Submission No. 07
(NHPA Bill)
Date: 15/03/2011

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Australian General Practice Network

Australian General Practice Network (AGPN) response to the Standing Committee on Health and Ageing Inquiry into the National Health Reform Amendment (National Health Performance Authority) Bill 2011

March 2011

Introduction and Background

The Australian General Practice Network (AGPN) welcomes this opportunity to provide comment against the National Health Reform Amendment (National Health Performance Authority) Bill 2011 (The Bill).

AGPN is the peak national body representing the network of 111 General Practice Networks (GPNs) which cover Australia, as well as eight state based organisations (Collectively all these agencies are termed the Network.) Approximately 90 percent of GPs and an increasing number of practice nurses and allied health professionals are members of their local GPN. The Network plays a pivotal role in the delivery and organisation of primary health care through general practice and broader primary health care teams and aims to ensure all Australians can access a high quality health system. The Network has a long history of involvement in supporting the roll-out of quality improvement programs through general practice and the uptake of clinical guidelines through education and training initiatives for primary health care professionals.

AGPN has been fully engaged and largely supportive of the health reform agenda and the establishment of the National Health and Hospitals Network (NHHN) comprising Local Hospital Networks (LHNs) and primary health care organisations (PHCOs) - also known as "Medicare Locals" (MLs) – and from hereon in referred to as ML PHCOs. The Network is the basis from which the proposed new ML PHCOs will be formed, in partnership with other relevant agencies. Establishment of ML PHCOs will commence in July 2011 with a view to finalising their establishment in July 2012. Once operational, MLs will be charged with the following roles and responsibilities:

- Improving the patient journey through developing integrated and coordinated services
- Providing support to clinicians and service providers to improve patient care
- Identifying the health needs of local areas and developing locally focused and responsive services
- Facilitating the implementation and successful performance of primary health care initiatives and programs
- Being efficient and accountable with strong governance and effective management

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AGPN acknowledges the financial support of the Australian Government Department of Health and Ageing

To perform these roles effectively, ML PHCOs will need to have access to relevant data and maintain a population health database in order to undertake population health needs assessment and planning. They will need to work closely with LHNs and other appropriate organisations to conduct joint service planning. They will also need to undertake detailed analyses of primary health care service gaps and identify evidence-based strategies to improve health outcomes and service delivery in local area populations. AGPN understands that ML PHCOs will also be required to actively participate in the performance and accountability framework of the Government's health reforms.

About this submission

AGPN makes this submission in the context, as described above, of a Network transitioning towards becoming ML PHCOs. AGPN has previously made submission to the inquiry into the NHHN Bill (August and October 2010) regarding several aspects of the NHHN. AGPN acknowledges that the current Bill is intended to broadly amend the previous Bill as follows:

- changing the title of the subsequent Act to the National Health Reform Act 2011, reflecting the outcomes of the COAG meeting of 13 February 2011;
- amending Chapter 1 to change the objects of the Act to include reference to the Performance Authority, and to include a number of new definitions related to the new authority;
- amending Chapter 2 dealing with the Commission to distinguish between provisions relating to the members and Chief Executive Officer of the Commission and the new authority, and to introduce provisions relating to secrecy and disclosure of information by the Commission;
- adding a new Chapter 3 to establish the Performance Authority;
- adding a new Chapter 4 with miscellaneous machinery provisions.

AGPN's previous submissions have already provided broad support for proposed aspects of the NHHN, including the establishment of the Australian Commission for Safety and Quality in Health Care (the Commission) as a permanent, independent statutory authority. Of note, AGPN's previous submission drew attention to the need to include a broader definition of health (not limited to medical, dental and pharmaceutical services) in the Commission's constitution and to ensure that the expertise of Members appointed to the Commission included primary health care knowledge. AGPN notes that these considerations do not appear to have been included in the proposed amendments to the Bill and again emphasises their inclusion as important.

In this submission, AGPN similarly gives in principle support for the proposed amendments. In particular, AGPN is broadly supportive of the establishment of the National Health Performance Authority (NHPA) as a means by which to continually improve and advance delivery of health care through the new NHHN, including through LHNs and ML PHCOs, but provides comments in relation to the NHPA, especially in regard to ML PHCOs, against the specific areas identified below.

