

**Senate Finance and Public Administration Legislation Committee**

**ADDITIONAL ESTIMATES – 9 FEBRUARY 2010  
ANSWER TO QUESTION ON NOTICE**

**Human Services Portfolio**

**Topic:** Co-location criteria

**Question reference number:** HS11

**Senator:** FIFIELD

**Type of question:** Hansard F&PA pages 92,-93 9 February 2010

**Date set by the committee for the return of answer:** 26 March 2010

**Number of pages:** 3

**Question:**

**Mr Pratt**—There was a set of criteria in operation last calendar year, pre the minister's announcement. Those criteria are being examined in the light of the service delivery reform announcement made by the minister late last year. There are currently no criteria applying, because they are being reworked.

**Senator FIFIELD**—So the existing criteria will not apply; there will be new criteria?

**Mr Pratt**—That is correct. We will base the future criteria on the pre-existing ones, but they are being revised to take into account the extent of the reforms.

**Senator FIFIELD**—Could you provide the committee with a copy of the current criteria?

**Mr Pratt**—Yes, Senator.

**Senator FIFIELD**—And of the new criteria when that is—

**Mr Pratt**—We will provide those criteria once they are signed off.

**Senator FIFIELD**—Thank you. It might not be within the time frame of this estimate period—

**Mr Pratt**—I can guarantee that.

**Answer:**

In 2009, Medicare Australia and Centrelink developed criteria to assist the agencies to decide suitable sites for co-location. The criteria are currently under review.

The criteria were based on customer and business information for each site. Analysis was conducted on each site to determine suitability based on the following factors:

- customer traffic – agency traffic, wait times and demand
- staffing numbers
- Medicare Australia site cash volumes
- Bulk billing claiming rates in the location
- electronic Medicare claiming rates in the location
- customer amenity
- customer satisfaction
- property suitability e.g. size, location, available space and leasing arrangements

Each site was analysed to determine which service offer option was most relevant. Five service offer options were developed which ranged from a minimal joined up human services presence through to a future fully integrated face to face service offer. Each site was analysed to determine which service offer option was most relevant.

**Option, level one - Non-staffed**

Customer experience: This option enables customers to undertake business with the primary agency and at the same time, lodge forms and perform simple self-service transactions with the other agencies.

This option provides a stand-alone self service facility, for example, a kiosk, and/or the collection and transmission of forms supported by the hosting agency. The agency may provide assistance by collecting forms on behalf of the other agency or assisting with self service enquiries. A phone line linked directly to a call centre might also be available on-site.

Criteria for this service might include:

- very low demand · long distance between agencies (current single agency presence)
- high electronic Medicare claiming take-up and or Bulk Billing rates.

**Option, level two - Staff assisted (staffed presence)**

Customer experience: This option enables customers to undertake business with the primary agency and at the same time seek advice or information from staff from the other agency as well as lodge forms and perform transactions with assistance from the staff member. This provides staff assistance that may include a visiting service, self service facility supported by a staff member or access to agencies through a dedicated telephone service.

Criteria for this service might include:

- high electronic Medicare claiming take-up and/or Bulk Billing rates
- floor space limitations

### **Option, level three - Side by side shopfronts**

Customer experience: Customers would have the convenience of travelling to a single location to undertake business with both agencies. In the right circumstances agencies could refer customers directly to a staff member of the other agency without the customer re-queuing. This would provide the convenience of a single location but with separate agency shopfronts in other words located side by side, primarily because of high face-to-face traffic. Customer comfort in a high traffic environment is a key consideration. Within this there are opportunities for cross referral of mutual customers. Criteria for this option may include:

- high customer traffic
- high cash claims
- recognition of customer amenity issues
- lower customer satisfaction

### **Option, level four - Open plan office co-location**

Customer experience: In an open plan office customers experience a portfolio shopfront with both agencies located in a single property. This provides a transition towards a fully integrated service where customers see agencies together in a comfortable way. This provides an open plan office with discreet agency segregation within the floor space with the opportunity for cross referral of mutual customers. Under this approach the look and feel for customers is of one portfolio presence but service offers are basically separate. This model includes both cash and non-cash service offers for Medicare Australia and examples of this include Narooma, NSW (cash) and Emerald, QLD (non-cash).

Criteria for this service might include.

- lower cash volumes
- higher customer satisfaction
- customer amenity

Note: The presence of the Child Support Agency in Centrelink offices may also be considered.

### **Option, level five - Fully integrated service offer with all the characteristics of a level four**

Customer experience: Customers experience a portfolio shopfront where they can undertake their transactions with a single customer service officer. Under this option the customer only has to provide information or details once to access services across both agencies. This offer provides the full range of agency services with staff from both agencies providing agreed cross agency services. This offer requires significant investment in staff and system authentication as well as workforce issues and legal delegations.

Criteria for this service offer may include:

- meets all criteria stated in previous service offers; and
- barriers for the integration of services have been removed

Note: The presence of the Child Support Agency in Centrelink offices may also be considered.