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PHN Program
Needs Assessment Policy Guide

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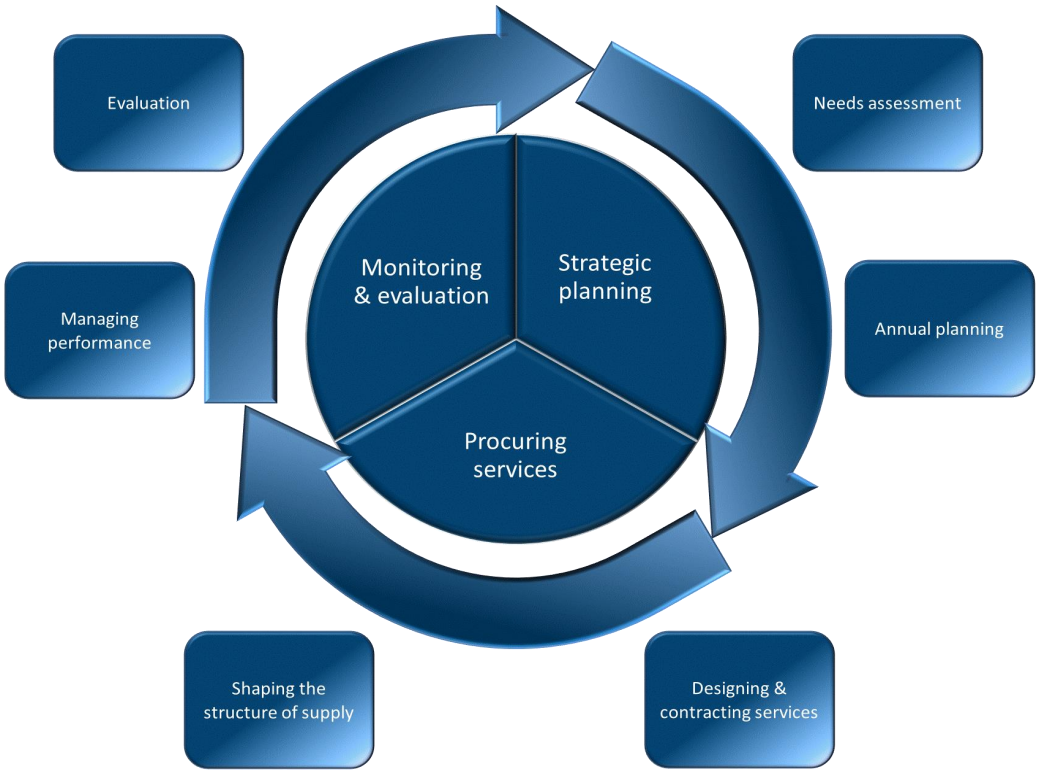

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Disclaimer

Opinions expressed in the *PHN Program Needs Assessment Policy Guide* are those of the authors and not necessarily those of the Australian Government Department of Health. Data may be subject to revision.

Table of contents

Acknowledgement i
Disclaimer i
Table of contents ii
1 Background 1
2 What is a Needs Assessment? 2
2.1 Data 2
2.1.1 Other sources of information 2
2.2 Consultation 2
2.3 Organisational considerations 3
3 Needs Assessment Analysis 4
3.1 Health needs analysis 4
3.1.1 Geography 4
3.1.2 Demography 4
3.1.3 Health determinants 4
3.1.4 Health status 4
3.1.5 Populations with special needs 4
3.2 Service needs analysis 4
3.2.1 Geography 4
3.2.2 Workforce mapping 5
3.2.3 Service mapping 5
3.2.4 Market analysis 5
3.2.5 Efficiency and effectiveness of health services 5
3.2.6 Coordination and integration of services 5
3.2.7 Strengths and weaknesses 6
4 Assessment 7
4.1 Synthesis and triangulation 7
4.2 Priority setting 7
5 Summarising the Findings 8
6 Submitting the Needs Assessment to the Department 8
7 Appendices 9
Appendix A – Data sources 9
Appendix B – Other sources of information 11
8 Version History 12
9 References 13

1 Background

This document outlines the processes for Primary Health Networks (PHNs) to follow in conducting a Needs Assessment.

