

Building a 21st Century Primary Health Care System

Australia's First National Primary Health Care Strategy



Australian Government
Department of Health and Ageing

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Foreword

As Health Minister, I am pleased to release Australia's first ever National Primary Health Care Strategy.

The Australian Government's vision for a National Health and Hospitals Network to meet Australia's needs in the 21st century includes a strong primary health care sector, providing effective health care services locally to the community.

The Government recognises that a strong primary health care system is critical to the future success and sustainability of our entire health care system.

Under the National Health and Hospitals Network, the Australian Government will take full funding and policy responsibility for primary health care and will become the majority funder of the public hospital system, by taking on 60 per cent of the efficient cost of providing services, training, research and capital. This removes perverse incentives to shunt patients between hospital and non-hospital services and importantly, will provide the Australian Government with the ability to ensure that the health system is designed to meet the needs of Australians and to address the fragmentation between different parts of the system.

The National Primary Health Care Strategy is a first for Australia, providing a national road map to guide future primary health care policy and planning in Australia. It sets out key priority areas and essential building blocks that need to be in place to provide the foundation for an integrated high performing primary health care system fit for the future.

Reforms under the National Health and Hospitals Network include a number of significant initiatives that are building blocks of the system. These include: the establishment of a network of Primary Health Care Organisations (Medicare Locals); a significant boost to the primary care health workforce; a national eHealth records system; and an investment in primary health care infrastructure.

There are also initiatives in the key priority areas that help to address inequities and gaps as well as meet future challenges such as rising chronic disease rates. These include managing the health care needs of people with diabetes through a voluntary enrolment program; improving access to health care services for older Australians; better access to after hours care; and increasing the focus on prevention.

I would like to acknowledge the considerable contributions that many Australians have made to aid the Government's considerations of primary health care reform. Numerous individuals and organisations have participated generously in the consultative processes and have made valuable written submissions.

I would particularly like to thank Dr Tony Hobbs and the other members of the External Reference Group who did much of the groundwork in developing the basis for this final Strategy.

I urge everyone – all levels of government, the private sector, non-government organisations, health professionals and the community – to work with us to build a strong primary health care system that will deliver better health for Australians in the decades to come.



The Hon Nicola Roxon MP
Minister for Health and Ageing

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Introduction

This National Primary Health Care Strategy represents the first comprehensive national policy statement for primary health care in Australia and provides the platform on which to build a strong and efficient primary health care system into the future.

It comes at a time when the Australian Government is building a National Health and Hospitals Network (NHHN), which includes taking full funding and policy responsibility for primary health care services in Australia.

It provides a roadmap to guide current and future policy, planning and practice in the Australian primary health care sector.

The development of the Strategy has been informed by the extensive health reform consultations undertaken by the Australian Government. It has taken into account the advice and expertise provided by the External Reference Group chaired by Dr Tony Hobbs, and has drawn upon the detailed information provided in 265 written submissions that were received in response to the Discussion Paper: *Towards a National Primary Health Care Strategy*.



National Health and Hospitals Network

From 1 July 2011, the Australian Government will assume full funding and policy responsibility for GP and primary health care, as defined in the NHHN Agreement (2010)¹. This covers services currently provided by states and territories, including community health centre primary health care services, primary mental health care, immunisation and cancer screening programs, as well as any further services to be agreed with the states and territories for recommendation to the Council of Australian Governments (COAG) by December 2010.

Having one level of government responsible for all primary health care will create strong incentives to support a healthier community

and reduce pressure on hospitals. Transferring funding and policy responsibility for primary health care to the Australian Government aims to improve services in the community, address gaps in access and drive diversity and innovation in service delivery.

The Australian Government will work with states and territories on system-wide primary health care policy, including where coordination is required to improve system integration or service planning.

Scope of the Strategy

The Strategy takes a broad view of comprehensive primary health care, extending beyond the 'general practice' focus of traditional Australian Government responsibility. It includes consideration of services which until now have been predominantly the responsibility of the states and territories, and those services entirely delivered through private providers, including those supported by private health insurance.

Future work under the Strategy will encompass those services identified for transfer to the Australian Government under the NHHN Agreement, including any further services to be transferred by agreement with the states and territories.

Recognising the growing importance and complexity of community-based care, the Strategy also acknowledges the important role of medical specialists, and the need

for integration of primary health care with ambulatory specialist care, as well as with other health sectors, including acute care, aged care and Indigenous health services.



