



Rapid Review of proposed Quality Use of Diagnostic, Therapeutics and Pathology Program Budget Measure

Department of Health

Final Report | August 2022

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Glossary

Acronym	Full name
ACSQHC	Australian Commission on Safety and Quality in Health Care
CGRG	Commonwealth Grants Rules and Guidelines
CIAG	clinical intervention advisory group
COPD	Chronic obstructive pulmonary disease
CPD	Continuing Professional Development
DUSC	Drug Utilisation Sub Committee
	
GP	General practitioner
MATES	Medicines Advice and Therapeutics Education Services
MBS	Medicare Benefits Schedule
NAATSIHWP	National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners
NACCHO	National Aboriginal Community Controlled Health Organisation
NSQM	National Strategy for Quality Use of Medicines
PBAC	Pharmaceutical Benefits Advisory Committee
PBS	Pharmaceutical Benefits Scheme
PHN	Primary Health Networks
QUDTP	Quality Use of Diagnostics, Therapeutics and Pathology
QUM	Quality use of medicines
RACF	Residential Aged Care Facilities

Executive summary

On 29 March 2022, a proposed Budget Measure 2022-23 titled *Guaranteeing Medicare and Access to Medicines – Improving Access to Medical Equipment, Treatment and Diagnostics* proposed a redesigned Quality use of Diagnostics, Therapeutics and Pathology (QUDTP) Program involving the transition of the stewardship role from NPS MedicineWise to the Australian Commission on Safety and Quality in Health Care (hereafter referred to as the Commission).

This Rapid Review has been commissioned to deliver an assessment of the appropriateness of the proposed redesign of the QUDTP Program outlined in the 2022-2023 Budget Measure. The review has primarily been conducted as a desktop review supported by targeted stakeholder consultation with NPS MedicineWise, the Commission, and the Department of Health and Aged Care (hereafter referred to as the Department).

Key Findings:

The key findings of this Rapid Review are presented below under the three objectives established in the terms of reference for this Review:

- The effectiveness, efficiency and appropriateness of the work delivered by NPS MedicineWise to achieve the objectives and outcomes of the QUDTP Program
 1. NPS MedicineWise appears to be meeting performance against the KPIs/metrics in the Grant Agreement with the exception of the MBS savings target.
 2. There is evidence that NPS MedicineWise's program delivery may not be performing at optimal effectiveness and efficiency against the objectives of the QUDTP Program. NPS MedicineWise are deploying a program delivery model which relies on a large, distributed field force generating approximately 27-33% coverage/reach of general practitioners for the individual QUDTP programs. It may reasonably be expected that this reach should have been larger given the standing of NPS MedicineWise.
 3. It is noted that there could be opportunities to further drive enhanced quality use of medicines and pathology through comparison to accepted clinical guidelines and standards as part of the standard reporting of MedicineInsight in addition to the established comparison of peer clinical practice.
- Whether NPS MedicineWise's governance and administrative arrangements, policies and practices are accountable and effective in supporting the continued delivery of the QUDTP Program, in a way that is consistent with Australian Government policy, legislation and practices as they relate to Commonwealth Grant funds.
 4. NPS MedicineWise have revised their Board composition following the 2019 Sansom Review recommendation to incorporate a more diverse skillset to include financial and legal expertise which builds from the established GP and consumer representation.
 5. NPS MedicineWise have implemented a new financial reporting system (Microsoft Dynamics 365) to provide greater transparency of Grant funding allocation.
 6. The current relationship between NPS MedicineWise and the Department's QUM Branch is not conducive to optimal delivery of the QUDTP Program as it appears to be operating as more of a, narrowly defined, procurer/provider relationship rather than a strategic partnership that encourages innovation and contribution to enhanced health outcomes.
- The appropriateness and benefits of the rationale for the redesign of the QUDTP Program, including the moving of the stewardship functions for the quality use of medicines, pathology and diagnostics to the Commission, supported by competitive grants and procurements.
 7. From a contemporary health system perspective, there is merit in consolidating QUM stewardship functions to a standards-based organisation.
 8. Due consideration is required of the risks in the redesign of the QUDTP Program into its respective components and potential consequences for maintaining program delivery.
 9. Further detailed planning and assessment of the Commission's capability and capacity to take on the stewardship role and the associated QUM work plan is required.
 10. Competitive tendering for program delivery and design needs to be robustly market tested for viability.

Conclusion:

On balance of the information considered in this Rapid Review, it is concluded that the policy intention of the 2022-23 Budget Measure is appropriate for the delivery of the QUDTP. However, the Rapid Review notes that a number of immediate actions must be undertaken to mitigate risks to delivery of the QUDTP Program under the revised format:

- A robust and thorough market sounding activity to test and confirm the transition to a contestable funding environment with multiple stakeholders who could deliver components of the QUDTP program initiatives
- Ensure that the transition plan has a particular focus on the retention of the NPS MedicineWise highly skilled work force who will be critical to the ongoing success of the QUDTP program, and how the stewardship functions will be represented within the governance structure of the Commission. This transition plan will also need to allocate the outstanding NPS MedicineWise functions, most notably the ongoing preparation and publication of Australian Prescriber.
- Explore the opportunities for service delivery models that will enhance the reach and coverage of the QUDTP Program
- Review the appropriateness of the PBS and MBS metrics for the next Grant agreement, with consideration being given to a more holistic and system-wide view of the impact and effectiveness of the QUDTP program initiatives.

It is important to note that timing of implementation is a critical factor to ensure adequate planning has been undertaken while balancing the risk of staff retention throughout the implementation process. Incentives such as job security throughout the transition period may be warranted to help ensure retention of critical NPS staff into the Commission, particularly in the current highly competitive skilled jobs market.

Deloitte

1 Background

This chapter provides context on the Quality Use of Diagnostics, Therapeutics and Pathology Program, the proposed Budget Measure and the scope and objective of this Rapid Review.

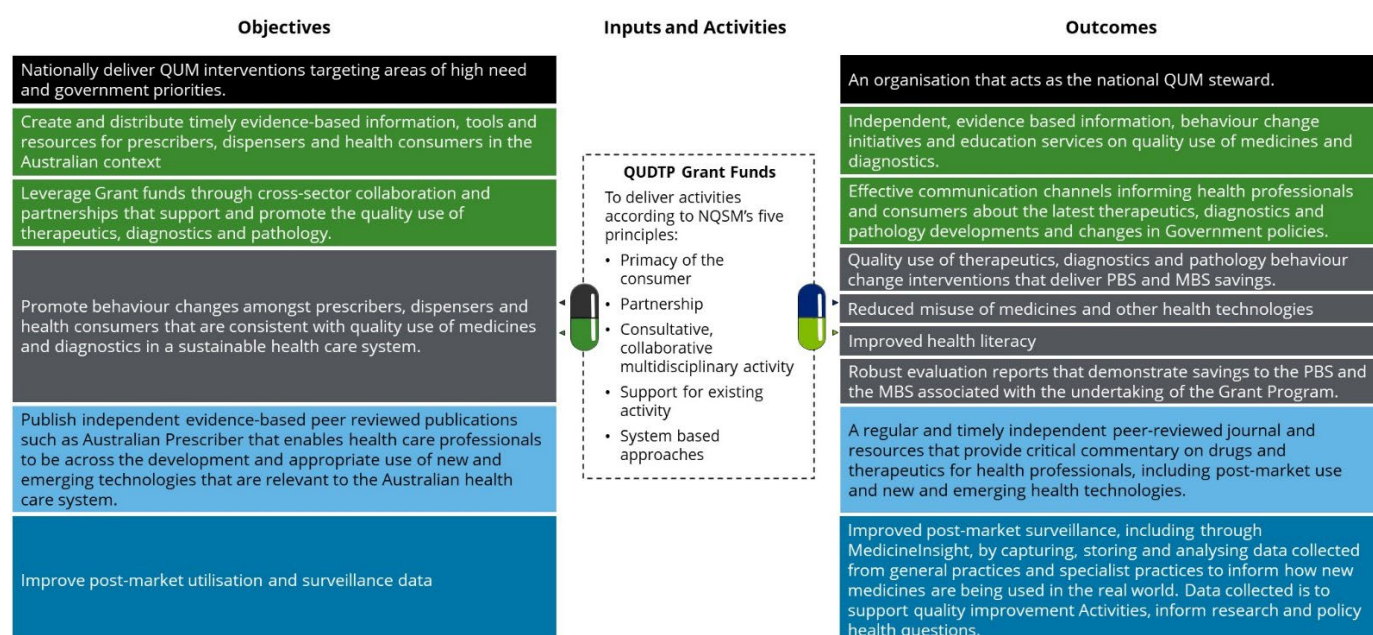
1.1 The Quality Use of Diagnostics, Therapeutics and Pathology (QUDTP) Program

Australia's *National Medicines Policy* (2000) promotes a collaborative stakeholder approach to optimising the health outcomes of the Australian public. It includes four key pillars:

- Timely access to the medicines that Australians need, at a cost which individuals and the community can afford
- Medicines meeting appropriate standards of quality, safety and efficacy
- **Quality use of medicines (QUM)**
- Maintaining a responsible and viable medicines industry.