The Needs Assessment is the first stage in the broader PHN commissioning framework and provides the basis for planning and commissioning of services. Information on commissioning and the PHN commissioning framework is available on the Department of Health's website.

To complement this policy guide, specific requirements for PHNs regarding what to include in a Needs Assessment document are provided in the *PHN Needs Assessment Completion Guide*. User guides for submitting deliverables via the PHN Program Electronic Reporting System (PPERS) are also available to PHNs.

2 What is a Needs Assessment?

A Needs Assessment is a method of identifying the health needs of a population. It informs a PHN's understanding of their region by ensuring they undertake a detailed and systematic assessment of the regional population's health needs, the local health care services, and engage in stakeholder and community consultation. This process identifies service gaps, key issues, and sets the regional priorities.

The Needs Assessment process consists of both analysis and assessment. Analysis is the examination and documentation of the region's health and service needs. Assessment is where the PHN determines priorities.

Conducting a Needs Assessment must involve:

- population health planning and an analysis of the health needs of the PHN region
- reviewing and identifying market factors and drivers of health services in the PHN region
- analysing the relevant local and national health data
- identifying service gaps or market failures
- stakeholder and community consultation and market analysis
- determining priorities for the PHN to address through commissioning.

2.1 Data

The Needs Assessment must be informed by an appropriate mix of evidence, both qualitative and quantitative, as well as national and locally-specific data sources. PHNs are expected at a minimum to: obtain relevant and reliable data; undertake data analysis using appropriate techniques and statistical methods; and appropriately cite all statistics and claims. Needs Assessments should make use of existing data and evidence where possible and avoid duplicating the efforts of others, particularly Local Hospital Networks (LHNs) or their jurisdictional equivalent. Information from the monitoring and evaluation processes of commissioned activities should also be used where appropriate. A list of suggested data sources is available at Appendix A.

2.1.1 Other sources of information

There are many other sources of information that PHNs can use in developing Needs Assessments, including frameworks that have been developed to classify and organise data and indicators about health status, service delivery and opportunities for quality improvement. A list of suggested other sources is available at Appendix B.

2.2 Consultation

Consultation should occur throughout the Needs Assessment process. Consultation is essential to ensuring PHNs have a complete understanding of their communities' health needs and provides the opportunity to ensure alignment of investment and effort through engaging regional stakeholders and other key planning and funding agencies.

PHNs should consult with their clinical councils, community advisory committees, LHNs, service providers, local health professionals, consumers, and any other relevant stakeholder groups. Their insights may be particularly useful for identifying the efficiency and effectiveness of current service delivery models and opportunities for improvement as well as barriers to service access.

PHNs should ensure they use a systematic approach to consultation that captures a broad range of stakeholder views, including engaging with the views of vulnerable or hard to reach

population groups (e.g. First Nations Australians). PHNs should also recognise cultural diversity within their region and design appropriate consultative approaches.

There should be robust processes to synthesise and analyse consultative information as well as mechanisms in place to communicate any results to both participants and communities more generally; including a process for seeking confirmation or registering and acknowledging dissenting views. The PHN's board should also review each new Needs Assessment.

2.3 Organisational considerations

PHNs determine their own structures and organisational processes. However, the Department expects that PHNs ensure:

- adequate resources and skills are available to undertake the Needs Assessment
- governance structures are implemented to oversee and lead the process
- formal processes and timeframes (e.g. a project plan) are in place for undertaking the Needs Assessment
- there are mechanisms to evaluate the Needs Assessment process and ensure continuous improvement
- all parties are clear about the purpose of the Needs Assessment, its use in informing the PHN AWP, and the Department's program planning and policy development
- further evidence can be provided to the Department, if requested, to demonstrate how a PHN has addressed the completion requirements of the Needs Assessment.

