

Brief overview and analysis of measures of interest to the network

General Overview

In the lead up to this year's Federal Budget, it has been well known that the Government was going to be taking prudent decisions in order to meet the dual objectives of offsetting the impact of both the global financial crisis on government revenues as well as stimulating economic growth and recovery. Despite this unprecedented fiscal environment, the Health budget has yielded some positive outcomes for general practice and the divisions network. The key focus has been on infrastructure and capacity building in the areas of health workforce, rural health, maternity care, Medicare reforms in order to focus on quality and specific measures to close the gap around Aboriginal and Torres Strait Islander health inequalities.

You would recall that some of the key measures AGPN called for in our submission to the 2009-10 Federal Budget included:

- enhanced access to primary health care services
- revision to the funding formula for the Divisions of General Practice Program to address population changes but on a 'no loser' basis
- support for the achievement of the Closing the Gap goals for Aboriginal and Torres Strait Islander health that included strategies to build capacity in both mainstream primary health care services as well as the community controlled sector
- continued funding for the Mental Health Support for Drought Affected Communities initiative.

In summary, the following key outcomes have been achieved for the Network:

- We have achieved our objective of a "no losers" outcome on the Divisions' core funding agreement. The new classification system (which I will refer to as RA from here on), which is used to determine (among other things) the core funding for divisions, is to be introduced as of 1 January 2010. AGPN has been successful in lobbying to achieve a "no losers" outcome on the formula, with an extra \$7.6 million being included in the budget over the next three years to achieve this outcome. I expect that within the next week you will receive notification of your core budget – covering July to December 2009 on the existing formula, as previously announced, and the following two and a half years on the new funding formula
- A major Rural Incentive Package has been included, which involves sliding scale payments for GPs who move to more remote areas – the more remote the area, the bigger the incentives. This includes relocation incentive grants from \$15,000 to \$120,000, retention payments which again are on a sliding scale, and increase for every year in a more remote area, up to \$47,000 a year after five years, and other incentives related to Overseas Trained Doctors, as well as a HECS reimbursement scheme.

To cater for the application of the new RA classification system, all but RA1 (Major Cities) will be eligible for incentives. This results in an additional 2400 GPs becoming eligible for incentive payments (many of them in Inner Regional Areas). A small number (38) would have been worse off, except that the government has introduced a grandfathering clause for this small number so that

no GP will be worse off. This is a major initiative: for the first time, GPs in places such as Darwin and Hobart, and many outer urban areas will be eligible for these types of incentives

- significant resources for general practice and divisions to close the gap including practice incentive payments, preventative measures, chronic disease management and self management initiatives as well as improved service coordination through division auspiced outreach workers
- the Mental Health Support for Drought-Affected Communities Program has been continued for another year.

Topic area: **Investing in the health workforce – backing our doctors, nurses and midwives**

General practice and medical workforce

Budget summary

Prevocational training for doctors in general practice:

\$41.2 million over 4 years invested in the Prevocational General Practice Placement Program (PGPPP) to encourage more junior doctors to become GPs.

Funding for general practice training:

\$148 million over 5 years for:

- 75 additional GP training places in 2009
- 100 new GP training places in 2010
- 22 Remote Vocational Training Scheme GP training places from 2011

Consolidating regional training providers:

Savings of \$10.4 million over 4 years through a consolidation and restructure of RTPs which will result in a reduced number of regional training providers.

Indigenous and NT health:

\$27.8 million in capital funding and \$4.4 million over 3 years from July 2010 in ongoing funding to establish a medical school in the Northern Territory with a strong focus on increasing the number of Indigenous doctors.

Relevant web-link(s):

www.budget.gov.au/2009-10/content/bp2/html/bp2_expense-16.htm

Other resources:

More information about the PGPPP is available at: www.racgp.org.au/pgppp and at www.acrrm.org.au/main.asp?NodeID=26571

Implications for Divisions:

Divisions are frequently involved in the PGPPP program and in a number of instances have taken a fundholding role. The program offers Divisions an opportunity to build relationships with junior doctors who may then be more likely to return as GPs to their region once qualified.

Reduced numbers of RTPs may mean that some Divisions may work with different RTPs in relation to general practice placements in future.

Follow up actions:

Continued advocacy for Divisions through AGPN's ongoing involvement in the PGPPP.