One of the key supporting documents of the *National Medicines Policy* (2000) is the *National Strategy for Quality Use of Medicines* (NSQUM; 2002). The NSQUM was developed with an overall goal of “[making] the best possible use of medicines to improve health outcomes for all Australians” (p5). Over the subsequent 20 years, evolving considerations around the QUM have expanded the focus areas of activities to include the quality use of diagnostic tests and pathology. The QUDTP Program is administered by the Department and includes grant funding for activities that improve the prescribing and use of medicines and medical tests. Figure 1.1 provides an overview of the QUDTP Program.

Figure 1.1: QUDTP Program summary



Source: Deloitte (2022).

National Prescribing Service Limited (NPS MedicineWise) was established by the Commonwealth Government in 1998 and has played a key role in the implementation of the NSQUM. It has received uncontested grant funding since its inception to deliver activities related to QUM, most recently under the QUDTP Program. However, the QUM ecosystem has become increasingly complex over time, with multiple other organisations now operating in this space, including the Australian Commission on Safety and Quality in Health Care (ACSQHC; hereafter referred to as the Commission).

Between January 2020 and June 2022, NPS MedicineWise was awarded a non-competitive grant under the QUDTP Program (the QUM grant opportunity) of close to \$66.5 million (GST exc.). The future design of the QUDTP Program is the subject of this Rapid Review.

1.2 Budget 2022-23

On 29 March 2022, the (previous) Commonwealth Government delivered the Federal Budget, which included the proposed Budget Measure ‘*Guaranteeing Medicare and Access to Medicines – Improving Access to Medical Equipment, Treatment and Diagnostics*’ (hereafter referred to as the Measure). The Measure outlined a plan to redesign the existing QUDTP Program to consolidate quality use of medicines and diagnostics activities within the Commission from 1 January 2023.

In early May 2022, the Department opened an invitation process for stakeholder consultation on their Consultation Hub website, regarding the redesign of the QUDTP Program.¹ The supporting documentation stated that from 1 January 2023, NPS MedicineWise would no longer receive a non-competitive grant to undertake initiatives under the QUDTP Program. Instead, a series of competitive grants and procurement processes would occur to deliver:

- A Therapeutic Educational Grant Program – focussing on educational activities for Health Professionals and Health Workers (over \$10 million annually)
- A Quality Use of Medicines Literacy Grant Program – focussing on consumer health literacy (over \$2 million annually).

The service re-design would be operationalised in the months leading up to 1 January 2023. As such, the Department committed to six months of additional grant funding to NPS MedicineWise (beyond the current grant expiry date of 30 June 2022) to support the transition activities and limit service disruption.

The invitation process for stakeholder consultation was intended to close on 30 May 2022, prior to stakeholder consultation in early June 2022. These sessions would specifically discuss each of the proposed Grant Programs, though, at the time of preparing this report the consultation sessions and engagement has not occurred.

The Commonwealth Government (then Opposition) made a commitment to review the decision of the Measure prior to the federal election on 22 May 2022. The federal election resulted in a change of government, leading to this Rapid Review.

1.3 Objectives and scope

The objectives and scope of this Review (below) were set by the Minister for Health and Aged Care, the Hon. Mark Butler MP.

1.3.1 Objectives

The goal of the Review is to ensure the quality use of medicines, pathology and diagnostics going forward. The Review considered:

- The effectiveness, efficiency and appropriateness of the work delivered by NPS MedicineWise to achieve the objectives and outcomes of the QUDTP Program
- Whether NPS MedicineWise’s governance and administrative arrangements, policies and practices are accountable and effective in supporting the continued delivery of the QUDTP Program, in a way that is consistent with Australian Government policy, legislation and practices as they relate to Commonwealth grant funds
- The appropriateness and benefits of the rationale for the redesign of the QUDTP Program, including the moving of the stewardship functions for the quality use of medicines, pathology and diagnostics to the Commission, supported by competitive grants and procurements.

1.3.2 Scope

The Review has undertaken the following activities defined as the scope of the Review:²

- Desktop review of the following documents to understand NPS MedicineWise’s governance and administrative processes that have previously been reviewed and audited:
 - Emeritus Professor Lloyd Sansom AO (July 2019, *unredacted*): Report of the Review of the Quality Use of Medicines Program Delivery by the National Prescribing Service Limited (NPS Medicine Wise)
 - KPMG (December 2019): NPS MedicineWise Grant Funding Activity Review
 - Phase 1 – Financial Process Investigation; Phase 2 – Financial Framework
 - [REDACTED]
 - [REDACTED]
- Additional documents and performance reports relating to NPS MedicineWise:
 - Open letter to Minister Mark Butler – Future of NPS MedicineWise
 - NPS Grant Agreement – Deed of Variation #4 and Annexure (Signed and Executed)
 - Department of Finance – Commonwealth grant rules and guidelines (2017)

¹ Australian Government, Redesign of the Quality Use of Diagnostics, Therapeutics and Pathology Program’, < <https://consultations.health.gov.au/technology-assessment-access-division/redesign-of-the-quality-use-of-diagnostics-therape/> >.

² A document register and description of stakeholder engagement activities has been provided in Appendix A.

- Fact Sheet – 2022-23 Budget Measure_to Medicines – Improving Access to medical equipment, treatment and diagnostics
- Quality Use of Diagnostics Therapeutics and Pathology – Fact Sheet
- QUM – Grant Opportunity Guidelines FINAL Released 6.12.19
- Mapping of current NPS Activities to redesign QUDTP Program
- NPS' responses to the Sansom Report, KPMG reports ■■■■
- ■■■■■■■■■■
- NPS MedicineWise value_One Page description, 19 May 2017
- Paxton Partners Report – Review and Evaluation of MedicineInsight, 16 August 2021
- Assessment of Evaluation Methods Used by NPS MedicineWise ■■■■■■■■
- BENDELTA report – Operating Cost Review of NPS MedicineWise, December 2020
- NPS MedicineWise written Submission to the Rapid Review, dated 15 July 2022
- NPS MedicineWise performance reports:
 - 7th Quarterly progress report Jul-Sep 2021
 - 8th Quarterly progress report Oct-Dec 2021
 - 9th Quarterly progress report Jan-Mar 2022
 - Annual Performance report FY2020-21
 - MBS cost savings report 2020-21
 - PBS cost savings report 2020-21
 - Review Rec Action Plan Report – June 2022
 - Strategy Slides on Reach and Impact
- NPS MedicineWise evaluation reports:
 - CIAG_Heart Failure evaluation findings summary April 2022
 - Medicines adherence after Osteoporosis program April 2022
 - NPS MedicineWise Annual Evaluation Report 2018-19
 - NPS MedicineWise Annual Evaluation Report 2019-20
 - Schedule 5b(v) Anticholinergics – Safe use of medicines in older people Evaluation Report – DoH feedback
- Draft Transition Planning relating to the proposed Budget Measure:
 - 20220330 – Targeted QUM Program – Project Management Plan
 - 20220527 – Meeting Papers_ESG_QUM Transition – Meeting 2 – June 2022 UPDATED
- Consultation with key representatives from NPS MedicineWise, the Commission, and the Department through interviews and written correspondence, to understand the management of the current QUDTP Program and potential impacts of the proposed redesign.

The following activities were defined as out of scope for the Review:

- Public consultation beyond key representatives identified within the Review's scope, noting the confidential nature of information considered in this Review.

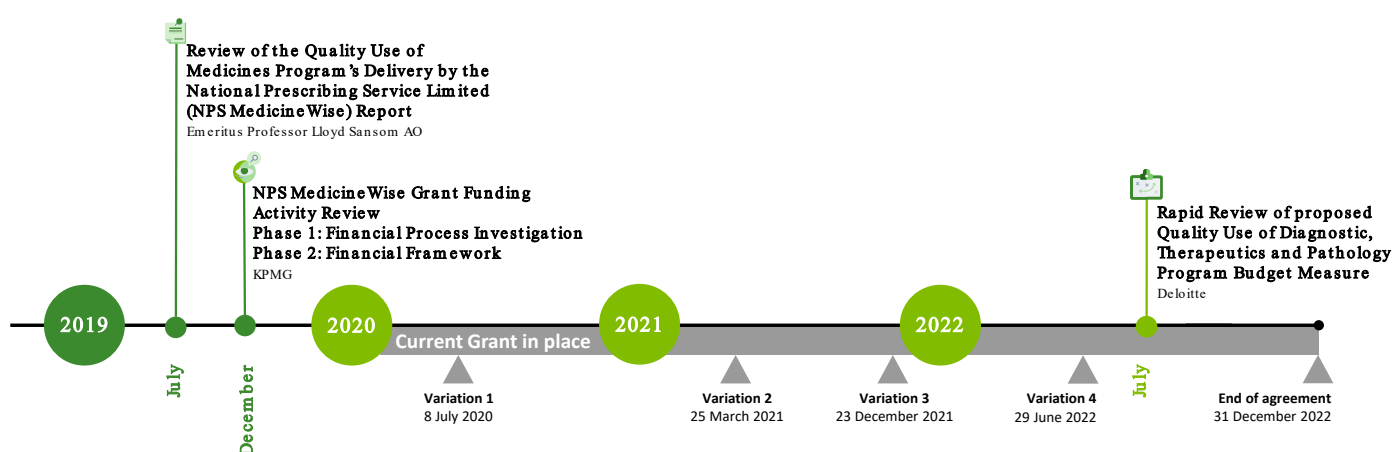
The Terms of Reference for this Review can be found in Appendix A.