3 Needs Assessment Analysis

3.1 Health needs analysis

PHNs undertake a health needs analysis process in order to understand the health needs of individuals and communities within their region. This process makes use of a range of demographic, epidemiological and consultative data sources. The focus of the health needs analysis moves progressively from the overall community health status, characteristics of specific populations or conditions and narrows towards an identification of priorities for the PHN. Elements include (but are not limited to):

3.1.1 Geography

Geographical data supports informed regional decision making. The Australian Statistical Geography Standard (ASGS) SA 3 level should form the basis of any sub-regions a PHN develops for demographic analysis. Depending on the available data, there may be reasons for also using LHN sub-divisions or Local Government Areas.

3.1.2 Demography

A variety of demographic data should be used in order to understand the PHN region's population profile and project changes over time. Population trends can be significant indicators of current or future health needs (e.g. an ageing population). Key demographic data is available through the Australian Bureau of Statistics.

3.1.3 Health determinants

Health determinants are factors that impact the health of individuals and communities including their social, economic, and physical environments, and the person's individual characteristics (including health literacy). There are a number of frameworks which can support this analysis[2].

3.1.4 Health status

A range of data sets at the PHN-region level should be examined, alongside the outcomes of stakeholder consultation, to identify the overall health status of the community. Consideration should also be given to the burden of communicable disease and injury, with techniques for either disaggregation or synthetic estimates at the small area level. A list of data sources is available at Appendix A.

3.1.5 Populations with special needs

The Needs Assessment should involve an explicit consideration of populations with non-disease related special needs. This involves identification of issues or inequities specific to the region that were less evident in the preceding analyses, such as suicide in youth, injury in farming communities or minimal health literacy in immigrant communities.

3.2 Service needs analysis

A service needs analysis ensures a PHN understands their region's existing services and health infrastructure, with a focus on efficiency, effectiveness and coordination[1]. A service needs analysis includes the distribution of the workforce and services across the region, characteristics of specific locations and service types, and can narrow in on specific locations, service types or relationships between services that are likely to be priorities for the PHN.

3.2.1 Geography

In analysing service needs, PHNs should consider how PHN boundaries impact their region's health system capacity and performance. This can include issues such as cross-border utilisation, distribution of services, referrals in and out of centralised services (such as large

teaching hospitals, specialist and allied health services), and the location of specialist imaging or diagnostic services. Variations in services provided by different local government authorities within a PHN region may also be relevant.

3.2.2 Workforce mapping

PHNs should analyse the health workforce data for their region. This could include the:

- number and distribution by type of service
- workforce characteristics (e.g. full or part time, reliance on locums, public versus private, qualified but not working in health care etc.)
- formal relationships and communication channels between professional groups.

3.2.3 Service mapping

Service mapping involves identifying and documenting the range of services available within the PHN region, and the kinds of relationships that exist between services. Service mapping can also include consideration of the system's ability to deal with public health emergencies (such as an influenza pandemic) and issues around regional coordination that may impact on emergency preparedness.

In undertaking service mapping, PHNs should consider service:

- ***location –*** physical location and opening hours, but also any services provided outside the PHN region which are accessed by people from within the PHN. For rural areas this would also include outreach services
- ***utilisation –*** including Medicare Benefits Schedule and Pharmaceutical Benefits Schedule data, hospital data (e.g. emergency department presentations and potentially preventable hospitalisations), and other measures of occasion of service. This should include consideration of under-utilisation, duplication and waste
- ***accessibility –*** including financial, cultural, and disability barriers, access to specialists and secondary referred services, and access to services after hours
- ***capability –*** such as skills and competence
- ***acceptability –*** such as culturally safe care, or a patient's experience and satisfaction
- ***quality –*** such as practice accreditation and PIP enrolment.

3.2.4 Market analysis

The PHN should be alert to how the health market operates in their region, as well as how it has changed since the previous Needs Assessment process. This includes considering parts of the market not currently active in health care but where there are potential opportunities for engagement, such as informatics or business models from other sectors.

3.2.5 Efficiency and effectiveness of health services

These should be measured through how well a service's outputs achieve its objectives, and at what cost. Components to investigate include access, quality, appropriateness, and cultural competency for First Nations or CALD communities. The AIHW website provides guidance on how to assess these qualities.[2,3]

3.2.6 Coordination and integration of services

PHNs should analyse the level of coordination and integration of health care services in the region, where there are opportunities for improvement, and the presence or absence of services that seek to directly address coordination. Evidence could include:

- shared health records and other e-health initiatives
- examples of integrated service delivery
- models such as the Patient Centred Medical Home
- transitions between acute care and primary care

- coordination between general practice and allied health
- linkages between health and social services (aged care, disability services, youth, child and family services, housing)
- referral patterns and use of *HealthPathways*.

