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Meeting the Challenges of a Changing Environment

Bill Newton, CEO, General Practice Victoria

Primary Health Care in the NHHRC Final Report

Proposed Changes

- Commonwealth assumes responsibility for state-funded primary health care services
- Primary Health Care Organisations
- Comprehensive Primary Health Care Centres and Services

Challenges and Opportunities for:

- Services
- State-level organisations and governments
- The Commonwealth government

NHHRC Final Report: A Healthier Future for all Australians



- Released 27 July 2009
- 123 Recommendations
- Precedes the release of the reports from the National Primary Health Care Strategy ERG, and the Preventative Health Taskforce
- Health likely to be a leading topic in to the 2010 Federal Election

Consultation (1)

- The government will use the NHHRC Report as a basis for direct consultations between July and December 2009
- Kevin Rudd and Nicola Roxon will 'engage directly' with major hospitals in all capital cities.
- In addition, the government will consult directly with a 'representative group' of rural, regional and private hospitals, health professionals, community health services and 'other critical parties'.

Consultation: Northern Hospital

You are invited to...

A forum with the Prime Minister the Hon Kevin Rudd MP
and the Minister for Health and Ageing the Hon Nicola
Roxon MP on the challenges of health reform for
Australia's future

Date: Friday 14 August 2009

Time: 10:00am- 11:00am (arrive by 9:45)

*The Northern Hospital
Education Centre - Lecture Theatre
185 Cooper Street, Epping, Victoria*

Consultation (2)

- Extraordinary meeting of COAG in late 2009, to discuss the health and hospitals reform recommendations.
- COAG meeting in early 2010: Commonwealth to present reform plan to states and territories.
- if no agreement on this reform plan, Commonwealth 'to seek a mandate from the Australian people for the proper reform of our health system for the future.'

(Prime Ministerial launch of NHHRC Final Report, 27 July 2009)

Consultation: Recap

That is our plan,

That is our intention,

That is our course of action.

(Kevin Rudd, 27 July 2009)

NHHRC Final Report:

Commonwealth Responsibility for Community Health

Recommendation 16

We recommend that, to better integrate and strengthen primary health care, the Commonwealth should assume responsibility for all primary health care policy and funding.

(NH&HRC Final Report, page 18)

Commonwealth Responsibility for Community Health: Integration

“ We need to be clear that ‘integration’ does not mean ‘takeover’. Nor does it mean that the Commonwealth Government would directly operate these services. We value the social health model of care that drives the provision of many state-funded primary health care services. And we are committed to the emphasis on population health and early intervention of many of these services.”

(NH&HRC Final Report, page 114)

Commonwealth Responsibility for Community Health: Service Models

The Commonwealth Government would need considerable time to do the equivalent of a 'stocktake' exercise to better understand the range of primary health care services now provided by states outside of Medicare. For example,

- the scope of services and how they differ between states
- the current eligibility rules and any patient co-payments for accessing these services, and
- the remuneration and employment arrangements for health professionals employed in these services

(NH&HRC Final Report, page 114)

Commonwealth Responsibility for Community Health: Funding

The Commonwealth Government would need to determine the basis on which it funds the existing state-funded primary health care services. We are not advocating that these services simply be included under the MBS on a fee-for-service basis. Paying for these services could involve a mix of salary, fee-for-service, grants, payments for performance and quality, and payments for episodes of care.

(NH&HRC Final Report, page 114)

Challenges and Opportunities for Victoria

- Several unanswered questions posed by the report:
 - Integration –
 - Service Models -
 - Funding arrangements
- Opportunities for state-level collaboration and joint advocacy around appropriate funding and service models in Victoria, based on existing knowledge of what does and does not work.

Primary Health Care Organisations

Recommendation 21

Service coordination and population health planning priorities should be enhanced at the local level through the establishment of Primary Health Care Organisations, evolving from or replacing the existing Divisions of General Practice.

(NH&HRC Final Report: *Appendix G*)

Primary Health Care Organisations

These organisations will need to:

- have appropriate governance to reflect the diversity of clinicians and services forming comprehensive primary health care
- be of an appropriate size to provide efficient and effective coordination (approx 250,000 to 500,000 population depending on health need, geography and natural catchments);
- meet required criteria and goals to receive ongoing Commonwealth funding support.

(NH&HRC Final Report: *Appendix G*)

Primary Health Care Organisations

- The Divisions Network should be funded to redevelop as the Australian Primary Health Care Network
- Initial funding over 3 years for GP Divisions to change their governance and membership to incorporate non-medical primary health care providers working in government services and in private practice within their region, and to redevelop their strategic and operational plans to address local priorities within 2 years.

Challenges and Opportunities

- A meeting of divisions' CEOs and Chairs in Adelaide on 7 August agreed that divisions of general practice are ideally placed to fill the roles of Primary Health Care Organisations
- They called on the Federal Government to work with the Network in designing the future models of PHCOs and in determining the criteria and goals which PHCOs will be required to meet to receive ongoing Commonwealth funding support

What could this mean for Victoria

- In Victoria, the establishment of PHCOs could mean
 - That divisions expand to encompass state-funded services
 - That CHSs expand to become PHCOs, and absorb general practice into these new organisations
 - That PCPs expand to become PHCOs
 - In rural areas hospitals expand to become PHCOs
 - Entirely new organisations are set up as PHCOs

Comprehensive Primary Health Care Centres and Services

Comprehensive primary health care is likely to include both 'physical' Centres and 'virtual' Services. Report proposes that:

- Commonwealth Government provide a mix of capital and establishment grants to promote the development of Comprehensive PHC Centres and Services.
- Existing service providers could combine and evolve into these larger groups
- Targeted development of Comprehensive PHC Centres and Services in areas where there is now limited access to these services.

(NH&HRC Final Report, page 103)

Comprehensive Primary Health Care Centres and Services

The NHHRC believes these centres will:

- improve access to primary health care and specialist services in the community
- improve shared care arrangements and communication between primary health care professionals and specialists for people with complex/chronic conditions
- 'one-stop shops' will provide access to GPs, nurses, allied health services, pharmacy, x-ray, pathology and specialist services
- open for extended hours
- funding specified for the establishment of these centres and services is \$300 million

(NH&HRC Final Report, pp 103, 253)

Challenges and Opportunities

- The creation of these centres may not address pre-existing workforce shortages in areas of need in Victoria, which may not be eligible for grants due to geographical restrictions
- The service models for these clinics are not made clear in the report, and will need to be flexible: in many instances, a distant 'one-stop shop' may not be the answer to community needs
- The Victorian community health sector provides a range of models that these centres might use

Summary of NHHRC proposals on primary care

- Commonwealth to be responsible for primary health care
- Primary Health Care Organisations to be key component of the new system
- NB the imminent report on the Primary Health Care Strategy

The Victorian Context

- The Victorian government's position is currently unclear
- The extent of Primary Health Care services in Victoria is not well-known at the Commonwealth level
- Community Health Services are split between freestanding and 'hospital-owned
- Divisions are well established; some work well with Community Health Services
- PCPs might appear positioned to become PHCOs

Now what?

Disunity is death

David Butt, CEO of Australian General Practice Network

7 August 2009