups. The pandemic also precipitated and exacerbated a significant clinical workforce crisis. The need to focus on keeping Aboriginal communities safe from the pandemic, and then the workforce shortages, led to a greater focus on acute care at the expense of the prevention and management of disease.

In the period after the pandemic despite worsening clinical workforce shortages, there was a clear recovery from the worsening indicators for prevention. Despite these improvements, the recovery is not yet complete, and workforce shortages continue to impede recovery to pre-COVID levels.[23]

Our survey reveals that 10 in 14 organisations were forced to reduce core services in 2024 due to critical staff shortages. Over half of the organisations reported needing a 25% increase in their workforce to meet the primary healthcare demands in their region, while the other half require staffing levels to grow by 50% or more. The number of vacancies varies widely due to the different sizes of the health services, ranging from under five to as many as 40+ positions. These findings underscore the urgent staffing challenges faced by ACCHSs in the Northern Territory and the critical need for immediate action to support sustainable workforce growth.

10 in 14 ACCHS CEOs report that the main barriers to recruiting and retaining staff are a shortage of qualified candidates and the remoteness of the location. Additionally, more than half (57%) believe that insufficient or unsafe accommodation negatively impacts their ability to attract and retain staff.

Staff shortages also put a strain on the existing workforce, who are regularly required to work overtime and go beyond the duties of their role to meet healthcare needs. Our survey results indicate that in almost a third of ACCHSs (28%), staff must work overtime daily, whereas in the remaining organisations, staff work extra hours on a weekly basis (43%) or occasionally (29%).

In our survey, ACCHS CEOs in the Northern Territory shared examples of staff exceeding their roles to meet healthcare demands, particularly during high-pressure times like cultural events or emergencies. Staff often work extended hours, manage increased patient loads, and take on additional duties due to workforce shortages. Remote Area Nurses regularly participate in on-call rosters for after-hours and weekend care, and some clinics have to close when staff experience fatigue from overnight emergencies. CEOs and part-time staff have stepped into multiple roles to cover shortages. These efforts, while commendable, underscore the urgent need for resources to address staff fatigue and ensure sustainable healthcare delivery.

Chart 3: Recruitment barriers, 2024 NT ACCHSs survey.

Chart 4: Overtime frequencies, 2024 NT ACCHSs survey.

DIRECT FEEDBACK FROM ACCHS CEOS IN THE NORTHERN TERRITORY

Implementing measures to build and retain a skilled workforce for Aboriginal primary healthcare needs to be a top priority, to ensure that ACCHSs continue to provide vital care to Aboriginal communities in the Northern Territory. To grow the ACCHS workforce in a sustainable way it is also important to reduce unproductive competition for health professionals between the government and Aboriginal community-controlled services and instead focus on a collaborative approach to building a strong healthcare workforce in the Northern Territory.

Our nursing staff level got down to only one Registered Nurse so the CEO (a qualified Remote Area Nurse) had to work on the floor and on call, until such time more staff could be employed.

Staff frequently go above and beyond their roles, particularly during times of significant cultural events like sorry business. These events can bring an influx of 100 to 200 additional people into the community, which dramatically increases the demand for healthcare services.

The dedication and resilience of our team are commendable, but the strain of such situations highlights the importance of adequate support and resources to manage staff fatigue and maintain sustainable healthcare delivery.

Staff are often required to work longer to complete tasks that are not completed during work hours due to demand.

Examples include staff staying after hours to manage emergency cases, covering multiple roles due to staff shortages, and traveling long distances to provide care in remote outstations. These efforts highlight their dedication to ensuring community members receive timely and essential healthcare.

5. Key challenge 3: Fragmented and insecure funding

The current funding system for ACCHSs in the Northern Territory is fragmented, insecure, and inflexible, creating significant challenges for service delivery.

One of the key challenges faced by the ACCHS sector is the fragmentation of funding for the delivery of primary healthcare, and the resulting administrative burden to source, manage, report on, and acquire numerous funding contracts.

The current project Mapping of NT Primary Health Care Funding being undertaken under the CPHC Funding Reform Working Group of the Northern Territory Aboriginal Health Forum (NTAHF) is documenting the scale of this challenge. While detailed results have not yet been made public, it is understood that the project has found similar results to an earlier 2009 study which found that ACCHSs providing CPHC had to manage an average 22 grants per year, and some as many as 50. Funding was provided almost entirely through short-to medium-term contracts, which imposed a considerable administrative 'overburden' on ACCHSs.[24]

All ACCHSs are committed to being accountable for the funding they receive. However, such fragmentation and the high reporting burden that accompanies it, diverts funds away from service delivery; results in funding uncertainty, with most grants being awarded for less than three years; and undermines the flexibility needed to respond to community needs and evidence-based care.

Our survey results reveal that ACCHSs continue to have significant concerns about funding processes. Almost all (93%) believe the government lacks a long-term plan for funding Aboriginal primary healthcare in the Northern Territory, and three quarter (79%) feel the government does not communicate funding plans transparently. Additionally, 79% report that funding uncertainty makes it difficult for their organisations to plan long-term, including planning for staffing decisions.