Funding opportunities?

Opportunities for Divisions to be fundholders under the current PGPPP guidelines. See links in "other resources" above for further information.

Topic area: Investing in the health workforce – backing our doctors nurses and midwives

Expansion of nurse practitioner workforce

- Budget summary** *Nurse practitioners and midwives:*
\$59.7 million over 4 years to provide access to the MBS and PBS for nurse practitioners and \$66.6 million over four years to provide access to the MBS and PBS for eligible midwives to provide more health service flexibility and better access to services for patients.
- Relevant web-link(s):** www.budget.gov.au/2009-10/content/bp2/html/bp2_expense-16.htm
- Other resources:** See also the *Providing More Choice in Maternity Care* measure in this summary for more information on midwives' access to the MBS / PBS.
- Implications for Divisions:** None immediately but there could be a future education and support role for Divisions with practices which engage NPs around the use of the MBS and PBS for NPs.
- Follow up actions:** None envisaged at this stage
- Funding opportunities?** None directly for Divisions but there could be business cases for practices to employ NPs or assist practices nurses to undertake further training to become a NP.

Topic area: Investing in the health workforce – backing our doctors nurses and midwives

Divisions of General Practice program – new funding formula

- Budget summary** *Supporting the whole health workforce:*
\$7.6 million additional funding over 3 years to modernise the funding formula for Divisions of General Practice. The new funding formula will be based on the Australian Standard Geographical Classification – Remoteness Areas.
- Relevant web-link(s):** www.health.gov.au/internet/budget/publishing.nsf/Content/budget2009-hmedia03.htm
- Other resources:** See also the *Rural Health Workforce Strategy* section of this summary
- Implications for Divisions:** A no-losers revision of the Divisions funding formula to take into account the move from the previous formula and population changes. There will be a boost to funding for some Divisions, particularly where there has been significant population growth.
- Follow up actions:** AGPN will follow-up with the Department of Health and Ageing and provide further details to the Network as they come to light.
- Funding opportunities?** Increased funding for many divisions which have experienced population growth: no change for other Divisions in keeping with the no losers clause AGPN has continually advocated for.

Topic area: Investing in the health workforce – backing our doctors nurses and midwives

Nursing education and recruitment — further efficiency

Budget summary	<p><i>Nursing program efficiencies:</i></p> <p>Savings of \$2.3 million over 4 years through consolidation of the following five programs:</p> <ul style="list-style-type: none">▪ Bringing Nurses Back into the Workforce▪ The Rural Nurse Initiative (Nurse Scholarship program)▪ Retraining Scholarships for More Practice Nurses and Allied Workers in Metropolitan Areas▪ Additional Practice Nurses for Rural Australia▪ The Mental Health Postgraduate Scholarships scheme
Relevant web-link(s):	<p>www.budget.gov.au/2009-10/content/bp2/html/bp2_expense-16.htm</p>
Other resources:	<p>N/A</p>
Implications for Divisions:	<p>Potential implications for practice nurses but further information is required.</p>
Follow up actions:	<p>AGPN will follow-up with the Department of Health and Ageing and provide further details to the Network as they come to light.</p>
Funding opportunities?	<p>N/A</p>

Topic area: Confronting the rural health challenge

Rural Health Workforce Strategy

Budget summary	<p>\$134.4 million package over 4 years that includes:</p> <ul style="list-style-type: none">▪ replacing Rural, Remote and Metropolitan Areas (RRMA) system with the Australian Standard Geographical Classification – Remoteness Areas (ASGC-RA) system from 1 July 2009▪ 400 locum placements for doctors working in difficult locations to enable holidays or education and training▪ up-skilling more than 150 urban doctors in exchange for undertaking four-week locum placements in rural and remote communities▪ increases to clinician relocation payments which will increase with remoteness, ranging from \$15,000 to \$120,000▪ an additional 500 communities becoming eligible for rural incentive payments▪ an additional 2,400 rural doctors becoming eligible for the first time for retention grant payments, which are again on a sliding scale and increase for every year in a more remote area, up to \$47,000 a year after five years – see www.doctorconnect.gov.au for incentives available to each Australian community▪ reduction in the time obligation for OTDs working in rural and remote communities
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Topic area: Confronting the rural health challenge**Rural Health Workforce Strategy**