2 The QUDTP Program and NPS MedicineWise

This chapter of the review outlines the effectiveness, efficiency and appropriateness of the work delivered by NPS MedicineWise to achieve the objectives and outcomes of the QUDTP Program.

The current Grant Agreement applying to the QUDTP Program has been in place since 15 January 2020, with four amendments made on 8 July 2020, 25 March 2021, 23 December 2021 and 29 June 2022. An overview of the journey and evolution of the current Grant is depicted in Figure 2.1.

Figure 2.1: Overview of the evolution of the current Grant Agreement



Source: Deloitte.

Annual Workplans are developed with associated budgets which outline the focus areas and activities to be completed via the Grant for the proceeding 12-month period, agreed with the Department. These include specific performance measure and Key Performance Indicators (KPIs) aligned to each program. While there are program specific measures, there are two key outcomes outlined in the Grant Agreement which collectively apply across all programs:

- Savings of \$70 million per annum during the terms of this agreement for PBS, and
- Savings of \$13 million per annum during the term of this agreement for MBS.

2.1.2 Key finding 1: NPS MedicineWise's workplan appears to be performing against the KPIs/metrics in the Grant Agreement with the exception of the MBS savings target

NPS MedicineWise have provided Quarterly and Annual performance reports to the Department in line with the reporting requirements of the Grant Agreement. Appendix D provides a summary of the observed responses implemented by NPS MedicineWise to the findings and recommendations of completed reviews. Considering the objectives and outcomes of the QUDTP Program, NPS MedicineWise have delivered against the requirements of the Grant Agreement, with the exception of the MBS savings target.

In terms of the PBS saving target of \$70 million per annum, the June 2022 Outcomes Evaluation Report estimated that six programs resulted in \$74.3m of savings in the 2020-2021 financial year (the first full financial year of the Grant Agreement). The two programs expected to deliver cost savings to the MBS through avoided radiology investigations were estimated to have delivered \$3.5 million of the anticipated \$13m annual savings target in the 2020-21 financial year. A contributing factor for this was the difficulty estimating the population reach of these programs, as they did not involve direct engagement with GP's. It is important to note that the attribution of these savings in a complex ecosystem of behaviour change and education is difficult, limiting the application and relevance of these KPIs in practice.

The written response from NPS MedicineWise for the Rapid Review (dated 15 July 2022) indicated their program delivery has contributed savings to Government over the period FY17-FY21 of \$523.82m to the PBS (target of \$350m) and \$96.4m to the MBS (target of \$65m). Based on the documentation provided we have been unable to verify the source and contribution of the savings beyond the evaluation reports mentioned above. As such we are unclear as to the source of the cumulative MBS savings.

2.1.3 Key finding 2: There is evidence that NPS MedicineWise's program delivery may not be performing at optimal effectiveness and efficiency against the objectives of the QUDTP Program.

NPS MedicineWise are deploying a program delivery model which relies on a large, distributed field force generating approximately 27-33% coverage/reach of general practitioners.

NPS MedicineWise have developed multiple ways to measure and track the effectiveness of program impacts. These include the volume of interactions and health professionals engaged through the programs, downstream savings to the PBS and MBS (described previously), plus the consumer experience and outcomes self-reported through engagement surveys.

Eight programs delivered during 2017, 2018 and 2019 were formally evaluated for their contribution to PBS and MBS savings. Analysis included the number of participating GPs in each program. The output from these evaluations is presented in Table 2.1, which indicate coverage of approximately 27% to 33% of the total number of GPs practising in Australia. Based on the most recent Annual and Quarterly performance reports, there is no clear indication that enhanced reach into general practice has occurred since 2019, and limited evidence has been provided of a change in program delivery method away from the labour-intensive GP visitation model.

Table 2.2: Summary of evaluated NPS programs

Program	GP reach (estimated coverage)	Evaluation outcomes
Chronic obstructive pulmonary disease (COPD) medicine and inhalers: Stepping through the options	8,325 GPs (27.8%)	Annual PBS benefits of \$37.15m
Statins: Optimising therapy, addressing intolerance	9,888 GPs (33%)	Increased rate of prescription of ezetimibe single agent products
Neuropathic pain: Effective diagnosis and treatment	9,380 GPs (31%)	Annual PBS saving of \$14.7m
Proton Pump Inhibitors: Starting, stepping down, and stopping medicines	8,024 GPs (26.7%)	Annual PBS saving of \$7.8m
Anxiety: Re-thinking the options	9,135 GPs (30.4%)	Annual PBS saving of \$3.5m
Opioids and the bigger picture when treating chronic pain	9,058 GPs (30.2%)	Annual PBS saving of \$15.1m
Non-traumatic shoulder pain in general practice	Unknown	Annual MBS saving of \$3.7m
Abdominal imaging: Optimising imaging referrals for chronic abdominal pain	932 GPs (3.1%)	No change or savings to MBS

Source: NPS MedicineWise, Deloitte analysis.

The 2021 MedicineInsight Independent Review noted that 690 general practices were contributing data in March 2021. The spread of these practices underrepresented South Australian practices, as well as those in remote and very remote locations across Australia. This Review has been unable to determine if the current composition of contributing general practices to the MedicineInsight dataset reflects a different composition and geographical distribution of general practices, while noting there are active recruitment efforts in place for new practices and proactive targeting of Indigenous Health Services together with mainstream general practices.

Given the number of participating practices has remained stable at 682 locations in the FY2021 annual performance report, it is assumed that this continues to represent approximately 8-9% of the general practices operating in Australia. There is an opportunity to further expand the strength and utility of the MedicineInsight dataset through further recruitment of general practices with a representative sample across Australia, noting that activities are underway to recruit additional practices.

Based on the information available for this Review, it is unclear whether there is overlap or efficiencies/synergies in visitation and engagement activities with health professionals and consumers by the NPS MedicineWise field force. In light of this, an assessment of the efficiency and cross pollination of program delivery was unable to be made. For example, it is unclear if

the number of general practices contributing data to MedicineInsight were also the practices who received small group or 1:1 sessions with GPs, and whether a single visit covered multiple programs and interventions. In the information provided, there is no indication of the utilisation and efficiency of the NPS MedicineWise field force.

There could be opportunities in the future to utilise alternative health professional engagement approaches and technologies which would not rely on the current labour-intensive approach. It is noted in the most recent performance reports (8th and 9th Quarterly Performance Reports) that the COVID-19 pandemic has impacted the team's ability to meet with GPs, and there is no mention of utilising video conferencing technologies as an alternative to in-person program delivery. These technologies could enable more reach in remote and very remote locations, as they lessen the requirement for a mobile workforce with national coverage. This in turn could lower overall operating costs through reduced travel, and increase visitation rates.

2.1.4 Key Finding 3: It is noted that there could be opportunities to further drive enhanced quality use of medicines and pathology through comparison to accepted clinical guidelines and standards as part of the standard reporting of MedicineInsight in addition to the established comparison of peer clinical practice.

Benchmarking of clinical practice (based on MedicineInsight analysis) is undertaken by NPS MedicineWise at an individual practice level

There have been demonstrable applications of the MedicineInsight data to inform Pharmaceutical Benefits Advisory Committee (PBAC) and post-market analysis decisions. However, at the local clinical practice level, there could be opportunities to further drive enhanced quality use of medicines and pathology through comparison to accepted clinical guidelines and standards, which could be embedded within the follow up meetings and practice reviews with clinicians. It is understood that the current benchmarks of clinical practice provided to individual health professionals in the practice reviews are to other peer providers. Reference to accepted standard clinical guidelines (e.g. Therapeutic Guidelines) is an overlay, forming part of the overarching discussion with the GP, rather than being embedded within the analysis of practice. Reference to these guidelines could further inform opportunities for behavioural change that would extend upon the current relative intra-practice peer comparison.

3 NPS MedicineWise governance and administrative arrangements

This chapter considers whether NPS MedicineWise's governance and administrative arrangements, policies and practices are accountable and effective in supporting the continued delivery of the QUDTP Program, in a way that is consistent with Australian Government policy, legislation and practices as they relate to Commonwealth grant funds.

As noted previously, three major reviews of NPS MedicineWise have occurred over the past four years. The Sansom Review found the governance structures and administrative policies and practices of the NPS MedicineWise organisation to be appropriate for a company limited by guarantee. However, the review highlighted the need for greater transparency and accountability in the reporting of NPS MedicineWise's performance against the requirements of the Grant Agreement.

3.1.1 Key finding 4: NPS MedicineWise have revised their Board composition to incorporate a more diverse skillset to include financial and legal expertise

The Sansom Review found that the Board structure at the time of review did not comprise specific legal or financial expertise. The composition of the NPS MedicineWise Board now includes Mr Rob Fitzpatrick who brings financial and legal expertise and Adjunct Professor Mark Booth who brings public policy and administration experience.

The current composition of the NPS MedicineWise Board includes expertise spanning consumers, GPs, as well as finance, legal, and corporate governance, which given the size of the organisation appears to be an appropriate member size, structure and composition.

3.1.2 Key finding 5: NPS MedicineWise have implemented a new financial reporting system to provide greater transparency of Grant funding allocation

In response to the findings and recommendations of the Sansom Review, KPMG reports [11], NPS MedicineWise has implemented a Microsoft Dynamics 365 solution to capture and report their timesheet and financial reporting systems. This has been in place for the 2021-22 financial year, and the outputs are yet to be audited at the time of this report. However, the feedback from NPS MedicineWise is that in addition to the D365 solution, further processes and protocols have been implemented to ensure timesheets capture the distinction of grant and non-grant effort and activity.

