



# **Response to Request for Comment on the Medicare Locals**

**December 2013**

Authored by Fellows and Members of the

**Australasian College of Health Informatics**

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**Index**

Index..... 2  
Executive Summary..... 3  
1: The role of MLs and their Performance against Stated Objectives ..... 5  
2: The Performance of MLs in Administering Existing Programmes, including After-Hours GP Services ..... 6  
3: The Recognition of General Practice as the Cornerstone of Primary Care in the ML Functions and Governance Structures ..... 7  
4: Ensuring Commonwealth Funding Supports Clinical Services, rather than Administration..... 7  
5: Processes for Ensuring that Existing Clinical Services are not Disrupted or Discouraged by ML Programs..... 7  
6: Interaction between MLs and Local Hospital Networks and other Health Services, including Boundaries ..... 8  
7: Tendering and Contracting Arrangements ..... 8  
Contributors ..... 9

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### Executive Summary

The Australasian College of Health Informatics (ACHI) welcomes this opportunity to comment on the "Medical Locals" as requested by the Minister of Health The Hon. Peter Dutton MP in December 2013.

The College is the professional body for Health Informatics in the Asia-Pacific Region. The credentialed Fellows and Members of the College are national and international experts, thought leaders and trusted advisers in Health Informatics. ACHI sets standards for education and professional practice in Health Informatics, supports initiatives, facilitates collaboration and mentors the community. The Fellows and Members of the College are widely involved in e-Health research, standards development, system design and implementation work in Australia, the region and globally.

ACHI supports the Australian government's national health reform agenda as informed by the National Health and Hospitals Reform Commission, the Primary Health Care Reform Report and the National Preventative Health Strategy Roadmap. We welcome an agenda that aims to create an improved healthcare system that is safe, of high quality and which is transparent, accountable, affordable and sustainable. We also appreciate the Commonwealth's efforts to establish diverse but complimentary means of delivering primary care health services.

The College agrees that General Practice is vital component of delivering universal healthcare to the Australian People.

Therefore, the College welcomes the Minister's review of the Medicare Locals as part of the refresh of the Australian Government's healthcare delivery strategy. The Fellows and Members of the College have reviewed the operation of the Medicare Locals and have identified issues that may - if mitigated - critically improve their contribution to delivering quality, safe, equitable and sustainable healthcare to all Australians.

In summary, the roles and efficacy of the Medicare Locals are not abundantly clear. Substantial concerns regarding their suitability to fulfil the currently allocated primary healthcare delivery functions have been articulated. However, there are a number of areas where the College believes substantial improvements are possible and has formulated the following **15 immediately actionable recommendations** for the Minister's consideration:

**Recommendation 1:** *That the Minister cause an exploration regarding genuine market failures in the area of Primary Care service delivery.*

**Recommendation 2:** *That if genuine market failures are indentified, the Minister seek sound advice as to how these market failures are most effectively and sustainably remedied.*

**Recommendation 3:** *That the Minister clarify the expectations as well as the roles and their assessment that the MLs currently fulfil.*

**Recommendation 4:** *That the Minister seek sound advice as to which products and services currently fulfilled by MLs are best provided by private enterprise and which by Government.*

**Recommendation 5:** *That the Minister review the healthcare benefits of the PCEHR sign-up projects undertaken by Medicare Locals.*

## ACHI Response to "Medicare Locals Review"

**Recommendation 6:** *That any government healthcare initiative such as Medicare Locals (or their successors) ensures that patient data policies are clearly articulated and the individual healthcare providers educated accordingly.*

**Recommendation 7:** *That the Minister seek recommendations for a renaming of the "Medicare Locals" to ensure the public gain a better understanding of their purpose and functions.*

**Recommendation 8:** *That the Minister address the issue of possible overlap of the Medical Locals' activities in the area of after hours helpline and triage services as well as the establishment and maintenance of healthcare service directories.*

**Recommendation 9:** *That the Minister consider directing the Medicare Locals management to feed data to and leverage the existing national service directories rather than duplicating them.*

**Recommendation 10:** *That the Minister seek recommendations for more focus of MLs on direct benefits to patients and improved integration with other components of primary healthcare service delivery.*

**Recommendation 11:** *That the Minister seek recommendations for governance arrangements that ensure sufficient representation of General Practice in Medicare Locals' management.*

**Recommendation 12:** *That the Minister cause the publication of detailed reports on the Medical Local expenditure.*

**Recommendation 13:** *That the Minister cause the creation of clear 'value propositions' for all current and planned products and services provided by Medicare Locals.*

**Recommendation 14:** *That the Minister consider the expansion of any product or service provided by Medical Locals (or their successor organisations) to include Allied Health.*

**Recommendation 15:** *That the Minister consider directing the Medicare Locals management to feed telehealth directory data to the national service directories rather than duplicating them.*

The Australasian College of Health Informatics looks forward to further working with the Minister and his Department on improvements to the Medicare Locals that will enhance achieving the common goal of better healthcare for all Australians.

