

## Outcome 5

### PRIMARY CARE

**Access to comprehensive, community-based health care, including through first point of call services for prevention, diagnosis and treatment of ill-health, and for ongoing management of chronic disease**

#### Outcome Strategy

Through Outcome 5, the Australian Government aims to provide cost-effective, community-based primary health care. Australia's health care system faces significant challenges due to the growing burden of chronic disease, an ageing population, workforce pressures, and unacceptable inequities in health outcomes and access to services.<sup>1</sup> Chronic diseases place an enormous demand on the health system, with more than 50% of consultations with general practitioners (GPs) attributed to people with a chronic condition such as heart disease, cancer or diabetes.<sup>2</sup>

Under National Health Reform, the Australian Government is aiming to shift the centre of gravity of the health system from hospitals to primary health care. A strong primary health care system helps prevent disease and assist people to manage their health conditions in the community, freeing up hospitals to look after those who need hospital care.

The National Health Reform Agreement provides for the Australian Government to work together with the state and territory governments on system-wide policy and state-wide planning for GP and primary health care services. Together with the Government's primary health care reforms, this work will help equip the Australian health system to meet future challenges and better respond to the needs and priorities of local communities.

In 2012-13, the Government will strengthen its primary health care reforms and access to after-hours care through Medicare Locals. The national network of Medicare Locals will ensure primary health care services are more accessible and responsive to local health needs. The Australian Medicare Local Alliance will be established from 1 July 2012 to act as a lead change agent and to support Medicare Local performance.

The Government will also continue to invest significantly in primary health care infrastructure through the construction of GP Super Clinics and upgrades to primary health care facilities.

Outcome 5 is the responsibility of Primary and Ambulatory Care Division, and Mental Health and Drug Treatment Division.

<sup>1</sup> National Health and Hospitals Reform Commission, 2009. *A Healthier Future for All Australians – Final Report of the National Health and Hospitals Reform Commission*. Available at: <[www.yourhealth.gov.au](http://www.yourhealth.gov.au)>.

<sup>2</sup> Australian Institute of Health and Welfare, 2006. *Chronic diseases and associated risk factors in Australia*, AIHW: Canberra. Available at: <[www.aihw.gov.au/publications](http://www.aihw.gov.au/publications)>.

### **Programs Contributing to Outcome 5**

**Program 5.1: Primary care education and training**

**Program 5.2: Primary care financing, quality and access**

**Program 5.3: Primary care practice incentives**

## Outcome 5 Budgeted Expenses and Resources

Table 5.1 provides an overview of the total expenses for Outcome 5 by Program.

**Table 5.1: Budgeted Expenses and Resources for Outcome 5**

	2011-12 Estimated actual \$'000	2012-13 Estimated expenses \$'000
<b>Program 5.1: Primary care education and training</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	5,212	6,852
Departmental expenses		
Departmental appropriation <sup>1</sup>	407	357
Expenses not requiring appropriation in the budget year <sup>2</sup>	20	14
<b>Total for Program 5.1</b>	<b>5,639</b>	<b>7,223</b>
<b>Program 5.2: Primary care financing, quality and access<sup>3</sup></b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	573,744	575,590
Departmental expenses		
Departmental appropriation <sup>1</sup>	32,014	27,491
Expenses not requiring appropriation in the budget year <sup>2</sup>	1,584	1,104
<b>Total for Program 5.2</b>	<b>607,342</b>	<b>604,185</b>
<b>Program 5.3: Primary care practice incentives</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	302,289	284,132
Departmental expenses		
Departmental appropriation <sup>1</sup>	1,588	1,537
Expenses not requiring appropriation in the budget year <sup>2</sup>	79	55
<b>Total for Program 5.3</b>	<b>303,956</b>	<b>285,724</b>
<b>Outcome 5 totals by appropriation type:</b>		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	881,245	866,574
Departmental expenses		
Departmental appropriation <sup>1</sup>	34,009	29,385
Expenses not requiring appropriation in the budget year <sup>2</sup>	1,683	1,173
<b>Total expenses for Outcome 5</b>	<b>916,937</b>	<b>897,132</b>
	<b>2011-12</b>	<b>2012-13</b>
<b>Average staffing level (number)</b>	255	215

- <sup>1</sup> Departmental appropriation combines “Ordinary annual services (Appropriation Bill No 1)” and “Revenue from independent sources (s31)”.
- <sup>2</sup> “Expenses not requiring appropriation in the budget year” is made up of depreciation expense, amortisation expense, makegood expense and audit fees. This estimate also includes approved operating losses - please refer to the departmental financial statements in section 3 for further information.
- <sup>3</sup> This program includes National Partnerships paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. National partnerships are listed in this chapter under each program. For budget estimates relating to the National Partnership component of the program, please refer to Budget Paper 3 or Program 1.10 of the Treasury Portfolio Budget Statements.

## Program 5.1 Primary care education and training

All activities currently funded through Program 5.1 are discussed in Outcome 11 – Mental Health, in these Portfolio Budget Statements.