- adjustments to the HECS Reimbursement Scheme to give more credit according to the remoteness of the location
- 3 rural and remote mental health programs
 - \$6.7 million over 4 years to extend the Mental Health Services in Rural and Remote areas Program. Additional funding will maintain access to mental health services in rural and remote areas of high need, including areas affected by drought.
 - \$5.2 million in 2009-10 to extend mental health support for drought affected communities.
 - \$7.5 million, comprising \$4.5 million in 2008-09 and \$3 million in 2009-10 for additional psychological support for communities affected by the Victorian bushfires.
- \$13.9 million for 40 rural and regional projects to improve access to essential health infrastructure and equipment for rural and remote communities. See link below for list of projects.

An announcement about the outcomes of Round Two of the National Rural and Remote Health Infrastructure Program will be made in the near future.

Relevant web-link(s): www.health.gov.au/internet/budget/publishing.nsf/Content/budget2009-hmedia04.htm

Other resources: None

Implications for Divisions: Changes to RRMA classification system will impact on funding calculations for the funding formula for the Divisions of General Practice program and a variety of division programs.

Divisions are eligible to be fund-holders under the extension of the *Mental Health Services in Rural and Remote areas Program*.

Divisions are fund-holders under the *Mental Health — increased mental health services for drought-affected communities* measure.

Follow up actions: AGPN will seek further clarification from the Department of Health and Ageing about locum funding.

Funding opportunities? Potential for divisions to fund-hold for locum placements.

Topic area: Confronting the rural health challenge

Rural Health Workforce – maintaining rural multidisciplinary training

Budget summary	<p>\$10.9 million over four years to increase funding for two existing rural training programs:</p> <ul style="list-style-type: none">▪ Additional \$6.8 million over four years provided under the University Departments of Rural Health program to encourage students of medicine, nursing and other health professions to pursue a career in rural practice by providing opportunities for students to practise their clinical skills in a rural environment.▪ In addition, \$4.1 million over four years will allow 30 full-time equivalent annual placements for dental students to undertake clinical training in rural areas with the aim of encouraging those students to practise in rural areas upon graduation. This funding will be provided through the Dental Training Expanding Rural Placements program.
Relevant web-link(s):	www.budget.gov.au/2009-10/content/bp2/html/bp2_expense-16.htm
Other resources:	N/A
Implications for Divisions:	None
Follow up actions:	None
Funding opportunities?	None

Topic area: Providing Choice in Maternity Care – Access to Medicare and PBS for Midwives

Budget summary	<p>This budget measure is in direct response to the recently completed national Maternity Services Review.</p> <p>The package includes \$120.5 million of measures to improve choice and access to maternity services for pregnant women and new mothers in Australia. This measure includes \$3.1 million in capital funding in 2009-10 for Medicare Australia.</p> <p>The new arrangements will allow midwives to work as private practitioners, provide services subsidised by the Medicare Benefits Schedule and prescribe medications subsidised under the Pharmaceutical Benefits Schedule. Includes the provision of subsidised medical indemnity for eligible midwives working in collaborative arrangements in hospitals and healthcare settings.</p> <p>A safety and quality framework, including professional guidance and an advanced midwifery credentialing framework, will be developed.</p> <p>A new 24-hour, seven-days-a-week helpline will also be established to provide antenatal, birthing and postnatal maternity advice and information to women, partners and families during the ante-natal period and up to 12 months following the birth of a child.</p> <p>The measure will also assist women in rural and remote areas by expanding the Medical Specialist Outreach Assistance Program to provide integrated outreach maternity service teams for women in under serviced areas. The expanded teams will include midwives, obstetricians, general practitioners</p>
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Topic area: Providing Choice in Maternity Care – Access to Medicare and PBS for Midwives

and other health professionals, such as paediatricians and Aboriginal health workers.

Funding will be provided for the professional development of midwives and for general practitioners to undertake additional training to become GP obstetricians or GP anaesthetists. The package will be implemented progressively from 1 July 2009.