¹ Funding for this measure includes the full amount of funding allocated to Western Australia. This funding is dependent on the Western Australian government becoming a signatory to the *National Health and Hospitals Network Agreement*.

The Case for Change

Australia's health care system faces significant challenges due to the growing burden of chronic disease, an ageing population, workforce pressures, and unacceptable inequities in health outcomes and access to services. Chronic diseases place an enormous demand on the health system, with more than 50 per cent of consultations with GPs attributed to people with a chronic condition such as heart disease, cancer or diabetes.

Compounding these challenges, primary health care in Australia has tended to operate as a disparate set of services, rather than an integrated service system. It has been difficult for primary health care to respond effectively to changing pressures (such as demographic change, changes in the burden of disease,

emerging technologies and changing clinical practice), and to coordinate within and across the various elements of the broader health system to meet the needs of an individual patient.

For many individuals, the primary health care services they access and the quality of care that results, has depended on where they live, their specific condition, and the service providers involved, as much as their clinical needs and circumstances. Many patients, particularly those with complex needs, have either been left to navigate a complex system on their own or, even when supported by their GP, have been affected by gaps in information flows, and a limited ability to influence care decisions in other services.



The Future

A strong, responsive and cost-effective primary health care system is central to equipping the Australian health system to meet future challenges.

Key to this future are funding and service delivery arrangements which, within a national framework, can better respond to the needs and priorities of local communities.

Taking full funding and policy responsibility for general practice and primary health care, the Australian Government will have the ability to drive efficiencies across the system and reduce the pressure on public hospitals.

To build such a modern primary health care system, there are **5 key building blocks**:

1. Regional integration
2. Information and technology, including eHealth
3. Skilled workforce
4. Infrastructure
5. Financing and system performance



These building blocks are essential system-wide underpinnings for a responsive and integrated primary health care system for the 21st century.

Drawing from these are **4 key priority areas for change:**

1. Improving access and reducing inequity
2. Better management of chronic conditions
3. Increasing the focus on prevention
4. Improving quality, safety, performance and accountability

These key priority areas have been identified through consultations as the areas where change is most needed to set up the system of the future.

They address the shortcomings of current arrangements, which most directly impact on the community and the health professionals who work in it.

Actions in all four key priority areas are underpinned by the five key building blocks. The five key building blocks and four key priority areas are summarised in the table on the following page.

For each building block and priority area, key reform initiatives being implemented under the Australian Government's health reform agenda are identified.



Towards a 21st Century Primary Health Care System - A Snapshot

Building Blocks for Reform

1. Regional Integration

Local governance, networks and partnerships connect service providers to planned and integrated services, identify and fill service gaps and drive change.

2. Information and Technology Including eHealth

Electronic health records and use of new technologies integrate care, improve patient outcomes, and deliver capacity, quality and cost-effectiveness.

3. Skilled Workforce

A flexible, well-trained workforce with clear roles and responsibilities built around core competencies, works together to deliver best care to patients cost-effectively and continues to build their skills through effective training and team work.

4. Infrastructure

Physical infrastructure supports different models of care to improve access, support integration and enable teams to train and work together effectively.

5. Financing and System Performance

Financing arrangements build on the strengths of the system, identify and fill local service gaps and focus on cost-effective interventions. System performance is a core concern across the service system with up to date information used to drive individual practice and system outcomes.

Key Directions for Change

1. Improving Access and Reducing Inequity

Primary health care services are matched to peoples' needs and delivered through mainstream and targeted programs across an integrated system.

2. Better Management of Chronic Conditions

Continuity and coordination of care is improved for those with chronic disease through better targeted chronic disease management programs linked to voluntary enrolment and local integration.

3. Increasing the Focus on Prevention

Strengthened, integrated and more systematic approaches to preventive care with regular risk assessments are supported by data and best use of workforce. People know how to manage their own health and self-care.

4. Improving Quality, Safety, Performance and Accountability

A framework for quality and safety in primary health care with improved mechanisms for measurement and feedback drives transparency and quality improvement.

The Future System

Universal access to MBS and PBS for episodic medical care

Targeted programs and better use of technology improve outcomes for individuals

Integrated local solutions means active management of patients with chronic disease or who are 'hard to reach'

Prevention activity is well integrated, coordinated and available with regular, risk assessment, support and follow up

Patients access quality data to inform their choice of provider, practice or facility

The health system reflects and adjusts practice to improve outcomes and cost-effectiveness