The implementation of the D365 application together with the refined timesheet handling process are a positive step towards addressing the gaps identified in the Sansom Report and KPMG reviews. As indicated above, the outcome of their implementation is still to be demonstrated, though early indications from internal NPS MedicineWise documents suggests there is an enhanced level of granularity in the capture and reporting of financial information relating to the Grant.

3.1.3 Key finding 6: The current relationship between NPS MedicineWise and the Department's QUM Branch is not conducive to optimal delivery of the QUDTP Program

The number and frequency of the recent reviews of NPS MedicineWise have changed the nature and focus of the relationship between NPS MedicineWise and the Department. Considerable effort from both the Department and NPS MedicineWise has been invested in considering the findings and recommendations of the reviews and the subsequent responses. The output of this is demonstrated in the detail included in the annual and quarterly performance reports prepared by NPS MedicineWise.

As the provider of the Grant funding, it is reasonable and appropriate for the Department to commission independent reviews of the operation of the Grant activities and programs. The response to these reviews has been perceived by NPS MedicineWise as a heightened focus on compliance with activities, KPIs and performance metrics, which may have deprioritised opportunities for innovation and service delivery evolution and strained resources. These tensions distract from the optimal delivery of the QUDTP program activities, which could have flow on impacts and missed opportunities within the broader health system. Without a turnaround in the relationship between the two parties there is a risk that the objectives and outcomes of the QUDTP Program will not be achieved. This could present as close contract management of the Grant without scope to drive innovation and evolution in the service delivery model and impact of the QUDTP Program.

4 Proposed redesign of QUDTP Program

This chapter assesses the appropriateness and benefits of the rationale for the redesign of the QUDTP Program, including the moving of the stewardship functions for the quality use of medicines, pathology, and diagnostics to the Commission, supported by competitive grants and procurements.

The proposed redesigned QUDTP Program is intended to consolidate activities within the contemporary complex QUM ecosystem, leveraging the expertise and system-wide reach of the ACSQHC to enhance program delivery and service level change. These changes are expected to enhance coordination, as well as driving quality and safety improvements related to use of increasingly complex medicines and diagnostics across the evolving Australian health system. The focus of the Commission at the system level is expected to modernise and sophisticate QUM service delivery.

The Department has provided five broad categories of benefits expected to flow from the redesign of the QUDTP Program.³ They include points which speak to increased efficiency (e.g. through reduced duplication in funding) as well as effectiveness (increased scope and scale of program delivery).

Benefit categories related to the move of stewardship functions for the quality use for medicines, pathology and diagnostics to the Commission are as follows.

- **Reduced duplication.** The Department states that it currently funds NPS MedicineWise and the Commission to deliver similar and overlapping outcomes.
- **Improved coordination.** The Department states that as the lead organisation for quality and safety in healthcare, the Commission already has substantial, relevant expertise and content knowledge.
- **Increased reach.** The Department states that the Commission can draw on its 'system-wide reach' including existing inter-jurisdictional clinical committees.

Benefit categories related to competitive grants and procurements are as follows.

- **Improved service design.** The Department states the increased accreditation requirements for health professionals has driven an increase in educational services available for health professionals. These service providers (including medical colleges and professional associations) have the capacity to deliver QUDTP grant activities. Equally, the Department notes the number of consumer and community organisations with the capability to drive consumer literacy has also grown. The Department states that many of the identified market providers have direct relationships with the target groups that the programs will seek to deliver benefits to.
- **Increased value for money.** The Department states that opening up the grant to competitive processes will assist in driving innovation and value for money.

Each benefit is assessed with reference to evidence available from reviews and consultation conducted throughout this Review in Appendix E.

4.1.1 Key finding 7: From a contemporary health system perspective, there is merit in consolidating QUM stewardship functions

When NPS MedicineWise was established more than 20 years ago, the QUM ecosystem in Australia was in its infancy and no national organisation focussing on evidence-based objective education for general practice existed. The QUM ecosystem has evolved into a complex system with new structures, including:

- Primary Health Networks (PHNs)
- the Veterans Affairs program's Medicines Advice and Therapeutics Education Services (MATES)
- the National Centre for Antimicrobial Stewardship Centre of Research Excellence
- the Commission.

³ Department of Health (2022) 'Quality Use of Diagnostics Therapeutics and Pathology – Fact Sheet 1', Version: 20220413

As the QUM landscape has evolved, there is need for strong coordination and value-add stewardship of QUM activities, as well as collaboration with diverse QUM stakeholders. The risk of duplication is real in a specialised ecosystem not effectively communicating nor coordinating its activities, roles and functions. Therefore, consolidating the stewardship role to an entity with a system-wide remit and close links to the national standards underpinning QUM, therapeutics and diagnostics has the potential to enhance the effectiveness and coordination of efforts across the whole stakeholder group.

Continuing the current approach whereby the strengths of each stakeholder is not optimised and there isn't an overarching coordination layer of the activities could result in missed opportunities to reach and influence target populations, in order to drive safer and higher quality care and supports.

4.1.2 **Key finding 8: Due consideration is required of the risks in the redesign of the QUDTP Program into its respective components, and potential consequences for maintaining program delivery**

This Review has identified and assessed potential risks to the delivery, maintenance and improvement of QUDTP program delivery. Each risk is assessed with reference to evidence available from reviews and consultation conducted through this Review process in Table 4.1. An effective management and implementation plan is required to mitigate these risks.

Table 4.1: Potential risks in the redesign of the QUDTP Program

Potential risk	Evidence	Potential implications
The transfer and integration of the QUM stewardship function and workplan is not optimised and could result in loss of capability, capacity, and specialised personnel affecting the effective delivery of the program	<ul style="list-style-type: none"> Working documents outlining the proposed transition plan of the QUM stewardship functions were shared for the purpose of the Rapid Review. These documents address the functions at a high level and while risks are identified there is little detail provided on the progress of the various activities and institution of mitigation plans. Further, the Commission has indicated that the function would be absorbed into existing programs within its operations without further need for capability and capacity building. The timing and planning of the integration needs to balance the risks from a hasty transition, and the potential for loss of capacity if timeframes are extended. 	<ul style="list-style-type: none"> Loss of key personnel Lag and/ or reduction in program delivery and expansion Loss of function e.g., <i>MedicineInsight</i> requires skilled personnel and participation from general practices to maintain its function as a vital resource of data on medicines use. <i>Australian Prescriber</i> has not been reassigned and is considered an important resource that should be maintained as it is a reference relied upon by health professionals to remain up to date in the prescribing and use of new medications in Australia and optimal use of existing medications. Specialised resources such as the COVID-19 vaccine support program may be unavailable to respond to health crises.
The market hasn't been tested and therefore may not have the capacity, capability or willingness to deliver the program of contestable functions to the same or better quality.	<ul style="list-style-type: none"> While groups such as medical colleges have been proposed as potential providers of contestable educational activities, the design and distribution of these functions has not been clarified (i.e. whether this would be tendered on a topic, audience or other basis). Therefore, the respective capacity to undertake, coordinate and maintain quality of delivery has not been tested. The viability of NPS MedicineWise as a potential tenderer needs due consideration. 	<ul style="list-style-type: none"> The quality, capacity and coordination of educational program delivery will be compromised. Important educational activities will not be undertaken to the same degree and reach as previously provided, limiting the impact of QUM activities.
Significant additional investment is required to facilitate the effective integration and delivery of the transferred functions	<ul style="list-style-type: none"> An effective implementation and risk management strategy has been drafted and is in the process of being implemented, with an absence of the current progress of the various transition initiatives and activities. The scale of integration and program delivery has been underestimated by the ACSQHC. 	<ul style="list-style-type: none"> Significant additional budget, personnel and time resources are required to maintain program delivery.

Source: Deloitte.

4.1.3 **Key finding 9: Further detailed planning and assessment of the Commission's capability and capacity to take on the stewardship role and the associated QUM work plan is required**

The scale of integration and program delivery appears to be underestimated. The Commission indicates that its existing functions include the formulation of standards, guidelines, indicators, programs and information relating to health care safety and quality matters. Hence, the QUDTP Program could be incorporated into existing directorates. It also anticipates that its existing management structure (Primary Care Committee, Private Health Sector Committee and its Inter-Jurisdictional Committee) is appropriate to encompass QUDTP Program responsibilities that are transferred.

This seemingly indicates that integration of the existing QUM stewardship and work plan would not require additional management, resources or changes to structure or personnel. This may understate the preparedness of the Commission to take on this function and its associated work plan, given the current delivery model relies on a decentralised and mobile workforce, which is different to the current operations of the Commission.

Additionally, the Commission has indicated that it has existing national reach into primary care settings through:

- Its Primary Care Committee
- The development of the national safety and quality primary and community healthcare standards
- The national general practice accreditation scheme
- The development of practice-level indicators of safety and quality for primary health care.

The Commission will continue this reach into the primary care setting through its Primary Care Committee and a continued partnership with PHNs. Further planning and assessment of capacity should be undertaken to ensure the optimal integration of the new functions within the Commission's existing networks and labour force.