In summary, it includes:

- Medicare Benefits Schedule and Pharmaceutical Benefits Scheme (PBS) benefits for services provided by eligible midwives, to provide greater access to maternity care provided by midwives working in collaboration with doctors.
- A Government-supported professional indemnity insurance scheme for eligible midwives.
- More services for rural and remote communities, where the state of maternity services is poor, through an expansion of the successful Medical Specialist Outreach Assistance Program (MSOAP).
- Extra scholarships for GPs and midwives to expand the maternity workforce, particularly in rural and remote Australia.
- A new 24 hour, seven days a week telephone helpline and information service to provide women, their partners and families with greater access to maternity information and support before and after birth.

Relevant web-link(s): www.health.gov.au/internet/budget/publishing.nsf/Content/2009-2010_Health_PBS

Other resources: N/A

Implications for Divisions: Scholarships for GPs to work in rural areas is relevant to network members in rural and remote regions.

Follow up actions: AGPN will seek a meeting with the Department of Health and Ageing, Rural Office to further explore on behalf of members.

Funding opportunities? None at this stage.

Topic area: Modernising Medicare and Supporting Higher Quality Care

Budget summary Changes to Medicare are contained in this year’s Budget based on the principle that rebates should encourage higher quality, evidence based practice and better reflect the time and complexity of services. The changes will also reflect advances in techniques and technology that have resulted in a number of medical procedures being able to be performed much more quickly, safely and efficiently not reflected in rebate levels. The two key areas of change are:

- Adjustments to a number of Medicare fees to a more appropriate level so that there is a lower schedule fee for shorter and less complex common procedures, and a higher fee for complex, time intensive procedures. This will save \$153.4 million over four years and will help to ensure the long-term sustainability of Medicare.
- Changes to the Better Access to *psychiatrists, psychologists and GPs* Medicare items to improve care for patients. With effect from 1 July

2009, a new mental health care plan item will encourage GPs to undertake extra (level 1) mental health skills training, and the requirements for treatment plans will be revised to ensure that patients receive high quality care appropriate to their needs. A lower rebate will apply to those GPs who do not complete training. Mandatory continuing professional development requirements will also be introduced for general psychologists, appropriately trained social workers and occupational therapists providing psychological services under Medicare. A one-off support payment of \$200 will be provided to allied health professionals providing mental health services in rural areas to assist them in undertaking new training requirements. Allied health providers who do not undertake the required professional development training will not be able to access Medicare items after 30 June 2011. It is estimated that 80 per cent of all allied health professionals who currently access these items have already completed the required training.

Other changes to mental health policy and programs of note not covered elsewhere in this briefing include some very minor cuts to some discretionary funding previously available to DoHA that amount to \$5 million in savings per year and the provision of MBS access for nurse practitioners (including mental health nurse practitioners).

Relevant web-link(s):

www.health.gov.au/internet/budget/publishing.nsf/Content/budget2009-hmedia11.htm

Other resources:

None available

Implications for Divisions:

The primary implications for divisions will be in supporting efforts to educate practices about Medicare changes more broadly.

With regard to the mental health measure, there could be a role for the Network as:

- education providers of mental health skills training as well as in the provision of education and support in the implementation of changes to care planning requirement
- fund holders of the training support payment for rural providers.

Divisions running GP and headspace services will be able to utilise nurse practitioners in their service model.

Follow up actions:

The mental health changes are essentially a return to the training requirements of the Better Outcomes in Mental Health Care program with the exception that this time around, differential rebates will apply to care plans developed by level 1 trained GPs versus those not completing additional training. It is assumed level 2 training requirements for access to the GP FPS item remains the same. It is unclear whether the General Practice Mental Health Standards Collaboration will be the accrediting body, but we can assume this will be the case. It is also unclear whether the one-off training payment for rural providers applies to GPs. AGPN will seek early advice from the Department on these issues.

Funding opportunities?

There may be funding to support the development of education and other orientation information to support these changes.

Topic area: **Closing the Gap in Indigenous Health**
Northern Territory – Indigenous Health and Related Services

Budget summary The Government is providing \$131.1 million over three years for continued regional reform of remote Indigenous primary care services in the NT. This includes continuation of the Remote Area Health Corps and establishment of the COAG Closing the Gap – Indigenous Drug and Alcohol Services initiative.

Relevant web-link(s): www.health.gov.au/internet/budget/publishing.nsf/Content/budget2009-hmedia10.htm

Other resources: N/A

Implications for Divisions: For information and general awareness.

Follow up actions: N/A

Funding opportunities? None expected.

