

ANSWERS TO QUESTIONS ON NOTICE

HEALTH AND AGEING PORTFOLIO

Inquiry into COAG reforms relating to health and hospitals  
7 June 2010

Question no: 41

OUTCOME 13

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

Who will make the appointments to the National Performance Authority? States or Commonwealth? Will stakeholders be represented?

Answer:

The National Performance Authority will have:

- a Chairperson;
- Deputy Chairperson; and
- five members, with at least one member having regional and rural expertise.

The appointment of the five members will be agreed by COAG. The appointment of the Deputy Chairperson will be made on advice from the states and territories. The Commonwealth Minister for Health and Ageing will have ultimate legal responsibility for appointing the board.

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Question no: 42

OUTCOME 13

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

How many hospitals will have activity based funding? How will this be determined?

Answer:

In accordance with the National Health and Hospitals Network Agreement, the Independent Hospital Pricing Authority will provide advice to COAG on the definition and typology of public hospitals eligible for:

- i. block funding only;
- ii. mixed ABF and block funding; and
- iii. ABF only.

Based on that advice, COAG will determine the number of hospitals that will receive activity-based funding, block grant funding, or a mix of both.

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Inquiry into COAG reforms relating to health and hospitals  
7 June 2010

Question no: 43

OUTCOME 12 – Health Workforce Capacity

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

How will the Federal Government monitor and hold State governments to account for providing sufficient, quality medical training positions (prevocational and vocational training positions) in public hospitals?

Answer:

The states and territories have made a commitment to make available adequate high quality clinical training places. This commitment was reaffirmed by state and territory health ministers in February 2010.

Health Workforce Australia (HWA) will play a critical role in producing more effective, streamlined and integrated clinical training placements. Through HWA, national workforce planning needs will be monitored and reported on regularly.

The Commonwealth will be the majority funder of public hospitals, providing 60% of the efficient price of all public hospital services delivered to public patients, including teaching and training costs.

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Inquiry into COAG reforms relating to health and hospitals  
7 June 2010

Question no: 44

OUTCOME 5

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

How will Medicare Locals be structured administratively, who will be involved in running and overseeing them and what will be their governance arrangements?

Answer:

Medicare Locals will be independent legal entities with strong links to local communities, health professionals and service providers. Medicare Locals will operate with strong local governance, including broad community and health professional representation, as well as business and management expertise. Specific design elements, including governance structures and administrative arrangements, will be developed over the coming months with consultations with stakeholders.

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7 June 2010

Question no: 45

OUTCOME

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

How will the boundaries for Medicare Locals be determined given that the Australian General Practice Network has recently commissioned a consultancy advice on the best way of integrating existing Divisions of General Practice while at the same time the COAG Intergovernmental Agreement requires the state and territory government to have input into determining the boundaries for the new primary health care organisations (or Medicare Locals) and there is supposed to be some congruence between the boundaries for Local Hospital Networks and Medicare Locals?

Answer:

Paragraph A7 of the NHHN Agreement provides, *inter alia*, that:

In establishing LHNs: States will work cooperatively with the Commonwealth to ensure, wherever possible, common geographic boundaries with PHCO boundaries as outlined under provision B24;

And also that:

...as a transitional matter to establish the new system, the boundaries will be initially resolved bilaterally between First Ministers by 31 December 2010;

Similarly, paragraphs B24 and B25 of the NHHN Agreement provide, *inter alia*, that:

In establishing [Medicare Locals], the Commonwealth will work cooperatively with States to ensure, wherever possible, common geographic boundaries with LHNs as outlined in provision A7.

And also that:

...as a transitional matter to establish the new system, the boundaries will be initially resolved bilaterally between First Ministers by 31 December 2010.

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Inquiry into COAG reforms relating to health and hospitals  
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Question no: 46

OUTCOME

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

Will there be coordination between the planning of Medicare Local boundaries and Local Hospital Networks boundaries being planned by state governments?

