

Senate Community Affairs Committee

ANSWERS TO ESTIMATES QUESTIONS ON NOTICE

HEALTH PORTFOLIO

Additional Estimates 2016 - 2017, 1 March 2017

Ref No: SQ17-000496

OUTCOME: 2 - Health Access and Support Services

Topic: Ice

Type of Question: Written Question on Notice

Senator: Xenophon, Nick

Question:

What mechanisms or arrangements have been put in place to:

- a) Avoid duplication of services?
- b) Co-ordinate the delivery of state-wide services that may not be viable or sustainable for individual local PHNs?
- c) Co-ordinate the procurement and delivery of services in regions covered by multiple PHNs?

Answer:

The Department of Health provides Primary Health Networks (PHNs) with information and data regarding existing Commonwealth funded services in their regions to inform planning and commissioning decisions and avoid duplication of services.

PHNs are also required to work with Local Hospital Networks (LHNs) (or equivalent) and other key regional stakeholders to ensure other funding, services, strategies, and statewide or regional frameworks are considered in their strategic planning. This approach reduces duplication of services, helps identify regional needs and builds partnerships between PHNs and LHNs as they look for opportunities to improve the integration and sustainability of health services. These arrangements are outlined in Section 1.3 of the PHN Grant Programme Guidelines.

The PHN Grant Programme Guidelines section (1.4) also state that where patient flows and services cross PHN boundaries and/or state and territory borders, PHNs are expected to develop cross-border cooperative relationships and shared Clinical Councils and Community Advisory Committees where appropriate.

As the PHN program develops, opportunities for cooperative relationships between PHNs are emerging. For example, in Queensland, five PHNs are commissioning Integrated Team Care services for their regions, in a single contract, through one PHN to reduce administrative costs and burden. In NSW, two neighbouring PHNs are currently working towards jointly commissioning a service provider to establish and operate a residential drug and alcohol rehabilitation program specifically for Indigenous women and their children across their region.

The Government is making strategic decisions about the advantages of using the PHN program for regional service delivery. On 3 March 2017, Minister Hunt announced that of \$75 million funding per annum (GST exclusive) for drug and alcohol treatment services under the Drug and Alcohol Treatment Program, approximately \$42 million is appropriate and effective for transition to PHNs.

The remaining funds will be used to continue services being delivered by large organisations over multiple regions and will be directly funded by the Department of Health.