



## GPV-VHA joint submission on health reform

**General Practice Victoria (GPV)** is the state-wide peak body that represents the 29 divisions, associations and networks of general practice in Victoria. Divisions are the local networks that support general practices across Australia to improve their quality, and strengthen connections between general practice and the rest of the health system, for better patient care. Divisions' areas of work combine support for national programs with responding to identified local needs. More than 80% of GPs are members of divisions, divisions know the practices in their local area, and so divisions are the most effective vehicle to reach the whole general practice sector.

The **Victorian Healthcare Association (VHA)** is the major peak body representing the public healthcare sector in Victoria. Our members include public hospitals, rural and regional health services, community health services and aged care facilities. Established since 1938, the VHA promotes improvement of health outcomes for all Victorians, from the perspective of its members.

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Recommendation twenty-one in the National Health and Hospital Reform Commission's (NHHRC) final report stated:

"Service coordination and population health planning priorities should be enhanced at the local level through the establishment of Primary Health Care Organisations (PHCOs), evolving from or replacing the existing Divisions of General Practice."

The NHHRC also recommended that the Commonwealth Government assume full responsibility for the policy and public funding of primary healthcare services.

In response to these recommendations, General Practice Victoria (GPV) and the Victorian Healthcare Association (VHA) have collaboratively discussed the issue of the proposed PHCO. The broad definition of primary healthcare, in this context, includes general practice, family services, drugs and alcohol, mental health, community nursing, allied health, dental, and community development.

### Role of PHCOs

As the purpose of PHCOs is to improve population health planning and service coordination, the VHA and GPV recommend that the appropriate roles for PHCOs would be:

- Implementation of a population health planning approach to primary healthcare, including service planning, workforce planning and community development
- Improving primary healthcare services' capacity for data collection, aggregation and use, including the development of appropriate infrastructure
- Coordination of primary healthcare services to provide connected care for consumers
- Strengthening and building the capacity of the existing health service delivery infrastructure, with the aim of improving access, effectiveness, efficiency and sustainability of primary healthcare services

- Supporting the health service providers to improve safety and quality of health services

The PHCO would work with the state and commonwealth government departments and agencies to achieve these objectives. To ensure coordination of services across the care continuum PHCOs would need to collaborate in planning activities with other service provision sectors including, but not limited to, acute, sub-acute, aged care, housing, social services and local government.

The VHA and GPV agree that the PHCOs should not act as service providers. Instead, the PHCOs should provide evidence of service gaps to enable regional health service coordination and development.

Initially, the only fund-holding that the PHCOs should undertake is for service coordination, improving the quality of care and population health planning. Over time, the PHCO might hold funds for services that are required in the catchment area, if there is a major reform of all the funding streams that are directed to primary healthcare.

The risk of PHCOs not holding funds for all primary healthcare service delivery in an area is that they may lack authority and accountability to realise their service co-ordination and population health planning goals.

The VHA and GPV are proposing that the Minister develop and support a process through which the needs identified through population health planning could be considered, so that the goals of PHCOs can be met. One possibility is an Accord between the Federal Health Minister and the PHCOs that provides a commitment to focus on agreed key performance indicators, which may reflect the Australian Institute of Health and Welfare's national indicators of safety and quality in healthcare and other population health indicators.

### **Creating New Organisations**

The VHA and GPV recommend PHCOs based on regional communities of interest. Community involvement and the need for better population data underscores the need for PHCOs to be aligned with Local Government Areas (LGAs) boundaries. The size of the PHCO should be determined according to the ability of the geographical region to respond to the needs and priorities of local communities, without the population numbers of PHCOs being radically disproportional. Patient flows will provide one of the main criteria for decisions on boundaries. It is not sensible or efficient to impose artificial boundaries or to ignore a community's own identity, that is, where people tend to go for services. Boundary delineation should allow for crossing state borders if that best reflects the local community's needs.

Local providers and networks should come together to form each new primary health care organization. Potential partners include the local division of general practice, existing coordination and planning partnerships and collaborations, such as Primary Care Partnership in Victoria, local governments, local communities and a variety of primary healthcare service providers. The creation of new organisations provides the best opportunity for ensuring this. A new organisation would allow for a new culture of integration of primary healthcare services plus supporting community preventative health initiatives.

Primary healthcare has evolved in each State/Territory in a unique way. The creation of new PHCOs should not be a "one-size-fits-all" approach for every State/Territory, but should build on the strengths of current primary healthcare arrangements. Allowing new organisations to be formed will facilitate this.