Answer:

Paragraph A7 of the National Health and Hospitals Network Agreement provides, *inter alia*, that:

In establishing LHNs: States will work cooperatively with the Commonwealth to ensure, wherever possible, common geographic boundaries with PHCO boundaries as outlined under provision B24;

And also that:

...as a transitional matter to establish the new system, the boundaries will be initially resolved bilaterally between First Ministers by 31 December 2010;

Similarly, paragraphs B24 and B25 of the NHHN Agreement provide, *inter alia*, that:

In establishing [Medicare Locals], the Commonwealth will work cooperatively with States to ensure, wherever possible, common geographic boundaries with LHNs as outlined in provision A7.

And also that:

...as a transitional matter to establish the new system, the boundaries will be initially resolved bilaterally between First Ministers by 31 December 2010.

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Inquiry into COAG reforms relating to health and hospitals  
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Question no: 47

OUTCOME

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

What mechanisms will be put in place to ensure effective and ongoing coordination with general practitioners, Divisions of General Practice, Local Hospital Networks and aged care services?

Answer:

Under the National Health and Hospitals Agreement there is a range of mechanisms to support integration across health services.

For example, the Agreement provides that ... the Commonwealth and States will work together on system-wide GP and primary health care policy ... because of the need for effective integration across Commonwealth and State funded health care services;

And that:  
in relation to the services where funding and policy responsibility is transferred to the Commonwealth; and where “coordination is required for reasons of ... service integration, the Commonwealth and the relevant State will work together to develop an agreed implementation plan” and “the Commonwealth will develop a policy framework for these services in consultation with the States”.

The Agreement also provides that:  
“The Commonwealth and State governments will work together to create linkages and coordination mechanisms between [Medicare Locals] and other State services that interact with the health system, e.g. [services for] children at risk, people with serious mental illness and homeless Australians.”

In addition, the Agreement provides that LHNs will engage with local primary health care providers, and Medicare Locals, and also states that: [Medicare Locals] and LHNs will be expected to have some common membership of governance structures where possible; that “[Medicare Locals’] service contracts will require [Medicare Locals] and LHNs to work closely together”, and  
“[Medicare Locals] will establish a formal engagement protocol with local LHNs”.

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Question no: 48

OUTCOME 5

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

If Medicare Locals hold funds for patient care, how will this be integrated with the GP provided care so as to ensure that they do not interfere with the management of the patient or restrict the patient's choice of care or doctor?

Answer:

The planning and management of an individual patient's care will remain the responsibility of their GP. By identifying and helping to fill the gaps in service delivery, Medicare Locals will be able to complement services provided by GPs.



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Question no: 49

OUTCOME 5

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

Will Medicare Locals be evaluated to examine their impact on patient care, how effective they are at improving coordinated care without duplicating existing effort, and whether they have reduced or increased red tape and bureaucracy?

Answer:

A small number of Medicare Locals will commence operations by mid 2011, with the rest to be rolled out by mid 2012. The implementation and operational arrangements will be closely monitored during this time.

A performance and reporting framework will be developed for Medicare Locals as part of a national system for reporting on performance. Over time, the new National Performance Authority will monitor and report on the performance of Medicare Locals.

An evaluation framework will also be developed to enable a formal evaluation after the first few years of operation.

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Question no: 50

OUTCOME 5

Topic: HEALTH REFORM

Written Question on Notice

Senator Fierravanti-Wells asked:

How much of the total funding for Medicare Locals is expected to be available for the provision of clinical services and care co-ordination for patients? How much of the total funding for Medicare Locals is expected to be required for the Medicare Locals' administration and governance?

Answer:

In the 2010-11 Budget, the Government announced funding of \$416.8 million over four years to establish and operate a national network of Medicare Locals. This includes \$290.5 million for the establishment of Medicare Locals and \$126.3 million to improve access to after hours primary care services.

Once established, Medicare Locals will also receive additional funding to manage specific programs in areas such as diabetes, aged care and mental health.