4.1.4 **Key finding 10: Competitive tendering for program delivery and design needs to be robustly market tested for viability**

The Department intends to utilise competitive tendering for delivery of educational program activities. There are inherent risks associated with competitive tendering prior to robust market testing of capability, capacity and willingness to undertake anticipated program activities. The design and delivery of the tendered activities does not appear to have been given due consideration, and it is unclear how competitive tendered activities will be designed. It remains to be clarified whether educational activities are intended to be tendered out on an audience basis (e.g. general practice or consumers), or a topic or therapeutic basis, or another basis. The current transition plan indicates the communication channels to the key QUM stakeholders who will be impacted by the Budget Measure, however, their capacity to participate in program delivery to the required standards and scope appears still to be tested. This is important in considering the potential market for these activities, as well as the coordination, consistency and quality of program delivery. If these are compromised in the design of the contested activities, and the quality of the services provided do not meet the QUDTP Program needs, then this may result in substantial additional costs in terms of resources required to maintain program delivery.

Detailed consideration needs to be given the ongoing role and impact of the *Australian Prescriber* publication. It is noted that the custodian of *Australian Prescriber* is currently NPS MedicineWise, and based on the information available for the Rapid Review it is unclear who will have responsibility for its preparation and publication in the near to medium term. With a distribution list of over 100,000 clinicians and a source of current medication and therapeutics information it is essential there is a plan for its continued contribution to the Australian healthcare landscape and knowledge base. At present there is no equivalent publication available in Australia which could have flow on impacts to the prescribing and dispensing of medications in line with the principles of QUM.

5 Conclusion

On balance of the information considered in this Rapid Review, it is concluded that the policy intention of the proposed 2022-23 Budget Measure is appropriate for the delivery of the QUDTP. However, the Rapid Review notes that a number of immediate actions must be undertaken to mitigate risks to delivery of the QUDTP Program under the revised format:

- A robust and thorough market sounding activity to test and confirm the transition to a contestable funding environment from multiple stakeholders who could deliver components of the QUDTP program initiatives
- Ensure that the transition plan has a particular focus on the retention of the NPS MedicineWise highly skilled work force who will be critical to the ongoing success of the QUDTP program, and how the stewardship functions will be represented within the governance structure of the Commission. This transition plan will also need to allocate the outstanding NPS MedicineWise functions, most notably the ongoing preparation and publication of *Australian Prescriber*.
- Explore the opportunities for service delivery models to enhance the reach and coverage of the QUDTP program
- Review of the appropriateness of the PBS and MBS metrics for the next Grant agreement, with consideration being given to a more holistic and system-wide view of the impact and effectiveness of the QUDTP program initiatives.

It is important to note that timing of implementation is a critical factor to ensure adequate planning has been undertaken while balancing the risk of staff retention throughout the implementation process. Incentives such as job security throughout the transition period may be warranted to help ensure retention of critical NPS staff into the Commission, particularly in the current highly competitive skilled jobs market.

Appendix A Terms of Reference for the Rapid Review

Context

The 2022-23 Budget Measure *Guaranteeing Medicare and Access to Medicines – Improving Access to Medical Equipment, Treatment and Diagnostics* includes a redesign of the existing Quality Use of Diagnostics, Therapeutics and pathology (QUDTP) Program. The redesign proposed movement of the stewardship functions for the quality use of medicines (QUM) and quality use of diagnostics and pathology from NPS MedicineWise (NPS) to the Australian Commission on Safety and Quality in Health Care (COMMISSION) from 1 January 2023 and the delivery of health professional education and awareness activities through competitive grants and procurements.

The Australian Government made a commitment to review this decision in the lead up to the 2022 election.

Objectives

The goal of the rapid review is to ensure the quality use of medicines, pathology and diagnostics going forward.

The review will consider:

- The effectiveness, efficiency and appropriateness of the work delivered by NPS to achieve the objectives and outcomes of the QUDTP Program;
- Whether NPS' governance and administrative arrangements, policies and practices are accountable and effective in supporting the continued delivery of the QUDTP Program, in a way that is consistent with Australian Government policy, legislation and practices as they relate to Commonwealth grant funds;
- The appropriateness and benefits of the rationale for the redesign of the QUDTP Program, including the moving of the stewardship functions for the quality use of medicines, pathology and diagnostics to the COMMISSION, supported by competitive grants and procurements.

The review will have regard to the findings of previous reviews and audits of NPS' delivery of the QUDTP Program.

Scope

The review will be primarily conducted as a desktop review supported by targeted stakeholder consultation. Specifically, the following activities will be undertaken:

- Desktop review of the following documents to understand NPS' governance and administrative processes that have previously been reviewed and audited:
 - Report of the 2019 Review of the Quality Use of Medicines Program Delivery by the National Prescribing Service Limited (NPS MedicineWise) completed by Emeritus Professor Lloyd Sansom AO – unredacted version
 - KPMG Phase 1 Financial Process Investigation Report
 - KPMG's Phase 2 Financial Framework – NPS Grant Funding Review December 2019 Report
 - ██████████
- Consultation with NPS through invitation of a written submission to understand the organisation's response to the decision of the proposed redesign.
- Consultation with key representatives from NPS, ACSQHC, and the Department through interviews or written correspondence as may be appropriate, to understand the management of the current QUDTP Program and potential impacts of the proposed redesign.

The review will deliver:

- An assessment of the appropriateness of the proposed redesign of the QUDTP Program outlined in the 2022-23 Budget Measure.

The following items are out of scope for the review:

- Public consultation beyond key representatives identified within the review's scope, noting the confidential nature of the information that is being considered.

Governance

The review will report to the Minister for Health and Aged Care.

Resources

The Department of Health and Aged Care will provide the documents set out in the review's scope.

No staffing from the Department of Health and Aged Care will be provided to support the review.

Deliverables

The review will deliver a report.

The report should include:

- The findings of the desktop review and targeted stakeholder consultation; and
- Based on these findings, an assessment of the appropriateness of the proposed redesign of the QUDTP Program outlined in the 2022-23 Budget Measure.

The report will be delivered to the Minister for Health and Aged Care by 31 July 2022.

Appendix B NPS Medicine Wise Activities

B.1. NPS MedicineWise Activities

Figure B.1: NPS Medicine Wise Activities

QUDTP Activities and Activity Programs			
QUM Government Priorities (~ \$14million)	Phone Line Service Program (~ \$1 million)	QUM for Health Professionals and Consumers (~\$18 million)	COVID-19 Vaccine Support Program (~ \$1 million)
Quality Use of Medicines and Health Technologies – Topic Selection	Medicines Line	<ul style="list-style-type: none"> Asthma Educational Program Opioids Program Psychotropic Medicines in Aged Care Program Imaging for Lower Gastrointestinal Disorders Program Good Medicine, Better Health Program National Prescribing Curriculum Outcomes Evaluation Program and Intervention Innovation Medication Safety: evidence review of risk assessment tools Consumer Engagement Plan RACGP CPD accreditation Prescribing Competencies Framework Health Failure Program 	<ul style="list-style-type: none"> Extended hours of operation for AME Line News articles Expanding 'Ask a Pharmacist' sessions Development of website and content
Flexible fund for allocation to future programs (as agreed with Commonwealth)	Adverse Medicines Event Line		
QUM Support for the Remote Area Aboriginal Health Service Program			
Clinical Intervention Advisory Group			
		<ul style="list-style-type: none"> MedicineWise Apps Program (MedicineWise App, Doctor's Bag App, PalliMeds App) 	
QUM Stewardship and Awareness Program (~\$ 7 million)	MedicineInsight (~\$ 7 million)	Post-Market Information and Dissemination (~\$5 million)	Operational Services and Governance (~\$16 million)
Choosing Wisely Australia	<ul style="list-style-type: none"> Maintenance Data Linkage Data validation Independent Review and Evaluation 	MedicineInsight – Post-Market Surveillance	All Operating Costs directly attributable to the delivery of the Activity Program schedules, including: <ul style="list-style-type: none"> Board of Directors Executive personnel General support staff (finance, human resources, information technology) Direct costs and third party arrangements required for delivery of the general support functions General office equipment and approved assets Office rental and utilities.
Digital and Direct Communications Platform		MedicineInsight – Data Collection from Specialists (pilot)	
Digital Content		Review of PBS Medicines for the Drug Utilisation Sub Committee	
National Medicines Symposium			
Council of Australian Therapeutic Advisory Groups (CATAG)		Australian Prescriber	
		Communications Policy	
Service Provider under the Measure			
ACSQHC	Procurement / grant programs	To be determined	

Source: Deloitte (2022). Note i: Activity funding amounts do not include additional grant funding for the time period 1 July 2022 to 31 December 2022.