3.2.7 Strengths and weaknesses

This final step combines the evidence gathered to reflect on the strengths and weaknesses of the region's services and health infrastructure. This synthesis further builds the PHN's understanding of their region and informs the next step of the Needs Assessment process of assessment and prioritisation.

4 Assessment

Assessment aims to synthesise and triangulate evidence from consultations and health and service needs analyses in order to identify priorities to address. PHNs should seek information from a variety of sources (including literature, systematic reviews, and other PHNs) on approaches that have been implemented elsewhere, evidence of their success, and the appropriateness for use in their region.

4.1 Synthesis and triangulation

Issues and needs arising from the data or identified through community, professional and stakeholder consultations should be summarised into consistent themes. PHNs should use more than one method of enquiry when assessing to triangulate and verify their findings.

The triangulation matrix method shown here is one method that can be used to confirm major themes, patterns, and key issues identified through the Needs Assessment process. Here triangulation can be used to verify the issues identified through community and stakeholder consultations with the findings of the analyses of data or service utilisation patterns. The below matrix illustrates how various sources of information can be cross checked with health needs or service usage information. A simple star scoring method can be used to assess and compare a list of health and service needs generated from the consultations and data analyses.[4]

Figure 1. Triangulation matrix

Issue	Community/ consumer feedback	Service provider feedback	Health needs analysis	Service needs analysis	Triangulation result
Health Issue					
Service issue					

4.2 Priority setting

Whatever process is adopted by PHNs for prioritisation of identified needs, PHNs need to ensure that:

- they are evidence-based
- they are balanced and take account of the views of different stakeholders
- decision-making processes are transparent, fair and reasonable.

Consideration should also be given to practicality - a priority with no obvious way forward may require long term investment or alternate means of support.

5 Summarising the Findings

Developing a summary of the findings of the health needs analysis, service needs analysis and the priority setting process will help inform AWPs and facilitate reporting and information sharing. The Department may also use this to inform program and policy development.

The Needs Assessment template contains tables that illustrate how key information including the outcomes of the health needs analysis, outcomes of the service needs analysis, and the opportunities and priorities can be provided.

In summarising their findings, PHNs must code all identified priorities with their corresponding (or best-fitting) priority area and priority sub-category. Coding supports the Department's policy making and understanding of needs at the community level. Needs Assessment coding is outlined further in the *PHN Needs Assessment Completion Guide*.

6 Submitting the Needs Assessment to the Department

Needs Assessments are a contracted deliverable that PHNs must submit via PPERS. The use of the Department's Needs Assessment template is optional, however all requirements of the *PHN Needs Assessment Completion Guide* must be included in the Needs Assessment. User guides for submitting deliverables via PPERS are available to PHNs.

The Needs Assessment covers a three-year financial year period (e.g. 2022-23 – 2024-25). Needs Assessments are submitted prospectively to the Department. In the first year of the three-year cycle, a full Needs Assessment should be submitted. In the following two years, PHNs must confirm via PPERS that the Needs Assessment is current, or upload a single updated document if there are significant changes (e.g. emerging priorities as indicated by new data or stakeholder consultation, major changes to patient demographics or to the health system in the PHN region). In updated documents, PHNs must clearly identify any changes by highlighting the new or amended text.

Throughout the year PHNs must continue to undertake population health planning activities, including monitoring the health needs of their region. An overview of this reporting cycle is included below.

Delieverable due	**Deliverable type**
2021	Three-year NA (2022-23 – 2024-25)
2022	Confirm 2022-23 – 2024-25 NA is current, or submit update
2023	Confirm 2022-23 – 2024-25 NA is current, or submit update
2024	Three-year NA (2025-26 – 2027-28)
2025	Confirm 2025-26 – 2027-28 NA is current, or submit update
2026	Confirm 2025-26 – 2027-28 NA is current, or submit update
Three-yearly cycle repeats	

Needs Assessments are reviewed by the Department and, once accepted, the public components must be made available on the PHN's website.

