

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH PORTFOLIO**

**Budget Estimates 2014 - 2015, 2/3 June 2014**

**Ref No:** SQ14-000495

**OUTCOME:** 5 - Primary Health Care

**Topic:** Adelaide GP Super Clinics

**Type of Question:** Written Question on Notice

**Senator:** Xenophon, Nick

**Question:**

By way of background I have received reports from constituents that the operation and administration of Adelaide's GP Super Clinics are well below capacity and are simply not delivering the number of services that they might, and are not recovering anywhere near the costs of operation.

Apparently the typing pool of the Lyell McEwin hospital has moved into one of the Super Clinics – which, if correct is surely not a use that was envisaged when the clinics were first conceived.

- a) What is the Department's understanding of the financial drain this represents on the Commonwealth, if any?
- b) What agreements were arrived at with the South Australian Health Department in terms of minimum number of services, minimum number of patients cared for, and related financial turnover expectations and "break even" performance?
- c) Does the Commonwealth have any on-going liabilities or responsibilities for these centres, beyond the upfront construction costs, which I understand were about \$10 million for each centre, on average?
- d) What does the future hold for the two remaining GP Super Clinics that are yet to be opened?
- e) Will they be funded until they are operational?
- f) What additional conditions will the Commonwealth impose on SA Health so as to ensure an adequate return on the tax payers' investment?

**Answer:**

a) to c) and f)

The Government does not own or operate GP Super Clinics. Responsibility for operation rests with each funding recipient. Whilst there is not a prescriptive model including minimum standards that must be adopted, the Clinics are required to respond to the health needs and priorities of local communities with a model of care consistent with the GP Super Clinics Programme Objectives.

At a minimum, funding recipients are required to provide multidisciplinary health care services in accordance with the GP Super Clinics Programme Objectives for the designated use period of 20 years, following commencement of operations. Commonwealth funding ceases once the allocated funding is exhausted. Usually this occurs on commencement of operations or in some cases recurrent and/or relocation funding, from within the original

funding allocation, is paid out within a year or two thereafter.

The Australian Government executed funding agreements with the South Australian Government for the establishment of two GP Super Clinics: the Modbury and Noarlunga GP Plus Super Clinics. Funding of \$12.5 million was provided on a matched funding basis for each clinic, with the South Australian Government also contributing \$12.5 million towards each clinic.

- d) The Mount Barker and Adelaide GP Super Clinics are currently under construction and it is anticipated that they will be operational in late 2014 and early 2015 respectively. As with all GP Super Clinics, the Mount Barker and Adelaide GP Super Clinics will be required to operate in line with the GP Super Clinics Programme Objectives for the designated use period of 20 years.
- e) The Mount Barker GP Super Clinic is being established under a Funding Agreement for \$15 million (GST exclusive) between the Commonwealth and Adelaide Hills Division of General Practice. The Adelaide GP Super Clinic is being established under a Funding Agreement for \$7 million (GST exclusive) between the Commonwealth and the Trustee for Hampstead.