## 1: The role of MLs and their Performance against Stated Objectives

From an overall acute care perspective, whatever can be done to facilitate the exchange of and access to information about the patient across sectors to provide them with more efficient and higher quality care is highly desirable. The PCEHR can contribute to this but so can many other eHealth components (e.g. discharge summaries, eReferral, shared care plans, Telehealth, etc.). The organisations known as "Medicare Locals" may be seen as operationalising one or more of these components.

Taking the view that the most basic reason for government to be involved in systems is to address market failure, then with respect to eHealth it needs to be explored to what extent there are aspects of market failure in the application of Information and Communication Technologies (ICT) in primary care. Once these market failures are identified, it can be considered:

1. - if there is any need for market intervention in the delivery of primary care and
2. - if Medicare Locals are an appropriate vehicle for the delivery of this intervention.

Some possible market failures may include:

- the inability of individual health professionals gaining access to appropriate knowledge about the integration of eHealth into their service models and/or
- the difficulty of them obtaining good technical support for their IT systems that have an ever increasing need to be maintained and operated using standardised and interoperable approaches.

Some College Members contend that there are no eHealth-related tasks that Medicare Locals are performing that are clearly identified market failures and that could not be better performed by private sector organisations, including the practices themselves with appropriate incentive arrangements.

***Recommendation 1:*** That the Minister cause an exploration regarding genuine market failures in the area of Primary Care service delivery.

***Recommendation 2:*** That if genuine market failures are indentified, the Minister seek sound advice as to how these market failures are most effectively and sustainably remedied.

Some College members have expressed concerns that many in the clinical professions as well as the public are unclear what roles Medicare Locals have been given and how these roles are evaluated. There are also concerns that many of the functions currently fulfilled by MLs are more suitable for private enterprise rather than Government.

***Recommendation 3:*** That the Minister clarify the expectations as well as the roles and their assessment that the MLs currently fulfil.

***Recommendation 4:*** That the Minister seek sound advice as to which products and services currently fulfilled by MLs are best provided by private enterprise and which by Government.

The College is aware of reports<sup>1</sup> that Medicare Locals have undertaken funded projects to assist GP practices to sign-up patients for the Personally Controlled Electronic Health Record (PCEHR). The

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<sup>1</sup> [www.pulseitmagazine.com.au/index.php?option=com\\_content&view=article&id=1277:barwon-ml-moves-into-patient-pcehr-registration](http://www.pulseitmagazine.com.au/index.php?option=com_content&view=article&id=1277:barwon-ml-moves-into-patient-pcehr-registration)

## ACHI Response to "Medicare Locals Review"

benefits of the current implementation of the PCEHR are not compelling,<sup>2</sup> therefore the healthcare benefits of any expenditure for PCEHR sign-ups is unclear.

**Recommendation 5:** *That the Minister review the healthcare benefits of the PCEHR sign-up projects undertaken by Medicare Locals.*

There are also potential information deficits in the healthcare data policy space. It is very difficult for individual healthcare providers to obtain a detailed technical understanding of the implications and risks associated with data linkage and re-identification. Enabling research that is beneficial for the population while managing the security and confidentiality of individuals and providing for genuinely informed consent is essential.

**Recommendation 6:** *That any government healthcare initiative such as Medicare Locals (or their successors) ensures that patient data policies are clearly articulated and the individual healthcare providers educated accordingly.*

The College has received comments from a number of its Fellows and Members that the naming of the 'Medicare Local' is not conducive to their intended role to support and compliment the delivery of primary care health services.

**Recommendation 7:** *That the Minister seek recommendations for a renaming of the "Medicare Locals" to ensure the public gain a better understanding of their purpose and functions.*

## 2: The Performance of MLs in Administering Existing Programmes, including After-Hours GP Services

The National Health Call Centre Network (NHCCN) trading as HealthDirect Australia (HDA) offers a number of services including a 24X7 Nurse Triage Service and an After Hours GP Help Line.<sup>3</sup> Similarly, the Department of Health in Victoria offers a 24X7 Nurse Triage Service called Nurse on Call.<sup>4</sup>

These activities, and others such as the likes of the Better Health Channel in Victoria<sup>5</sup>, the Arthritis Map<sup>6</sup> and Health Shared Services<sup>7</sup> are also supported by the National Health Services Directory (NHSD) which is also operated by HDA. It would seem that the role of ML's should be to support these activities, and provide input, rather than take responsibility for these services, including establishing their own individual Service Directories.