Part 3.2 - Performance Authority's establishment, functions, powers and liabilities

60 Functions of the performance Authority

60 (1) (a) (iv) and (v): AGPN notes that a prime responsibility of the NHPA is the monitoring and reporting on the performance of a number of health agencies, including primary health care

organisations (iv) and other bodies or organisations that provide health care services (v). Key activities in relation to this function are that the NPHA will:
(60 1 c): formulate, in writing, performance indicators to be used by the Performance Authority in connection with the performance of the function conferred by paragraph (a);
(60 1 d): collect, analyse and interpret information for purposes in connection with the performance of the function conferred by paragraph (a);

AGPN raises several points here:
In relation to clause 60 (1) (a) (v): monitoring / reporting on the performance of other bodies or organisations that provide health care services – AGPN requests clarification and examples as to what "other bodies" this would include – for example general practices or allied health services. Again, ML PHCOs, in preparing their reports to the NHPA may well be required to include some measures of performance relevant to these health services and would be eager to work with the NHPA to avoid any unnecessary duplication of effort in measurement and reporting. As ML PHCOs will also provide a support function to primary health care services in their local regions, ML PHCOs will need to know what the intended other health services to be measured are so that they can assist them, as needed, with their data gathering and measurement activities.

In relation to clause 60 (1) (c), and not withstanding points 60 (3) (a) and (b)[1] in the Bill, AGPN strongly advises that performance indicators developed for PHCOs are developed in conjunction and consultation with ML PHCOs themselves so that they are realistic, meaningful and achievable and that they make allowance for the intrinsic variation that occurs between regions. AGPN also suggests that agencies such as the Commission, who will play a key role in setting Standards for health care across Australia, work collaboratively with ML PHCOs and the NHPA in this regard. AGPN has already developed draft indicators for ML PHCOs and would welcome the opportunity to work closely with the NHPA and the Commission in further refining these. AGPN also recommends that any comparative reporting against performance indicators between ML PHCOs is not restricted to national benchmarks but includes like with like region reporting, in order to overcome some of the inherent demographic differences that exist between certain regions. Further AGPN considers it essential that performance indicators for ML PHCOs take into account the performance of other parts of the health system and the NHHN beyond their immediate and direct control that may influence performance within ML PHCOs.

In relation to clause (60 1 d), AGPN considers it important that in collecting data to fulfil the NHPA's requirements to report on the performance of ML PHCOs, overlap and duplication of effort regarding information collected by ML PHCOs themselves is avoided. Again AGPN believes it imperative that the NHPA work closely with ML PHCOs and other agencies involved in population health information collection and analysis in this regard.

In relation to clause 60 (1) (e): to promote, support, encourage, conduct and evaluate research for purposes in connection with the performance of any of the functions of the Performance Authority. AGPN believes the promotion, support and evaluation of such research is important and supports this goal. However, AGPN believes that the NHPA should

[1] Paragraph (1)(c) does not, by implication, prevent the Performance Authority from using either of both of the following in connection with the performance of the function conferred by paragraph (1)(a): (a) performance indicators formulated by a person or body other than the Performance Authority; (b) standards formulated by a person or body other than the Performance Authority.

commission, rather than conduct its own research, to ensure independence in any studies undertaken and to access existing expertise in health research and evaluation available in the academic sector.

AGPN also considers it important that research undertaken is done in consultation with the relevant bodies whose performance the NHPA is monitoring and reporting on, and that the findings of any research are available publicly after relevant bodes have also had opportunity to contribute to their interpretation of their findings.

62 Additional Provisions about reports (62 1 d) refers specifically to PHCOs
This section details provisions for reports that indicate poor performance from PHCOs. In particular AGPN highlights points 2a and b whereby:
Before completing the preparation of the report, the Performance Authority must:
(a) give a copy of a draft of the report to the manager of the entity or facility; and
(b) invite the manager of the entity or facility to give the Performance Authority written comments about the draft report within 30 days after receiving the draft report.