B.2. NPS MedicineWise Grant Agreement Activity descriptions and dependencies

Table B.1: NPS MedicineWise Grant Agreement Activity descriptions and dependencies

Activity	Dependencies
Schedule 4: Operational Services and Governance	
This Activity facilitates the appropriate transparency, governance and accountability of the use of Grant and provides for the operational services to support the delivery of Activity Program Schedules 5-10,	<ul style="list-style-type: none"> NPS MedicineWise is sole recipient of the Grant and Grant Activities comprises the majority of its operations. As such, the allocation of operational costs

Activity	Dependencies
<p>including through to Board of Directors, Executives and other corporate support functions required to deliver the activities effectively and efficiently. These operational services include all Operating Costs directly attributable to the delivery of the Activity Program Schedules. This must include, proportioned support, in accordance with this Agreement, or otherwise agreed in writing with the Commonwealth, of the costs of the Grantee's:</p> <ul style="list-style-type: none"> • Board of Directors • Executive personnel • General support staff (finance, human resources, information technology) • Direct costs and third-party arrangements required for delivery of the general support functions • General office equipment and approved assets • Office rental and activities. 	<p>toward Grant activities is, in theory, more straightforward.</p> <ul style="list-style-type: none"> • The ability for smaller organisations to accurately allocate operational costs to Grant activities may be more limited. • There is a tension between the goal of efficiency, transparency and accountability described in the Activity, and the proportionality principle of the Commonwealth Grants Rules and Guidelines (CGRG) if the QUDTP Program is disaggregated. As an example, if elements of the QUDTP Program are awarded to multiple smaller organisations, the ability to achieve operational cost efficiencies, and the level of reporting able to be asked for, could be more limited.
Schedule 5: Quality Use of Medicines Government Priorities	
<p>This Activity supports the Grantee undertaking a systematic process to identify priority topics and design evidence-based interventions to address those priority topics, in consultation with the Commonwealth and key stakeholders. The topic selection process includes formative research supported by expert knowledge and opinion, consideration of evidence around QUM, medical tests and health technologies and production of basic cost savings estimates for each priority topic to assess the potential healthcare budget impact on the PBS and/or MBS.</p>	<ul style="list-style-type: none"> • There are strong synergies between the Topic Selection, Flexible Fund and the Clinical Intervention Advisory Group Programs in relation to: <ul style="list-style-type: none"> – Stakeholder consultation – The processes necessary to drive topic selection – The ability to respond effectively to Commonwealth priorities and requests.
Schedule 6: Quality Use of Medicines for Health Professionals and Consumers	
<p>This activity supports the delivery and evaluation of behavioural change interventions aimed at the quality use of medicines and technologies. This Activity aims to decrease inappropriate prescribing of medicines and inappropriate use of health technologies as well as to improve health consumers' health literacy related to the quality use of medicines and technologies.</p> <p>This Activity targets health professionals and health consumers and are to be largely implemented within primary care and include more than one intervention strategy. Some programs include educational visiting, where the Grantee's Educational Visitors (e.g., field force) provide educational visits to general practices and/or community pharmacies. Non-visiting programs do not include educational visiting. The Activity also supports prescribing curriculum and bespoke Activities which deliver education to consumers and health professionals.</p>	<ul style="list-style-type: none"> • The outputs described in certain Programs explicitly use the MedicineInsight asset as part of the output requirements. <ul style="list-style-type: none"> – The Opioids Program asks for the Grantee to undertake 300 MedicineInsight practice visits and produce and disseminate the MedicineInsight practice report. – The Outcomes Evaluation Reporting Program requires a set of agreed, robust methodologies to measure the impact of Grant-funded Activities. One of the evaluation activities is a practice level data analysis (MedicineInsight). • The evaluation of Grant-funded Activities therefore will either need to be the ACSQHC itself (as the owner of the MedicineInsight asset) or one or more third parties receiving access to the dataset or an extract. • Activity delivery and associated outcome evaluations occurring via separate grants/procurement processes may be viewed as a potential benefit of the Measure. • The Program and Intervention Innovation Program states that it must be implemented alongside other educational, and behaviour change programs detailed in Schedule 5 and Schedule 6. It also states that the Grantee must utilise MedicineInsight to show the effectiveness of the Grantee's interventions.
Schedule 7: QUM Stewardship and Awareness Program	
<p>This Activity supports the Grantee to act as a steward of QUM by supporting its capacity to facilitate collaboration across the QUM ecosystem, raise awareness of QUM through the development and dissemination of high-quality evidence-based resources and foster a</p>	<ul style="list-style-type: none"> • The integrated digital platform includes Australian Prescriber (not currently reassigned), Continuing Professional Development (CPD) accreditation modules, a Customer Relationship Management

Activity	Dependencies
<p>culture that promotes the five principles of NQSM across the health system.</p>	<p>system and direct mail and print services for materials across other Programs (e.g., Australian Prescriber). This Activity is currently assigned to be incorporated into the ACSQHC. Therefore, this requires either centralised co-ordination with relevant grant/procurement recipients, or cessation of certain services (with operational costs included in each relevant grant/procurement process).</p>
Schedule 8: Operation and Development of MedicineInsight	
<p>MedicineInsight links diagnosis, prescriptions and clinical indicators within a national representative cohort, and addresses gaps in knowledge about how and why medicines are prescribed. MedicineInsight gives local and national perspectives on what treatments have been prescribed for what conditions, against which groups and the impact this has had on those groups or patients.</p> <p>MedicineInsight is the only national general practice dataset in Australia providing longitudinal, de-identified, whole-of-practice data that can be weighted using patient and encounter data to be nationally representative. Data is extracted from the clinical information systems of participating general practices to connect patient conditions with treatments and outcomes. This Activity facilitates the maintenance, development and governance of Medicine Insight.</p>	<ul style="list-style-type: none"> • The Grant Agreement specifies targets for MedicineInsight participating practices. • NPS MedicineWise's website specifically highlights a benefit to general practice of using MedicineInsight of the ability of the educational visitor service using individual practice data to support training in a particular therapeutic area (See https://www.nps.org.au/medicine-insight/general-practitioners).
Schedule 9: Post-Market Information and Dissemination	
<p>Through this activity, the Grantee must improve quality use of therapeutics, diagnostics and pathology for Australian consumers and by health professionals through provision of:</p> <ul style="list-style-type: none"> • Data insights that support post-market surveillance and utilisation • Regular and timely resources which provide critical commentary on drugs and therapeutics for health professionals including post-market use and new and emerging health technologies • Communication channels informing health professionals and consumers about the latest therapeutics, diagnostics and pathology developments and changes in Government policies. 	<ul style="list-style-type: none"> • Australian Prescriber has not been reassigned. The Grant Agreement specifically says that the objectives of Australian Prescriber are to leverage post-market surveillance insights (reassigned to the ACSQHC) to highlight issues relating to QUM and health technologies. • Communications Policy Program (not currently reassigned) has a strong linkage to the broader NPS MedicineWise work plan, communicating policy changes, new and emerging issues in medicines and health technologies, and medicine availability. • The Review of PBS Medicines for the Drug Utilisation Sub Committee Program specifically references analysis using MBS and PBS data and MedicineInsight data (as appropriate).
Schedule 10: Phone Line Service Program	
<p>Medicines Line is an independent evidence-based phone service that provides consumers with pharmacist-led advice and guidance regarding safe and appropriate use of prescription, over-the-counter and complementary medicines via consumer-initiated telephone calls.</p> <p>The Adverse Medicines Event Line is a telephone service to assist consumers nationally to report suspected adverse events to all medicines to the Therapeutic Goods Administration to support national pharmacovigilance initiatives, via consumer-initiated phone calls.</p>	
Schedule 12: COVID-19 Vaccine Support Program	
<p>The Program provides support and services to consumers and health professionals in support of the Commonwealth's COVID-19 vaccine rollout. The Activity is to support the national pharmacovigilance efforts for the COVID-19 vaccination program through the timely and accurate reporting of consumer initiated adverse drug reaction reports</p>	

Activity	Dependencies
to the Therapeutic Goods Administration and to support consumers and health professionals with timely evidence-based information.	

Source: Deloitte.

Appendix C Structure and function of the Grant Agreement

The current Grant Agreement applying to the QUDTP Program has been in place since 15 January 2020, and has had four amendments made on 8 July 2020, 25 March 2021, 23 December 2021 and 29 June 2022. The Grant Agreement comes under the Commonwealth Grant Rules and Guidelines 2017 which oversee roles, responsibilities and requirements for the provision of Grant funding for both government representative entity and Grantee, in this case NPS MedicineWise. Further, the Grant is provided under the Quality Use of Medicines Grant Opportunity Guidelines GO2991.

The objectives of the Grant are:

- An organisation that acts as the national QUM steward
- Independent, evidence-based information, behaviour change initiatives and education services on quality use of medicines and diagnostics
- Quality use of therapeutics, diagnostics and pathology behaviour change interventions that deliver PBS and MBS savings
- A regular independent peer-reviewed journal and resources that provide critical commentary on drugs and therapeutics for health professionals including part-market use and new and emerging health technologies
- Effective communication channels informing health professionals and consumers about the latest therapeutics, diagnostics and pathology developments and changes in Government policies
- Robust evaluation reports that demonstrate savings to the PBS and the MBS associated with the undertaking of the Grant Program
- Improved health literacy
- Reduced misuse of medicines and other health technologies, and
- Improved post-market surveillance, including through MedicinesInsight, by capturing, storing and analysing data collected from general practices to inform how medicines are being used in the real world. Data collected is to support quality improvement Activities, inform research and policy health questions.

In line with these objectives, annual Workplans are developed with associated budgets which outline the focus areas and activities to be completed via the Grant for the proceeding 12-month period and are agreed with the Department. These include specific performance measure and Key Performance Indicators (KPIs) aligned to each program, and while there are program specific measures, there are two key outcomes outlined in the Grant Agreement which collectively apply across all programs:

- Savings of \$70 million per annum during the terms of this agreement for PBS, and
- Savings of \$13 million per annum during the term of this agreement for MBS.

