



7 April 2009

The Hon Kevin Rudd MP
Prime Minister
Parliament House
CANBERRA ACT 2600



AMA



cc The Hon Nicola Roxon MP, Minister for Health and Ageing

Dear Prime Minister

United General Practice Australia (UGPA) is the united voice for general practice in Australia and includes the Royal Australian College of General Practitioners, the Australian Medical Association, the Australian General Practice Network, the Rural Doctors Association of Australia, the Australian College of Rural and Remote Medicine and the General Practice Registrars Association.

We are writing to strongly recommend that your Government considers funding for vital general practice infrastructure as part of a second economic stimulus package to create local jobs and improve community access to quality health care.

UGPA commends you for your commitments to increase investment in educational infrastructure and advocates that similar commitments be made in the health sector – health is a key driver of labour and capital investment and consequent economic growth, as well as being a key determinant in the economic productivity of the workforce.

In particular, general practice is a major employer and an important and growing part of the Australian economy.

The proposals for general practice infrastructure outlined in this letter will not only support increased economic activity and local job creation in communities throughout the country as part of a recovery Budget following the G20 summit, but will also help build the health workforce and system Australia needs to meet the challenges of the future.

Increased investment in general practice infrastructure is crucial to build the capacity of the primary health care sector to deliver on two of the Government's key goals for health:

- improved patient access to comprehensive, integrated multidisciplinary care, and
- assistance in teaching the next generation of primary care professionals to ensure a robust future health workforce.



At a time when the National Health and Hospitals Reform Commission's interim report is calling for primary care led health reform, now is the time to make a down-payment on improving the capacity of front line health care for all Australians.

Progress has been made to support the expansion of general practice infrastructure in rural and remote areas through the National Rural and Remote Health Infrastructure Program (NRRHIP). Through this program, the Australian Government has committed \$46 million over four years to expand general practice infrastructure in rural areas. While this is a useful first step, more is needed. With the maximum NRRHIP grant available being \$500,000, if all applicants sought this amount, the program could fund just 92 - or 1% - of the 7361 practices¹ in Australia. The fact that grants attract income tax of up to 40 percent is also a real disincentive to rural and remote practices applying for funding.

UGPA also advocates that general practices in *all* areas of Australia – not just rural and remote areas – need adequate funding for infrastructure to enable them to deliver effective integrated primary care. An expanded general practitioner, practice nursing and multidisciplinary workforce is vital to provide primary care with the capacity to respond to Australia's increasing chronic disease epidemic. It is well established that multidisciplinary team care is crucial to the delivery of effective, high quality chronic disease management². However, the ability to do this is constrained by the current limitations of general practice infrastructure which is often unable to accommodate additional team members – and where it is not always easy to expand or adjust premises to do so.

Infrastructure grants to assist general practice would help to remedy this situation. In particular, additional infrastructure for general practices is needed to help expand the practice nursing workforce, to build the capacity of practices to deliver multidisciplinary care, and to support the training of the next generation of health professionals.

Recent estimates indicate that 42 percent (~3091) of practices in Australia do not have a practice nurse³. Yet it is well known that practice nurses make a significant contribution to the general practice team in terms of workforce, collegiate and clinical support for doctors and in the effective delivery of chronic disease care to patients. Based on this, UGPA's vision is for all Australian general practices to have at least one practice nurse. Although several factors contribute to uptake of nurses in general practice, infrastructure

¹ Hordacre, A.L., Howard, S., Moretti, C., Kalucy, E. 2008, Moving ahead. Report of the 2006-2007 Annual Survey of the Divisions of General Practice, Adelaide: Primary Health Care Research and Information Service, Department of General Practice, Flinders University and Australian Government Department of Health and Ageing

² Zwar, N. et al., A systematic review of chronic disease self management. 2006, Australian Primary Health Care Research Institute and the University of NSW School of Public Health and Community Medicine: Canberra

³ AGPN 2007, National Practice Nurse Workforce Survey, available at http://www.generalpracticenursing.com.au/site/content.cfm?page_id=32208¤t_category_code=4059&leca=239

limitations are a significant barrier to practice nurse employment in a significant number of instances⁴.

We will see the number of places in the Australian General Practice Training Program increase from 600 in 2008 to a projected 800 in 2010, with UGPA calling for an increase by 100 places per year to 1500 by 2015 to enable workforce shortages to be met. Additional infrastructure is needed to enable practices to teach and supervise medical and nursing students, GP registrars, prevocational doctors and nurses to support the development of the next generation of health professionals.

The infrastructure requirements to support additional team members can vary from simply providing basic infrastructure needs such as a workspace and IMIT support to constructing additional rooms, refurbishing premises or leasing additional premises. Given this, UGPA recommends that consideration be given to allocating funds to a national general practice infrastructure program offering two different types of one-off grants:

- **Infrastructure support grants** of up to \$30,000 per practice which can be used to fund an existing office, office equipment and IT infrastructure for an additional staff member.
- **Capital works/refurbishment grants** of up to \$500,000 per practice which can be used to fund infrastructure development needed to construct an additional office(s) in the practice or to rent larger premises.

UGPA also recommends that the Government considers tax relief arrangements for all general practice infrastructure grants.

We estimate such a measure should involve an investment of at least \$530 million. This would enable 1,000 of those practices currently without a nurse to purchase necessary IT, office and clinical infrastructure to support the nurse, and 1,000 to access the larger grant to increase care and capacity for patients.

Additional investment in general practice infrastructure has substantial potential returns for Australia's productivity:

- It will grow the Australian health workforce and enable provision of more GP services and multidisciplinary team care to better manage and prevent chronic disease to keep people well, and therefore productive and functioning in the workforce;
- It will stimulate demand for and employment of IT professionals and skilled labour from the building industry to undertake the necessary building modifications and computer installation at a local level in communities throughout Australia; and
- It will attract both new medical graduates, new nursing graduates and members of the existing nursing workforce to work in general practice.
- It will provide capacity to train the growing number of medical students, prevocational doctors and general practice registrars

⁴ AGPN is currently investigating the number of practices for which inadequate infrastructure is a barrier to employing a practice nurse. The results of this work should be available later this year.

UGPA urges the Government to consider the real health and productivity returns that such an investment could deliver as a matter of priority. We would be pleased to provide further information or to meet with you and to expand on these proposals.

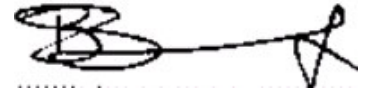
Yours sincerely,



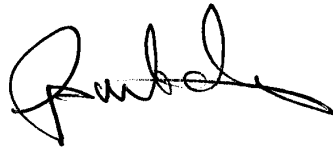
Dr Emil Djakic, Chair
AGPN



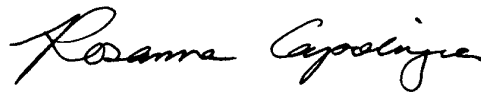
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