

Senate Community Affairs Legislation Committee
ANSWERS TO ESTIMATES QUESTIONS ON NOTICE
HEALTH PORTFOLIO

Additional Estimates 2016-17, 1 March 2017

Ref No: SQ17-000466

OUTCOME: 2: Health Access and Support Services

Topic: Evaluation of services commissioned by Primary Health Networks

Type of Question: Written Question on Notice

Senator: O'Neill, Deborah

Question:

- a) Has the Department undertaken any evaluation of the services commissioned by the PHNs since they were established?
- b) If yes, can you provide the evaluation and the outcomes?
- c) If not, how does the Government or Department know when services or programs are working well?
- d) Is the Department measuring any outcomes from the PHNs?
- e) Do the PHNs undertake any evaluation of services or programs?
- f) How do the PHNs determine if a program is worthy of continued funding or if that program or services will not be funded again?
- g) What is the evaluation process?

Answers:

- a) Services commissioned by PHNs have been in place for a relatively short period of time. 2015-16 was an establishment year for the PHNs, with their commissioning processes commencing from 2016-17. PHNs are required to monitor and evaluate the services that they commission, as part of their commissioning function.

Commissioning is a continual and iterative cycle involving the development and implementation of services based on planning, procurement, monitoring, and evaluation.

- b) Not applicable.
- c) The Department has in place a number of mechanisms for monitoring how services or programs.

PHNs are required to provide 6 month and 12 month performance reports to the Department, under their PHN funding agreements.

The Department's national support function for the PHN program includes monitoring and measuring PHN performance through the PHN Performance Framework. PHN performance is currently being monitored and assessed against organisational capability performance indicators and local activity-based performance indicators, as outlined in the Framework.

The Department has also engaged a consortium led by Ernst & Young, with the University of New South Wales and Monash University, to undertake an independent evaluation of the PHN program. The evaluation is designed to inform the ongoing development of the program, and assess the extent to which the program objectives have been achieved. It will not evaluate individual PHN performance. The evaluation commenced on 1 July 2015 and is due to be completed in December 2017.

- d) Refer to response to previous question.
- e) Yes, as indicated above, PHNs are required to monitor and evaluate the services that they commission, as part of their commissioning function. PHNs' monitoring and evaluation of commissioned services will inform their needs assessment, planning and procurement processes for subsequent commissioning cycles.
- f) As commissioners, PHNs have autonomy to decide which services or healthcare interventions should be provided, who should provide them and how they should be paid for. PHNs are required to make those decisions based on their needs assessments and activity planning processes, through which they identify the health care needs of their populations, identify gaps in health services, identify system inefficiencies, and prioritise the activities and services to be funded.

As a result of conducting their needs assessments and preparing their activity work plans, PHNs may identify certain services that are no longer deemed essential, effective or consistent with the PHN program objectives. PHNs are responsible for making decisions to decommission or 'disinvest' in these services.

- g) As part of the commissioning cycle, PHNs will monitor and evaluate the quality and performance of their commissioned health services, to determine progress towards achieving expected outcomes in an efficient and cost-effective manner. Each PHN has autonomy for developing their own mechanisms for ongoing monitoring and evaluation of individual activities.

Broadly, PHNs' evaluation processes need to be based on the PHN program logic (which was issued to all PHNs in 2015 as a tool to help them in designing, planning, monitoring and evaluating their commissioned activities); and national and local performance indicators. Each service or program commissioned or delivered by a PHN needs to have a framework for evaluating whether its planned outcomes are being achieved. PHNs have access to a range of national, state-based and local data sources to enable them to collect and analyse data and undertake these evaluations.