When considering the requirements of the Grant there is an interplay between the requirements outlined in the current Grant Agreement and the overarching Australian Government funding requirements. The combination of both of these lays out the roles and responsibilities for both the Department and NPS MedicineWise as the recipient of the Grant. The key principles underpinning the administration of Grants by the Australian Government are:

1. **Robust planning and design**: stakeholders work together to plan, design and undertake grants administration and commence appropriate risk management
2. **Collaboration and partnership**: all stakeholders work together through effective collaboration, shared understanding of expectations and positive working relationships to strive to meet government policy outcomes while reducing unnecessary and duplication
3. **Proportionality**: striking an appropriate balance between the complexities, risks, outcomes and transparency. This covers the reporting and acquittal requirements for the grant
4. **An outcomes orientation**: grants administration should be designed and implemented so that NPS MedicineWise focus on outcomes and outputs for beneficiaries, while seeking the most efficient and effective use of inputs. Accountable authorities and officials should focus on achieving government policy outcomes

5. Achieving value with relevant money: administration of grants requires careful comparison of the costs and benefits of feasible options, particularly when planning and designing grant opportunities
6. Governance and accountability: stakeholders are encouraged to develop robust governance frameworks which clearly define roles and responsibilities as well as facilitate accountability
7. Probity and transparency: preparedness of stakeholders to be open to scrutiny about grants administration and grant opportunity processes.

Appendix D Summary of NPS MedicineWise's performance

Table D.1: Overview of QUDTP Program objectives and summary of NPS MedicineWise performance

Relevant review findings	NPS MedicineWise Response and activities	Progress / Status / Insight
Leverage Grant funds through cross-sector collaboration and partnerships that support and promote the quality use of therapeutics, diagnostics and pathology		
SR: Recommendation 2 Representatives of the DoH, PHNs, RACGP and ACSQHC be included as members of the CIAG SR: Recommendation 5 Ensure consumer involvement in a genuine collaborative manner	<p>Active Stakeholder engagement and reference group membership includes:</p> <p><i>Government</i></p> <ul style="list-style-type: none"> • Department of Health (and Ageing), • ACSQHC • National Aboriginal Community Controlled Health Organisation (NACCHO), • Aged Care Quality and Safety Commission, • Northern Territory Health Department • Katherine West Health Board • Queensland Health • NSW Health • Therapeutic Goods Administration <p><i>Consumers</i></p> <ul style="list-style-type: none"> • Consumer Health Forum • Older Persons Advocacy Network, • Carers Australia, • Federation of Ethnic Communities' Council of Australia • Black Dog Institute • Kidney Health Australia • Council of the Ageing • Indigenous HealthInfoNet • National Association of Aboriginal and Torres Strait Islander Health Workers and Practitioners (NAATSIHWP) • LGBTIQ+ Health Australia • National Heart Foundation <p><i>Health Services</i></p> <ul style="list-style-type: none"> • Orygen Health 	NPS MedicineWise have developed partnerships across the health care continuum in line with the needs and requirements of each program initiative.

Relevant review findings	NPS MedicineWise Response and activities	Progress / Status / Insight
	<ul style="list-style-type: none"> • Headspace • Twenty10 • Western Health • Metro North Hospital and Health Service • Lismore Base Hospital • Queensland Rural and Remote Clinical Support Unit <p><i>Health Professionals</i></p> <ul style="list-style-type: none"> • Pharmaceutical Society of Australia, • Royal Australasian College of Physicians, • Society of Hospital Pharmacists of Australia, • Australian Association of Consultant Pharmacy • Pharmacy Guild of Australia, • Royal Australian College of General Practitioners, • Royal Australian and New Zealand College of Psychiatrists • Australian Psychological Society • National Rural Health Alliance • Royal Australian and New Zealand College of Radiologists • Australian Physiotherapy Association • selected Primary Health Networks from each state and territory – Tasmania PHN, Gold Coast PHN, Western Australia Primary Health Alliance, Murrumbidgee PHN, South Eastern NSW PHN, Western Sydney PHN, Brisbane South PHN (except Northern Territory) <p><i>Academic institutions</i></p> <ul style="list-style-type: none"> • University of New South Wales • University of Sydney 	
Create and distribute timely evidence-based information, tools and resources for prescribers, dispensers and health consumers in the Australian context		
SR: Recommendation 3 <i>Strengthen governance of the use of MedicineInsight data</i>	<ul style="list-style-type: none"> • Nominated in the 9th Quarterly Report covering the period of January to March 2022 it was indicated that 486,929 emails had been distributed to via subscriber lists (including health professionals and consumers) to 121,955 subscribers. • The target for GPs contributing data to the MedicineInsight database is 500 per quarter, and this has been exceeded in the Annual Performance Report 2020-21 with 682 practices contributing their data. This is lower than the 718 participating practices in the Sansom Report in January 2019. Based on the Grattan Institute report <i>Mapping primary care in Australia</i> (2018) and the Productivity Commission estimation of general practices reference in the 2018 Paxton Partners report this represents a coverage of approximately 9% of general practices across Australia. • Australian Prescriber and RADAR reports continue to be published at regular intervals with open rates around 50% which can be influenced by the topic of the update. 	The MedicineInsight database continues to be a valuable source of primary practice data to inform health system policy decisions, however, it represents only a small proportion of primary care activity.

Relevant review findings	NPS MedicineWise Response and activities	Progress / Status / Insight
Nationally deliver QUM interventions targeting areas of high needs and government priorities		
SR: Recommendation 6 <i>Topic selection & annual workplan take into consideration the need for better integration between levels of the health system</i>	Program targeting the use of anticholinergics and the safe use of medicines in older people has engaged with 3,236/ 6,000 targeted GPs, 197/500 Residential Aged Care Facilities (RACF) and 756/1,500 RACF health professions. Program support and educational material for the program has been prepared and disseminated as required	Slightly behind track due to visitation impacts caused by COVID-19
SR: Recommendation 10 <i>QUM initiatives that relate to specific disease entities be supported in a system-based approach</i>		
Promote behaviour changes amongst prescribers, dispensers and health consumers that are consistent with quality use of medicines and diagnostics in a sustainable health care system		
SR: Recommendation 6 <i>Topic selection & annual workplan take into consideration the need for better integration between levels of the health system</i>	Program targeting the use of anticholinergics and the safe use of medicines in older people has engaged with 3,236/ 6,000 targeted GPs, 197/500 Residential Aged Care Facilities and 756/1,500 RACF health professions. Program support and educational material for the program has been prepared and disseminated as required	Slightly behind track due to visitation impacts caused by COVID-19
SR: Recommendation 10 <i>QUM initiatives that relate to specific disease entities be supported in a system-based approach</i>		
Promote behaviour changes amongst prescribers, dispensers and health consumers that are consistent with quality use of medicines and diagnostics in a sustainable health care system		
SR: Recommendation 11 <i>Expansion of MedicineInsight data to support the post marketing requirements</i>	<p>Six targeted programs have been evaluated for their impact in delivering savings to the PBS, which combined are estimated to deliver \$74.3m in savings against the target of \$70m noted in the Grant Agreement.</p> <ul style="list-style-type: none"> • Chronic obstructive pulmonary disease (COPD) Medicines and Inhalers: Stepping through the options: <ul style="list-style-type: none"> – Achieved a reach of 27.8% (8,325) GPs participating – Estimated to deliver annual PBS benefits of \$37.15m annually through reduction in COPD medicines and inhalers prescribed through general practice. • Statins: Optimising therapy, addressing intolerance <ul style="list-style-type: none"> – Documented reach of 33% (9,888) of GPs – Increased rate of prescription of ezetimibe single agent products following the intervention • Neuropathic pain: Effective diagnosis and treatment <ul style="list-style-type: none"> – Achieved a reach of 31% (9,380) of GPs across Australia – Delivered an estimated \$14.7m annual cost savings through reduction in pregabalin prescribing and no increase in amitriptyline prescribing • Proton Pump Inhibitors: Starting, stepping down, and stopping medicines <ul style="list-style-type: none"> – Reached an estimated 26.7% (8,024) of GPs across Australia 	NPS MedicineWise have achieved a reach for the QUM related programs which have resulted in demonstrable cost savings to the PBS. The same reach has not been replicated for the QUD programs and therefore they have not delivered the targeted MBS savings outlined in the Grant Agreement. The MBS and PBS cost savings, however, do not demonstrate the full impact the programs have had to Australia's health system.