The significant effort required to secure and manage funding is also a major concern. All, except one, ACCHS participants report insufficient dedicated resources to support the grant application process. They all agree that the current funding system places an excessive administrative burden on their organisations and 93% say that their staff are not adequately equipped – lacking training, time, and resources – to write grant applications and reports.

Crucially, the substantial administrative burden imposed by funding processes hampers these organisations' ability to provide healthcare services, with 93% agreeing that meeting grant reporting requirements reduces their capacity to serve patients.

Funding challenges

93%
say grant reporting limits service delivery

79%
think funding uncertainty hinders long-term planning

100%
agree that the funding system creates an excessive administrative burden

93%
believe the government has no long-term funding plan for NT Aboriginal primary health care

Infographic 2: Funding challenges, 2024 NT ACCHSs survey.

Significant funding challenges highlighted by survey respondents include competition with agency wages; insufficient funding for staff recruitment, retention, and accommodation; and the burden of fragmented short-term contracts. The uncertainty of annual funding, lack of Consumer Price Index adjustments, and extensive reporting requirements strain small services, diverting resources from healthcare delivery. Current funding models are overly prescriptive, misaligned with community needs, and inadequate for high health burdens or remote operational costs. To support sustainable and effective service delivery funding models need to be redesigned to include long-term, flexible funding agreements; needs-based models; streamlined reporting; and better recognition of after-hours and emergency care demands.

DIRECT FEEDBACK FROM ACCHS CEOS IN THE NORTHERN TERRITORY

The strong responses to survey questions about the current funding system underscore the urgent need to reorganise how funding is distributed, managed, and applied for to reduce the burden on ACCHSs. To address these challenges, the funding system must be simplified, made more flexible, and designed to provide long-term stability and transparency.

Major funding challenges

> *The main issue is losing good staff to agency staff. As agencies offer better wages than Aboriginal Medical Services in NT. We cannot compete with agencies with the funding we get.*

> *The amount of report writing is large and often. As a small service there is not enough staff to load share so the amount of administrative work the CEO encompasses is huge in comparison to larger organisations.*

> *Multiple funding contracts per funder, all require different data. Funding very prescriptive in service delivery, does not always align with community need. Short term funding contracts. Overall inadequate funding to meet health needs of community.*

> *The need to continually seek new grant opportunities, security of tenure of funding, reporting and compliance obligations to numerous different funders, time spent applying for grants.*

Improvements ACCHSs want to see

> *Long term funding agreements with increases to allow us to forecast. Faster turnarounds in the supply of the funds for specific projects.*

> *Adoption of the proposed new funding formula that recognises after hours urgent and emergency care burden; better recognition of the higher health burden in the region. True recognition of the cost premium at very remote sites.*

> *A more flexible and needs-based funding system, with long-term commitments and streamlined reporting requirements, would allow us to plan effectively and deliver sustainable healthcare services.*

> *Needs-based funding models, additional funding required for transient clients.*

6. Conclusion

This report has highlighted that ACCHSs play a crucial role in achieving the National Agreement on Closing the Gap targets and are a significant contributor to employment and the economy of the Northern Territory. However, the sector faces significant challenges related to infrastructure, workforce supply, and funding, which must be addressed to ensure service delivery that is fit-for-purpose and improves the health and lives of Aboriginal communities.

Many ACCHSs operate in outdated and inadequate facilities, struggling to meet the complexity and volume of care needed. The shortage of appropriate staff housing, combined with a limited pool of qualified professionals and competition from agencies offering higher wages, significantly exacerbates workforce challenges, hindering recruitment and retention of medical and support staff. Funding is fragmented, short-term, and complex, diverting resources from service delivery and undermining long-term planning.

To address these challenges, urgent action from the federal and the Northern Territory governments is necessary. Recommendations resulting from our survey include investing in modern facilities and providing funding for staff housing. Targeted workforce strategies, including incentives and partnerships with educational institutions, should be implemented to strengthen recruitment and retention. Additionally, funding processes must be simplified and transitioned to longer-term models to reduce administrative burdens and ensure sustainability.

By addressing these challenges, the government can empower ACCHSs to continue improving health outcomes for Aboriginal communities, contributing to Closing the Gap targets and supporting the health and economic resilience of Northern Territory communities.

7. Appendix

7.1 SURVEY METHODOLOGY

The Insight Centre conducted a 15-minute online survey targeted at CEOs of ACCHSs in the Northern Territory. Survey fieldwork was conducted from the 16th of December until the 6th of February.

In total, 14 executives participated – representing all of the 14 ACCHSs in the Northern Territory. Survey participants were recruited through AMSANT and their member base via email. Participation was voluntary and no incentives were provided.

Key themes of the survey were:

- Infrastructure needs
- Workforce needs
- Funding challenges

The survey contained 16 questions (some of which had several sub-questions), including four open ended questions.

Due to low sample size, only descriptive statistics were applied, quantitively summarising responses. Open ended questions were reviewed for key themes and quotes. Data shown in charts are rounded to the nearest whole number and might not always add up to 100%.

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