If PHNs have any questions regarding the Needs Assessment they are able to contact their Program Officers via the state-based inboxes (email addresses available on PHN SharePoint) or the PPERS team via the PPERS support email inbox.

7 Appendices

Appendix A – Data sources

Data sources PHNs may use include but are not limited to:

- Department of Health datasets
- ABS Census and Census-derived data on demographics, including the Socio Economic Indices for Areas (SEIFA) and profiles of health including the National Health Survey, the National Nutrition and Physical Activity Survey and the National Health Measures Survey, the Patient Experience Survey, the National Aboriginal and Torres Strait Islander Health Survey, the National Aboriginal and Torres Strait Islander Nutrition and Physical Activity Survey, and the National Aboriginal and Torres Strait Islander Health Measures Survey

  ABS website - Census homepage

  ABS website - census - SEIFA

  ABS website - Australian Health Survey

  ABS website - Profiles of Health, Australia 2011-13

  ABS website - Australian Aboriginal and Torres Strait Islander Health Survey: Physical activity, 2018-19

  ABS website - Patient Experiences in Australia
- AIHW datasets and publications, including the METeOR metadata registry, Medicare Benefits Schedule (MBS), Pharmaceutical Benefits Scheme (PBS) and Practice Incentives Program (PIP) data

  AIHW website - Metadata Online Registry homepage
- aged care data (both residential and community-based):

  Department of Veterans Affairs website - Data and Statistics - Statistics about the veteran population
- mental health data:

  Access to Allied Psychological Services website - Minimum dataset

  Primary Mental Health Care Minimum Data Set (PMHC-MDS) – Department of Health

  ABS website - Mental Health Statistics

  AIHW website - Mental Health
- Medicare Benefits Schedule data

  Department of Health website - MBS online

  Department of Human Services website - Medicare item statistics/reports
- First Nations Australians data

  Department of Health website - Aboriginal and Torres Strait Islander Health Performance Framework

  Australian Indigenous Health InfoNet website - Homepage

  AIHW website - Indigenous health check (MBS 715) data tool
- the Australian Immunisation Register

  Department of Human Service website - Australian Immunisation Register for health professionals
- the National Notifiable Diseases Surveillance System

  Department of Health website - National Notifiable Diseases Surveillance System
- resources from the Royal Australian College of General Practitioners (RACGP)

RACGP website - Homepage

- data from practices through clinical audit tools, and the Bettering the Evaluation and Care of Health (BEACH)

  University of Sydney website - Medicine Research Centre - Bettering the Evaluation and Care of Health

- health workforce data

  Health Workforce - Department of Health

  Doctor Connect – Department of Health

  AIHW website - Workforce

  AIHW website - Workforce publications

- alcohol and other drugs data
- digital health data

  Digital Health Data – Department of Health

- cancer screening data
- State and Territory Health Department data
- data from Local Hospital Networks or equivalents (including individual acute and community care services)
- Local government data
- information on the Primary Health Care Research & Information Service (PHCRIS) website

  Primary Health Care Research and Information Service website - homepage

- information on the Torrens University Public Health Information Development Unit (PHIDU) website, such as the Social Health Atlas of Australia

  Torrens University - Public Health Information Development Unit

  Torrens University - Public Health Information Development Unit- Data

- National Health Services Directory (NHSD) and Healthdirect

  National Health Services Directory website - Homepage

Appendix B – Other sources of information

Other sources of information PHNs may use include but are not limited to:

- the PHN Program Performance and Quality Framework contains indicators which measure performance across the seven priority areas for the PHN Program. The data sources used in the Framework's Appendix B - Indicator Specifications may help to inform the NA.
- Information on overall health performance frameworks and reporting is also provided in the publication by the Australian Institute of Health Innovation, *Performance indicators used internationally to report publicly on healthcare organisations and local health systems.*
- National Health Information Standards and Statistics Committee (NHISSC)*. The National Health Performance Framework* 2nd Edition 2009. The Australian Health Performance Framework consists of three domains; health status, determinants of health and health system performance.