**Recommendation 8:** *That the Minister address the issue of possible overlap of the Medical Locals' activities in the area of after hours helpline and triage services as well as the establishment and maintenance of healthcare service directories.*

**Recommendation 9:** *That the Minister consider directing the Medicare Locals management to feed data to and leverage the existing national service directories rather than duplicating them.*

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<sup>2</sup> Response to Request for Comment on the PCEHR Review, Australasian College of Health Informatics (ACHI), Nov. 2013  
[www.achi.org.au/docs/ACHI\\_Response-PCEHR\\_Review\\_V1.2.pdf](http://www.achi.org.au/docs/ACHI_Response-PCEHR_Review_V1.2.pdf)

<sup>3</sup> See [www.healthdirect.org.au/services](http://www.healthdirect.org.au/services)

<sup>4</sup> See [www.health.vic.gov.au/nurseoncall/](http://www.health.vic.gov.au/nurseoncall/)

<sup>5</sup> Refer [www.betterhealth.vic.gov.au/](http://www.betterhealth.vic.gov.au/)

<sup>6</sup> [www.arthritismap.com.au](http://www.arthritismap.com.au)

<sup>7</sup> [www.health.vic.gov.au/hssv](http://www.health.vic.gov.au/hssv)

### 3: The Recognition of General Practice as the Cornerstone of Primary Care in the ML Functions and Governance Structures

The College is aware of a recent survey<sup>8</sup> that found that 48.9% of GPs believed they had not been kept informed of the work being done by their Medicare Local. A further 69% of responding GPs reported that they had not been engaged by their ML while 61% said their ML either did not value their input or failed to listen to their input.

In the review of the survey findings, AMA president Dr Steve Hambleton reiterated the need for a network of primary health care organisations to improve the integration of primary healthcare services and calls for MLs to place a greater focus on supporting general practice in treating patients and working collaboratively with allied health professionals and the hospital sector.

**Recommendation 10:** *That the Minister seek recommendations for more focus of MLs on direct benefits to patients and improved integration with other components of primary healthcare service delivery.*

Some College Members have observed that there are a considerable number of persons serving on ML Boards and Executives who appear to have no obvious health expertise.<sup>9</sup> In some cases there appears to be only one practicing GP on the Board of a Medical Local.

**Recommendation 11:** *That the Minister seek recommendations for governance arrangements that ensure sufficient representation of General Practice in Medicare Locals' management.*

### 4: Ensuring Commonwealth Funding Supports Clinical Services, rather than Administration

The College notes that attempts have been made to create evaluation frameworks for the operation, outcomes and administration of Medicare locals and/or their programs.<sup>10</sup> However, the College is not aware of any published information regarding the est. A\$400m Medical Locals expenditure.

**Recommendation 12:** *That the Minister cause the publication of detailed reports on the Medical Local expenditure.*

### 5: Processes for Ensuring that Existing Clinical Services are not Disrupted or Discouraged by ML Programs

Although the health practitioners role in building and implementing eHealth is still being researched,<sup>11</sup> the College is aware that many GPs and others healthcare practitioners are willing - in some cases desperate - to become involved with Medical Locals. However, they need tangible and intuitive systems that provide immediate benefits to their practices. The majority of GPs are private businesses and need to clearly see the immediate benefits of any service offered by Medical Locals, else they may well be "shown the door".

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<sup>8</sup> Australian Medical Association, Survey of 1212 GPs, [www.AMA.com.au](http://www.AMA.com.au)

<sup>9</sup> Examples: [www.cssaml.org.au/about/our-board](http://www.cssaml.org.au/about/our-board), [www.nmml.org.au/page/About/Board\\_Members](http://www.nmml.org.au/page/About/Board_Members) [www.fmpml.org.au/article/meet-our-board](http://www.fmpml.org.au/article/meet-our-board)

<sup>10</sup> Evaluation framework for the healthdirect GP after hours helpline, Dunt D. & McKenzie R, Centre for Health Policy Programs and Economics, University of Melbourne, March 2012

<sup>11</sup> Hannan T, Celia C, 2013, Are Doctors the Structural Weakness in the eHealth Building? Internal Medicine Journal 43 (2013), [www.achi.org.au/docs/Are\\_Doctors\\_the\\_Weakness\\_in\\_the\\_eHealth\\_Building.pdf](http://www.achi.org.au/docs/Are_Doctors_the_Weakness_in_the_eHealth_Building.pdf)

## ACHI Response to "Medicare Locals Review"

Also, Allied Health practitioners are still severely underrepresented in eHealth initiatives such as the PCEHR, etc. The Medicare Locals products and services should include these providers.

**Recommendation 13:** *That the Minister cause the creation of clear 'value propositions' for all current and planned products and services provided by Medicare Locals.*

**Recommendation 14:** *That the Minister consider the expansion of any product or service provided by Medical Locals (or their successor organisations) to include Allied Health.*

The implementation and use of Telehealth is still quite limited despite many best efforts. The College has observed a significant divide between 'expensive branded systems' and the 'cheap just get it done systems'. Also, even with the new interoperability standards, many networks are still disconnected.<sup>12</sup> A worthwhile activity for MLs could be to get small providers going with Telehealth.

The appearance of telehealth directories is positive but should be coordinated with National Health Service Directories (see section 2. above).

**Recommendation 15:** *That the Minister consider directing the Medicare Locals management to feed telehealth directory data to the national service directories rather than duplicating them.*

## 6: Interaction between MLs and Local Hospital Networks and other Health Services, including Boundaries

See sections 1, 2, 3 and 5 above.

## 7: Tendering and Contracting Arrangements

No relevant information was identified or made available to the College in time for this submission.

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<sup>12</sup>Example: Healthnet in Vic – no aged care, GPs or allied health connected – but lots of hospitals



## **ACHI Response to "Medicare Locals Review"**

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