Relevant review findings	NPS MedicineWise Response and activities	Progress / Status / Insight
	<ul style="list-style-type: none"> – Delivered an estimated net savings to the PBS of \$7.8m annually through proactive cessation or switching to lower dose PPIs • Anxiety: Re-thinking the options <ul style="list-style-type: none"> – Achieved an estimated target population reach of 30.4% (9,135) of GPs across Australia – Estimated to have delivered an annual saving to the PBS of \$3.5m through reductions in prescriptions for SSRIs, TCAs, and benzodiazepines • Opioids and the bigger picture when treating chronic pain <ul style="list-style-type: none"> – Visited an estimated 30.2% (9,058) of GPs practising in Australia – Estimated PBS cost savings of \$15.1m through a reduction in prescribing and dispensing of immediate and modified release opioids. <p>Two targeted programs have been evaluated for their impact to reduce diagnostic related MBS expenditure with a combined estimated saving of \$3.7m annually against a target of \$13m annually.</p> <ul style="list-style-type: none"> • Non-traumatic shoulder pain in general practice <ul style="list-style-type: none"> – Estimated reach is unknown as the program did not involve direct visitation of GPs, alternatively it consisted of news items, web-based resources and a short online shoulder examination video – Estimated reduction in MBS reimbursements of \$3.7m annually via reduced MRI and ultrasound investigations in people aged >35 years. • Abdominal imaging: Optimising imaging referrals for chronic abdominal pain <ul style="list-style-type: none"> – Estimated reach of 3.1% (932) GPs practising in Australia via visits – No estimated change in number of CT scan or ultrasound investigations following the intervention 	
Improve post market utilisation and surveillance data		
SR: Recommendation 18 <i>MedicineInsight should continue to be developed and maintained</i>	<ul style="list-style-type: none"> • Enhanced data governance for MedicineInsight including Data Governance Committee meetings held every two months and highlighted in the 2021 Annual Performance Report there were no data breaches of the MedicineInsight data. • Utilisation of MedicineInsight for PBAC post market surveillance via quarterly reports as well as ad hoc reporting to both Drug Utilisation Sub Committee (DUSC) and PBAC • Input of the MedicineInsight data to understand the impacts of the recent COVID-19 and Bushfire emergencies into the utilisation of medicines and health services. • Utilisation of the MedicineInsight data and reports by DUSC via the formal quarterly reports submitted at the prescribed intervals 	MedicineInsight continues to provide a valuable primary care clinical practice dataset that is used to inform individual clinical practice as well as aggregate to influence population health and health policy initiatives. Enhancement could be considered to using accepted clinical guidelines as a reference benchmark for individual practice comparison embedded within the analytics provided to individual clinicians.
Public independent evidence-based peer reviewed publications such as Australian Prescriber that enables health care professionals to be across the development and appropriate use of new and emerging health technologies that are relevant to the Australian health care system.		

Relevant review findings	NPS MedicineWise Response and activities	Progress / Status / Insight
SR: Recommendation 19 <i>Australian Prescriber should continue to be published at current frequency</i>	<ul style="list-style-type: none"> • Australian Prescriber journal is published every two months and this milestone continues to be achieved, while the associated podcast is released fortnightly • NPS MedicineWise contributed to journal articles, conference presentations and abstracts, with 13 submissions made during the 2020-2021 performance year. This demonstrates the broader impact and knowledge sharing with health professionals, consumers, health services and government beyond the Australian Prescriber and RADAR publications. 	NPS MedicineWise have continued to publish the Australian Prescriber Journal at the defined intervals.

Source: Deloitte.

Appendix E Expected benefits derived from the redesign of the QUDTP Program

Table E.1: Overview of QUDTP proposed Budget Measure benefits and the assessment made

Proposed benefit	Evidence of benefit	Contest and questions
Stewardship functions of quality use for medicines, pathology and diagnostics to the ASQUHC		
Reduced duplication. Reduced duplication of function between NPS and the Commission.	<ul style="list-style-type: none"> Commission comment: It's (the redesign of the QUDTP Program) is a simple transfer of functions. It fits in with the national safety standards. Sampson Review: In the time since NPS MedicineWise was established, the ecosystem for QUM delivery has evolved (including the Commission being established). The Review identifies the need for improved coordination between the agencies to reduce duplication and improve collaboration – an example provided is the Commission's leadership of the national plan in response to the Global Patient Safety Challenge Medication without Harm program of the World Health Organisation to which NPS MedicineWise was not formally contributing. Department statement. It currently funds NPS MedicineWise and ACSQHC to deliver similar and overlapping outcomes.⁴ 	<ul style="list-style-type: none"> NPS MedicineWise comment: The Department has been unable to specify the duplication that exists under the current arrangements. NPS and ACSQHC have a Working Together Arrangement and effective coordination mechanisms in place. Further, ACSQHC has a different role and function in the Australian health system from the role and function that NPS MedicineWise provides through QUDTP Program
Improved coordination. Coordination of functions within the Commission.	<ul style="list-style-type: none"> Commission comment: We oversee all the safety in QUM including the private sector – not so much in general practice – but increasingly so and we have had good results. We do international work in this area with the OECD and it's no big deal. Department statement: As the lead organisation for quality and safety in healthcare the Commission already has substantial, relevant expertise and content knowledge.⁵ 	<ul style="list-style-type: none"> NPS MedicineWise comment: There is a mismatch between this work and ACSQHC's role as the standard setter and regulator (the "stick" to NPS MedicineWise's "carrot"). The MedicineWise Apps support patients with complex medication management. There appears no logical reason for ACSQHC to manage these applications, which provide a direct service to consumers. It is likely that these assets and investment will also be lost in time. NPS MedicineWise comment: We have concerns whether the functions are really going to fit at the Commission and if they can survive. We have concerns if some functions can survive as contestable funding, we have concerns on the quality and impact of function transfers to the ACSQHC away from NPS MedicineWise.

⁴ Department of Health (2022) 'Quality Use of Diagnostics Therapeutics and Pathology – Fact Sheet 1', Version: 20220413⁵ Department of Health (2022) 'Quality Use of Diagnostics Therapeutics and Pathology – Fact Sheet 1', Version: 20220413

Proposed benefit	Evidence of benefit	Contest and questions
Increased reach. Through expertise and system-wide reach of the Commission.	<ul style="list-style-type: none"> Commission comment: The whole QUM naturally sits under the Commission. We have really deep relationships with primary care and the existing governance structures we can connect with all stakeholders. Because we are connected with the system, we work with them every day to work on quality and safety issues. Department statement: The Commission can draw on its 'system-wide reach' including existing inter-jurisdictional clinical committees⁶ 	<ul style="list-style-type: none"> NPS MedicineWise comment: ACSQHC does not have much involvement or track record in primary care, which is absolutely key to QUM, and is still seen by the sector as having an acute sector focus. ACSQHC does not have the relationships in primary care or with individual health professionals and consumers which are necessary to have impact around QUM and is unlikely to retain these following transition.
Competitive grants and procurement		
Improved service design. Increased innovation and targeted service design for education and health literacy work.	<ul style="list-style-type: none"> Department statement: The increased accreditation requirements for health professionals has driven an increase in educational services available for health professionals. These services in term – including medial colleges, professional associations have capacity to deliver QUM grant activities. Equally, the Department notes the number of consumer and community organisations with capacity to drive consumer literacy has also grown. The Department states that many of the identified market providers have direct relationship with the target groups to which the grant program seeks to deliver benefits.⁷ ACSQHC comment: We have more programs that are far more complicated. What we hoped is that we would get the key staff to transfer that across to ACSQHC. As the delay goes on, NPS MedicineWise people and their capabilities leave. That's a risk to us (ACSQHC). 	<ul style="list-style-type: none"> NPS MedicineWise comment: One of the implications of the proposed model is that NPS MedicineWise's national capability around academic detailing will be lost. Currently, we have 50 educational visitors, primarily pharmacist, undertaking academia detailing across Australia and working closely with primary care practices and aged care facilities in their locations. This workforce is a central part of NPS MedicineWise's integrated behaviour change model, provides for national program delivery capability, and continues to add significant value as an important behaviour change tool. With the changes proposed, this national workforce will be lost and will be difficult to rebuild. NPS MedicineWise comment: This organisation has rare expertise in soft levers for changing behaviour and that's rare in the health field, and that won't survive through transfer to ACSQHC or contestable funding. We apply academic detailing when applying behavioural change. The risk is that if we don't continue to do it, it is unpicked and does not retain its value if we go with the design that flows out from the Federal Government decision. Evidence gap: no evidence was made available during the review which provides a market analysis of potential providers and their capacity/willingness to deliver the service. The existence of this market is of notable relevance if NPS MedicineWise were not financially viable following the redesign and therefore not in a position to tender for this work.
Increased value for money. Increased return to investment in	<ul style="list-style-type: none"> Department statement: Opening up the grant to competitive processes will assist in driving innovation and value for money.⁸ ACSQHC comment: There is great opportunity to drive innovation through competitive tendering. 	<ul style="list-style-type: none"> NPS MedicineWise comment: The Department has advised that the Budget Measure increases the total investment in the Program and there is no cost saving objective. Evidence gap: no evidence was made available during the review which provides a market analysis of potential providers and their capacity/willingness to deliver the service. The existence of this market is of notable relevance if NPS MedicineWise were

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⁷ Department of Health (2022) 'Quality Use of Diagnostics Therapeutics and Pathology – Fact Sheet 1', Version: 20220413

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Proposed benefit	Evidence of benefit	Contest and questions
education and health literacy work.		not financially viable following the redesign and therefore not in a position to tender for this work.
Reduced risk. Reduced risk from dependence on a single provider.	<ul style="list-style-type: none"> ACSQHC comment: NPS MedicineWise is not independent from Government. They are contracted by the Government to deliver outcomes. They have hardly acted in their own independent way through their own commercial ways. I don't think we should be feeding that narrative. 	<ul style="list-style-type: none"> NPS MedicineWise comment: We aren't opposed to contestable funding. Having everything in one place, we work in partnership with other organisations, and pass the funding to those who can deliver it, but having funding one pot, we can distribute where we direct that funding. I think that's really important when we think about efficiencies. Allows us to create linkages, more value and less silos. There is a real risk of creating silos in program delivery, as well as inefficient set up costs if you go to more of a contestable format for the funding and program delivery

Source: Deloitte.

Limitation of our work

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Deloitte Touche Tohmatsu
Level 9, Grosvenor Place,
225 George Street Sydney NSW 2000

Phone: +61 2 9322 7000

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