AGPN supports this clause and considers 30 days a reasonable time period in which to provide comments in normal circumstances. AGPN recommends however that this point is expanded to include allowance for a longer time period where there are extenuating circumstances and/or where additional data or information is required from the PHCO in order to comment more fully on the poor performance described in the draft report. AGPN also suggests that explanatory comments provided by PHCO managers are included in the final report where relevant, especially where they legitimately explain what can be considered poor performance based on intrinsic elements. On this note, AGPN also considers it vital that exactly what constitutes "poor performance" is well defined and clearly explained in public reports. This in turn is related to comments made above (see page 2) regarding clause 60 (1) (c) and the need for any comparative reporting for PHCOs not to be restricted to national benchmarks, but to include performance against like regions.

64 Constitutional limits:
The Performance Authority may perform its functions only:
(a) for purposes related to:
(i) the provision of pharmaceutical, sickness or hospital benefits; or
(ii) the provision of medical or dental services; or
AGPN requests clarification regarding this section particularly in relation to point (a ii) and the function of PHCOs. PHCOs, as outlined in the recent COAG Heads of Agreement will have responsibility for identifying and addressing health care needs in their local regions. Although these will include medical, dental and pharmaceutical services, they will also include services which fall outside of these fields but are covered more broadly through other health services. AGPN therefore recommends that clause 60 (a) (ii) is revised to state the provision of medical, *health* or dental services.

65 Rules to be complied with by the Performance Authority in its monitoring and reporting functions
(1) The Minister may, by legislative instrument, make rules to be complied with by the Performance Authority in performing the functions conferred by paragraphs 60(1)(a) and (b).

14 (2) The Performance Authority must comply with rules in force under subsection (1).

AGPN considers it important that any such rules developed for PHCOs relevant to the NHPA's monitoring and reporting functions are developed in consultation with ML PHCOs and with representatives from the associated professions and service providers potentially impacted by these rules.

66 Minister may direct the Performance Authority to formulate performance indicators
(1) The Minister may, by legislative instrument, direct the Performance Authority to formulate performance indicators in relation to a specified matter.
(2) The Performance Authority must comply with a direction under subsection (1).

AGPN reiterates its recommendations from Part 3.2, section 1 (a) (iv) (c) that any performance indicators directed to be developed for PHCOs by the Minister are developed in conjunction and close consultation with ML PHCOs in order that they are realistic, meaningful and achievable, that new Indicators are "road tested" prior to their incorporation into PHCO reporting requirements and that adequate provision is allowed between the collection of baseline data on the new indicator and the time in which improvement may realistically first be expected to be achieved.

67 Powers of the performance Authority
(2) The powers of the Performance Authority include, but are not limited to, the power to enter into contracts.

AGPN request clarity regarding this point in relation to what types of contracts might be envisaged between the NHPA and ML PHCOs. Again, as it is likely that there will be a national entity for ML PHCOs that would have performance support functions, AGPN considers it important that any contracts engaged in between the NHPA and a ML PHCO enable the work of the national agency in supporting ML PHCO performance to be conducted effectively.

72 Appointment of members of the Performance Authority
(4) The Minister must ensure that at least one member of the Performance Authority has:
(a) substantial experience or knowledge; and
(b) significant standing;
in the following fields:
(c) the health care needs of people living in regional or rural areas;
(d) the provision of health care services in regional or rural areas.
AGPN supports membership that includes expertise and knowledge relevant to the health needs of people living in rural and regional areas of Australia. However AGPN strongly recommends that at least one member of the NHPA has significant understanding and expertise in primary health care (PHC) systems and services, as well as an understanding the interface between PHC and the hospital setting. AGPN considers this knowledge crucial to members of the NHPA if they are to make recommendations regarding monitoring and performance of ML PHCOs.

126 Performance Authority CEO not subject to direction by the Performance Authority on certain matters

(1) This section applies to a report prepared or published by the Performance Authority in the performance of the Performance Authority's functions.

Disclosure or use of personal information

(2) The report may contain personal information.

(3) The disclosure or use of personal information by, or by an official of, the Performance Authority is taken to be authorised by law for the purposes of the *Privacy Act 1988* if the disclosure or use is for the purposes of the preparation or publication of the report.

AGPN requests further clarity regarding this section and how it relates to Clause 128 – Protection of patient confidentiality.

In summary, AGPN supports the overall intent of the NHHN and the establishment of the NPHA however believes it essential that: development of performance indicators against which ML PHCOs will be asked to report to the NHPA are developed in close consultation with ML PHCOs; and that expertise of members of the NHPA includes sounds knowledge of primary health care systems and services.