### Program 5.1 Expenses

**Table 5.2: Program Expenses**

	2011-12 Estimated actual \$'000	2012-13 Budget \$'000	2013-14 Forward year 1 \$'000	2014-15 Forward year 2 \$'000	2015-16 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	5,212	6,852	7,091	8,251	8,407
Program support	427	371	373	372	375
<b>Total Program 5.1 expenses</b>	<b>5,639</b>	<b>7,223</b>	<b>7,464</b>	<b>8,623</b>	<b>8,782</b>

## Program 5.2: Primary care financing, quality and access

### Program Objectives

#### *Establish Medicare Locals*

In 2012-13, the Australian Government will continue to establish a national network of Medicare Locals. Medicare Locals will make it easier for patients to navigate their way through the health system. They will improve the planning and coordination of services at the local level, support the delivery of a range of primary health care initiatives, including addressing service gaps, and improve collaboration between practitioners and service providers across the health system.

The Department will continue to work closely with Medicare Locals and other key stakeholders such as Local Health Networks to ensure the continued delivery of primary health care programs and services. The Department will finalise agreements in July 2012 to bring the total number of Medicare Locals to 62. The Department will also fund the Australian Medicare Local Alliance from 1 July 2012 to act as a lead change agent for the Medicare Local Network and support Medicare Local performance. The Australian Medicare Local Alliance will support Medicare Locals by providing national leadership through assisting Medicare Locals to transition to the new arrangements and to integrate with Local Hospital Networks. The Alliance will also assist with local integration of primary health care services with other health care sectors, and establish communication pathways across the Medicare Local network.

#### *Improve access to after-hours primary health care*

Medicare Locals will have responsibility for the planning and funding of face-to-face after-hours services for their local community as part of their role supporting existing primary health care services. They will work with local GPs and other stakeholders to identify and then design local solutions to address service gaps in their region.

The Government will also continue to support the 24 hour nurse-based triage telephone service provided by *healthdirect Australia* and the after-hours GP helpline. In 2012-13, a video consultation service will be introduced to improve the ability of the after-hours services to effectively assess a caller's medical condition.

#### *Improve primary health care infrastructure*

Improved infrastructure is a cornerstone of the Government's strategy to increase the capacity of primary health care to adapt to and meet current and future challenges, such as the growing burden of chronic disease.

In 2012-13, the Department will continue the roll-out of more than 60 GP Super Clinics around Australia. In addition, the Department will continue to implement around 425 Primary Care Infrastructure Grant projects aimed at improving the quality and accessibility of primary health care services across Australia.

*Improve the coordination and integration of primary health care services across the health system*

The Department will work with the states and territories to develop a national primary health care strategic framework by December 2012. This framework will set out agreed future policy directions and priority areas for primary health care. This work will be informed by the concurrent development of state-specific plans for primary health care, which are to be completed by July 2013.

Program 5.2 is linked as follows:

- This Program includes National Partnership Payments for:
  - *Healthy Kids Health Check*.

These Partnership Payments are paid to state and territory governments by the Treasury as part of the Federal Financial Relations (FFR) Framework. For budget estimates relating to the National Partnership component of the program, please refer to Budget Paper 3 or Program 1.10 of the Treasury's Portfolio Budget Statements.
- The Department of Human Services (Medicare Australia – Program 1.1) to administer access to after-hours primary care.

### Program 5.2 Expenses

**Table 5.3: Program Expenses**

	2011-12 Estimated actual \$'000	2012-13 Budget \$'000	2013-14 Forward year 1 \$'000	2014-15 Forward year 2 \$'000	2015-16 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	573,744	575,590	579,714	555,825	551,493
Program support	33,598	28,595	28,452	27,896	28,152
<b>Total Program 5.2 expenses</b>	<b>607,342</b>	<b>604,185</b>	<b>608,166</b>	<b>583,721</b>	<b>579,645</b>

**Program 5.2: Deliverables<sup>3</sup>****Table 5.4: Qualitative Deliverables for Program 5.2**

Qualitative Deliverables	2012-13 Reference Point or Target
<b>Establish Medicare Locals</b>	
Establish a Medicare Local national body	The Australian Medicare Local Alliance will be established in July 2012
<b>Improve the coordination and integration of primary health care services across the health system</b>	
Develop a national strategic framework to set out agreed future policy directions and priority areas for primary health care	Framework developed by December 2012

**Table 5.5: Quantitative Deliverables for Program 5.2**

Quantitative Deliverables	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
<b>Improve primary health care infrastructure</b>					
Number of grants awarded to establish GP Super Clinics <sup>4</sup>	12	8	N/A	N/A	N/A
Number of grants to upgrade or extend existing general practices, primary and community care services or Aboriginal Medical Services <sup>5</sup>	240	70	29	N/A	N/A

<sup>3</sup> In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.

<sup>4</sup> All GP Super Clinic grants will be awarded by 30 June 2013.

