



Review of cohealth general practice and related services

Terms of Reference

Context:

On 18 September 2025, in a letter to the Federal Minister for Health and Ageing, the Hon Mark Butler MP cohealth advised it would commence activity to close its general practice clinics in Fitzroy Collingwood and Kensington in Melbourne.

Through subsequent engagement and negotiation, agreement was reached for cohealth to delay these practice closures until February 2026. The Commonwealth Government agreed to further support the pause on planned closures, through funding of up to \$1.5 million provided via the North Western Melbourne PHN, to ensure services remain available to clients until 31 July 2026. As agreed by parties, during this time, an independent review will be undertaken to inform the development of options to support long term arrangements that ensure continued access of vital general practice service to these communities.

Scope of review:

The review will focus on the overall service model at cohealth's general practices, including the clinical service model, operations, governance and financial viability, in the context of the overall funding operations of the organisation. It will enable an informed assessment of suitable longer-term funding options to ensure sustained services to clients. The review will seek to understand the following as they pertain to the clients who access cohealth's GP services:

- understand relevant factors that have contributed, or are contributing to, financial degradation of the general practices, including understanding key drivers of costs, income and expenditure
- understand the impact of the general practice services on cohealth's broader financial outlook (cash flow, liabilities, solvency)
- understand cohealth's approach to budgeting and management of funded activities across the organisation, including activities funded by the Commonwealth and Victorian Governments
- consider the effectiveness of cohealth's governance systems and frameworks, including management, performance and accountability
- consider cohealth's use and design of a multi-disciplinary teams in delivering its general practice services
- consider cohealth's client demographics, workforce profile and operating model to understand if it effectively balances client need and administrative efficiency
- identify any opportunities to deliver more efficient clinical service models and operations, and strengthen long term viability, without compromising patient care
- assess whether potential revenue streams from Commonwealth primary care programs are being fully maximised and identify options to improve billing arrangements if required
 - includes MBS billing, Practice Incentives, Workforce Incentives and Bulk Billing Practice Incentive Payments
- consider levers/options available to relevant parties (cohealth, the Commonwealth Government, the Victorian Government and the North Western Melbourne Primary Health Network) to improve the capacity, capability and sustainability of the care provided to clients currently utilising the GP clinics.



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Department of Health, Disability and Ageing

Desired outcome:

All parties are committed to support people in Fitzroy, Collingwood and Kensington and neighbouring communities to continue to have access to vital general practice services. The desired outcome of the review is to identify options to support the continuation of these services to the community.

Process:

The review will be led by an independent review team with relevant expertise in:

- Health systems
- General practice management
- Community health service models serving populations with complex medical and social needs
- Financial management, in a health services context

The reviewer/s will have a strong understanding of the Australian Health system. The reviewer/s should also have a strong understanding of the funding mechanisms that underpin primary care specifically, as well as innovative funding model solutions that could be applied. The reviewer/s will have experience or understanding of the Victorian Health system, particularly the community health service model, to ensure recommendations align with the system capability.

The review will include assessment of information and data to be provided by cohealth that sufficiently informs the areas in scope of the review, including as they pertain to clients of the general practices:

- Detailed financial information including revenue streams, Australian and Victorian Government funding and operating costs
- Detailed, deidentified, staffing information (e.g. staffing numbers, workloads, functions, classification, salaries and bands)
- Deidentified information about client needs, disease burden, MBS billing and services provided
- Other organisational information identified as relevant and/or necessary to informing the review's purpose and scope including but not limited to organisational governance and internal controls.

The review will also consider the uptake and/or availability of non-monetary supports which may improve the capacity or service offer of cohealth general practices (for example, capacity support provided through Primary Health Networks as well as alternate clinical models and associated funding approaches)).

The review will include a schedule of interviews with key stakeholders including (but not limited to) cohealth Board and Executive, cohealth general practice staff, the North Western Melbourne Primary Health Network and, with appropriate protections and sensitivities, clients/patients.

The review will be supported by a Steering Committee of senior representatives from the Department of Health, Disability and Ageing, the Department of Health, Victoria and the North Western Melbourne Primary Health Network. The reference group will guide the review to ensure it is progressing effectively and on time (noting the urgency of the review), and to provide relevant context or information required to inform the review and provide transparency to all parties. The reference group will maintain regular engagement with the cohealth Executive and Board.



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Assumptions:

The following assumptions relevant to the success of the review are made:

- persons undertaking the review will have suitable expertise and knowledge to undertake relevant assessment and provide advice
- persons undertaking the review will have access to all relevant information from cohealth to inform their assessment and recommendations
- cohealth GP services will remain open until at least 31 July 2026, allowing this work to inform future options to sustain services into the future
- the Commonwealth, through the Department of Health, Disability and Ageing, and the Victorian State Government through Department of Health, Victoria, will provide relevant information / documentation, to support the review.

Outputs:

The review will provide a report jointly to the Commonwealth Department of Health, Disability and Ageing, and the Department of Health, Victoria. The report should provide key insights and observations relevant to the scope of the review.

The review should provide options, and make recommendations to all parties (cohealth, Commonwealth and State Governments) that will serve to address the key purpose of the review, that is, to support sustained and continued access of general practice services to people in Fitzroy, Collingwood, Kensington and neighbouring communities.

The review will deliver a final report by 28 February 2026, to be held in confidence by departments, in addition to a summary report, which on agreement of all parties, may be subject to public release.

General Requirements:

- the reviewer/s will work in a respectful, culturally appropriate and sensitive manner with cohealth Board, executive management and staff
- the reviewer/s will engage sensitively with staff and others affected by, and under pressure due to, the instability of cohealth's general practice services and high community interest and concern
- the reviewer/s will provide regular updates, oral and written, on progress of the review and to address any significant matters limiting progress
- reviewer/s and others parties as required, will attend specified meetings with the Department of Health, Disability and Ageing and Department of Health, Victoria and/or cohealth
- the reviewer/s will uphold standards of probity, transparency and accountability, consistent with existing Commonwealth Procurement Rules, regulations and integrity frameworks.