

Statewide PCPs



Victorian Healthcare Association



22 November 2010

Stakeholders representing the Victorian primary health care groups, General Practice Victoria (GPV), Statewide Primary Care Partnerships (SPCP), Municipal Association of Victoria (MAV) and the Victorian Healthcare Association (VHA) we are writing in response to the latest Department of Health and Ageing document on federal health reform. The *Medicare Locals Discussion Paper on Governance and Functions* released on 29 October 2010.

Victoria has a well established history of collaboration across the primary health care sector. We are looking to use Medicare Locals as an opportunity to further the positive results of collaboration and the direct benefits to the client and carer.

Victoria is pleased that in the document the Commonwealth has acknowledged the differences within each jurisdiction by stating that the establishment of Medicare Locals,

“ Will need to take account of existing regional primary health care infrastructure, partnership arrangements, including those established and operated by states and territories, while considering opportunities to build on elements that are currently working well.”

In order to achieve the overarching outcomes of the reform vision, we believe that the purpose and scope of Medicare Locals should be a bilateral decision i.e. a state by state agreement. In addition we believe the following points are fundamental to the success of implementing Medicare Locals in Victoria:

- Clarity of roles of State and Local governments especially as health planners (state and local) within our system and how the regional planning function of Medicare Locals is proposed to fit with them.
- The purpose and function of Medicare Locals as system reform requires strong underpinning of policy and significant investment.
- Clarification of the governance structure for Medicare Locals. The appropriate structure should be put in place for the ultimate role of Medicare Locals. If an organisation is initially established to fulfil a limited role and is intended to take on a much broader role in the future it risks creating the need for another major restructure.
- Quantify the resources available to achieve the objectives
- The development of a protocol agreement between Medicare Locals and Councils that addresses the fundamentals of how to effectively plan and work together. This is supported by local government, who are key stakeholders in the planning and service delivery of primary health care and related services in Victoria.

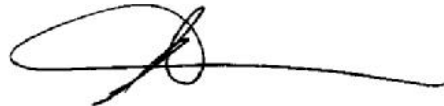
- A requirement that Medicare Locals be not-for-profit entities. (The discussion paper describes this on page 9 as an expectation rather than a requirement)
- Clarification regarding the conflict of interest that may exist within Medicare Locals if they play both a purchaser and provider role.

Victoria's current primary healthcare structures have facilitated the development of valuable and inclusive partnerships between a broad range of sectors and a very diverse range of services. Victoria's experience over the past decade demonstrates that inclusive, broadly based and cross-sector partnerships can improve the health and wellbeing of targeted communities, via comprehensive and coordinated strategies.


Yours sincerely



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