<sup>5</sup> The Primary Care Infrastructure Grants program is a non-ongoing program. Funding rounds were only available in 2010 and 2011, however payments on some grants funded under these rounds will continue until 2013-14.

## Program 5.2: Key Performance Indicators

Table 5.6: Quantitative Key Performance Indicators for Program 5.2

Quantitative Indicators	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
<b>Establish Medicare Locals</b>					
Percentage of Medicare Locals meeting performance reporting requirements	100%	100%	100%	100%	100%
<b>Improve access to after-hours primary health care</b>					
Number of calls to the After Hours GP helpline	150,000	195,000	220,000	240,000	260,000
<b>Improve primary health care infrastructure</b>					
Number of GP Super Clinics that commence delivery of services, including early services <sup>6</sup>	12	9	6	8	6

<sup>6</sup> These figures have changed from those published in the 2011-12 Portfolio Budget Statements as GP Super Clinics have either commenced early services or interim services sooner than anticipated. In addition, the GP Super Clinics health reform measure has been merged with the existing GP Super Clinics measure.

## Program 5.3: Primary care practice incentives

### Program Objective

*Provide general practice incentive payments*

In 2012-13, the Australian Government will continue to provide incentive payments to general practices and GPs to support activities that encourage continuing improvements, increase quality of care, enhance capacity, and improve access and health outcomes for patients.

Incentive payments made to general practices and GPs include those for cervical cancer screening, diabetes management, asthma management, and procedural services in rural and remote areas.

Other incentives are provided to GPs to ensure that older people receive appropriate and timely access to primary health care services, thereby improving their health outcomes and reducing avoidable hospital admissions and readmissions. To receive the incentives, GPs must provide a minimum specified number of services to residents of aged care facilities.

Under the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes, the Government also provides financial incentives to participating general practices and Indigenous health services that provide comprehensive and consistent care for Aboriginal and Torres Strait Islander patients with chronic disease. The uptake of the incentive has been strong, with higher than expected numbers of patient registrations. In 2012-13, the Department will continue to closely monitor uptake of these incentives, including the number of Aboriginal and Torres Strait Islander patient registrations, to determine whether changes to the program are required.

In 2012-13, the Australian Government will introduce new eligibility requirements for the Practice Incentives Program (PIP) eHealth Incentive to encourage general practices to keep up-to-date with the latest developments in eHealth and to promote uptake of the Personally Controlled Electronic Health Record (PCEHR).<sup>7</sup> The new requirements will encourage general practices to safely and securely share accurate electronic patient records to enhance the quality of care provided to patients and undertake activities such as electronic prescribing and use of the PCEHR system.

The Department will continue to consult closely with the National eHealth Transition Authority, the PIP Advisory Group, medical software developers and Medicare Australia in the development of the new requirements and to ensure that the appropriate software is available to practices with sufficient lead time to prepare for implementation.

Program 5.3 is linked as follows:

- The Department of Human Services (Medicare Australia – Program 1.1) administers incentive payments to general practices, general practitioners and Indigenous health services on behalf of the Department.

<sup>7</sup> For more information on the Personally Controlled Electronic Health Records, please refer to Outcome 10 in these Portfolio Budget Statements.

## Program 5.3 Expenses

Table 5.7: Program Expenses

	2011-12 Estimated actual \$'000	2012-13 Budget \$'000	2013-14 Forward year 1 \$'000	2014-15 Forward year 2 \$'000	2015-16 Forward year 3 \$'000
Annual administered expenses					
Ordinary annual services	302,289	284,132	213,104	228,434	233,989
Program support	1,667	1,592	1,544	1,416	1,429
<b>Total Program 5.3 expenses</b>	<b>303,956</b>	<b>285,724</b>	<b>214,648</b>	<b>229,850</b>	<b>235,418</b>

## Program 5.3: Deliverables<sup>8</sup>

Table 5.8: Qualitative Deliverables for Program 5.3

Qualitative Deliverables	2012-13 Reference Point or Target
<b>Provide general practice incentive payments</b>	
Implementation of new eligibility requirements for the PIP eHealth Incentive	New eligibility requirements are introduced from 1 February 2013

## Program 5.3: Key Performance Indicators

Table 5.9: Quantitative Key Performance Indicators for Program 5.3

Quantitative Indicators	2011-12 Revised Budget	2012-13 Budget Target	2013-14 Forward Year 1	2014-15 Forward Year 2	2015-16 Forward Year 3
<b>Provide general practice incentive payments</b>					
Percentage of GP patient care provided by PIP practices	83.0%	83.4%	83.7%	84.0%	84.1%
Number of general practices receiving Indigenous health incentives	2,500	2,800	3,000	3,100	3,200
Percentage of PIP practices receiving the eHealth incentive under new eligibility requirements	N/A <sup>9</sup>	78%	82%	86%	88%

<sup>8</sup> In 2012-13, all deliverables and key performance indicators have been reviewed and updated to ensure targeted performance reporting.

<sup>9</sup> The Government will introduce new eligibility requirements for the PIP eHealth Incentive from 1 February 2013.