  AIHW - Metadata Online Registry - National Health Performance Framework.

  This performance framework is used (in a slightly modified form) to monitor progress in First Nations Australians health outcomes, health system performance and broader determinants of health. Australian Health Ministers' Advisory Council. *Aboriginal and Torres Strait Islander Health Performance Framework 2017 Report*. AHMAC 2017. This is the 6th biennial report in this series.

  Department of Health - Aboriginal and Torres Strait Islander Health Performance Framework
- Productivity Commission*. Report on Government Services* 2020. Chapter 1: Approaches to performance measurement. This framework groups indicators under three broad headings of equity, effectiveness and efficiency, with access as a subset of both equity and effectiveness. Note that this framework is specifically designed to report on government services.

  Australian Government Productivity Commission - Report on Government Services
- National Health Performance Authority.

  Performance and Accountability Framework 2011.
- CIHI. A performance measurement framework for the Canadian health system. Canadian Institute for Health Information 2012; IBM. Evaluation of the Health Information Roadmap Initiative: Roadmap II and Roadmap II Plus. 2007. The Canadian Health Roadmap has four dimensions: health status, non-medical determinants of health, health system performance, and community and health system characteristics.
- The Triple Aim considers health care in terms of improving the health of populations, improving the individual experience of care, and reducing the per capita costs of care for populations. This model is a key element in performance measurement in many US health care organisations – particularly since the Affordable Care Act – and is being adopted in a number of countries including New Zealand, the UK and Canada.

  Institute for Healthcare Improvement

8 Version History

Version	Description of change	Author	Effective date
1.0	Initial release version	Department of Health	July 2015
2.0	Update of PHN Program NA Policy Guide.	Department of Health	May 2021

9 References

[1] See the following:

- Donabedian A. *The seven pillars of quality.* Archives of Pathology and Laboratory Medicine 1990: 114: 11:1115-1118, and Donabedian A. *Evaluating the quality of medical care.* Milbank Quarterly 1966: 44: 3 Pt 2. Reprinted 2005: 83: 4: 691-729.
- Australian Commission on Safety and Quality in Health Care. *Australian Safety and Quality Framework for Health Care.* 2012
- WHO. *Quality of care: A process for making strategic choices in health systems.* World Health Organisation 2006. pp.9-10.
- Institute of Medicine. Crossing the Quality chasm: a new health system for the 21st century. US IOM 2001. See also ARHQ. National Quality Measures Clearinghouse - Domain Framework. The US Department of Health and Human Services Agency for Healthcare Research and Quality (AHRQ) has a 'domain framework' which takes the definition of quality to another level.

[2] AIHW website - Metadata Online Registry - Report on Government Services - Effectiveness and AIHW website - Metadata Online Registry - Report on Government Services - Efficiency and Sustainability

[3] AIHW website - Metadata Online Registry - Report on Government Services - Effectiveness [summarised]

- *Access indicators* measure how easily the community can obtain a service. Access has two main dimensions, undue delay (timeliness) and undue cost (affordability). Timeliness indicators can include waiting times (for example, in public hospitals). Affordability indicators relate to the proportion of income spent on particular services (for example, out-of-pocket expenses in children's services).
- *Appropriateness indicators* measure how well services meet client needs. Appropriateness indicators also seek to identify the extent of any underservicing or overservicing. Data on differences in service levels can indicate where further work could identify possible underservicing or overservicing.
- *Quality indicators* reflect the extent to which a service is suited to its purpose and conforms to specifications. There is usually more than one way to deliver a service, and each has differing implications on cost and quality. Information is needed to ensure all relevant performance aspects are considered.

[4] This is a shorter version adapted from the Medicare Local Comprehensive Needs Assessment Tools and Resources, Appendix K. The star scoring system proposed was:

Rarely raised as an issue/not evident in data	Raised as an issue/somewhat evident in data	Raised frequently as an important issue/concern evident in data	Raised frequently as a high priority issue or concern needing action/significant concern evident from data
1 Star (*)	2 Stars (**)	3 Stars (***)	4 Stars (****)