Topic area: **Closing the Gap in Indigenous Health**
Prevention and management of chronic disease

Budget summary The Government has committed \$805.5 million, in accordance with the COAG National Partnership for Closing the Gap in Indigenous Health Outcomes, over four years for a package of measures to tackle chronic disease risk factors, improve chronic disease management and follow-up care, and increase the capacity of the primary care workforce and the Indigenous health sector to deliver effective health care to Indigenous Australians.

This includes:

- providing funding to the divisions network for 80 FTE Indigenous Outreach Workers and 80 FTE Indigenous Project Officers
- introducing a PIP associated with registration and ongoing care for Indigenous patients with chronic conditions
- expanding MSOAP to provide specialist care in urban areas for Indigenous people and allied health services in rural and remote areas for Indigenous people
- introducing care coordination services to support individual Indigenous patients
- introducing a workforce of 'lifestyle advisors' to provide prevention and chronic disease self management support to Indigenous people

Relevant web-link(s): [www.health.gov.au/internet/budget/publishing.nsf/Content/2009-2010_Health_PBS_sup1/\\$File/Outcome%208%20-%20Indigenous%20Health.pdf](http://www.health.gov.au/internet/budget/publishing.nsf/Content/2009-2010_Health_PBS_sup1/$File/Outcome%208%20-%20Indigenous%20Health.pdf) (See pp. 240-241.)

Other resources: Refer to 'Close the Gap' fact sheets previously circulated by AGPN.

Implications for Divisions: The network will be resourced with an Indigenous Outreach Worker and Indigenous Project Officer workforce.
Divisions are likely to be required to provide practice support regarding the

Topic area: Closing the Gap in Indigenous Health

Prevention and management of chronic disease

Indigenous PIP.

SBOs are expected to hold and administer the funds for care coordination services in their jurisdictions with the capacity to subcontract to divisions.

Divisions expected to provide support for expansion of MSOAP, potentially through project officer positions based in some divisions.

Follow up actions: AGPN is continuing to consult with the Department of Health and Ageing regarding these measures and will provide regular updates to the network.

Funding opportunities? Available in relation to the Indigenous Outreach Worker and Project Officer workforce and care coordination services. Potential opportunities related to supporting expansion of MSOAP. Potential opportunities to seek funding to employ 'lifestyle advisors.'

Topic area: Closing the Gap in Indigenous Health

Improved child and maternal health

Budget summary In accordance with the COAG Indigenous Early Childhood Development National Partnership, the Government will support states and territories to improve access to, and the use of, antenatal care by young Indigenous mothers and drive improved data collection and reporting by states and territories on outcomes for Indigenous children.

The Government will support twelve additional primary health care services to increase access to antenatal and postnatal care and parenting support.

The Government will continue to support 99 primary health care services participating in the Healthy for Life in 2009-10.

Relevant web-link(s): [www.health.gov.au/internet/budget/publishing.nsf/Content/2009-2010_Health_PBS_sup1/\\$File/Department%20of%20Health%20and%20Ageing%20PBS.pdf](http://www.health.gov.au/internet/budget/publishing.nsf/Content/2009-2010_Health_PBS_sup1/$File/Department%20of%20Health%20and%20Ageing%20PBS.pdf)

Other resources: N/A

Implications for Divisions: Ongoing support for Healthy for Life, currently implemented through some divisions, may support ongoing implementation of this program through involved divisions.

Follow up actions: N/A

Funding opportunities? Possible continuation of funding for implementation of Healthy for Life through those Divisions currently involved in implementing this program for 2009-10.

Topic area:	Closing the Gap in Indigenous Health Improved social and emotional wellbeing
Budget summary	The Government will expand the Link Up Services for the Stolen Generations initiative, through additional staff and funding for reunions.
Relevant web-link(s):	www.health.gov.au/internet/budget/publishing.nsf/Content/2009-2010_Health_PBS_sup1/\$File/Outcome%208%20-%20Indigenous%20Health.pdf (see p.243)
Other resources:	N/A
Implications for Divisions:	Possible implications for divisions who support this service in their catchment area.
Follow up actions:	N/A
Funding opportunities?	May be potential of limited funding for those involved in implementing this service in their area.

Topic area:	Closing the Gap in Indigenous Health Improved workforce capacity
Budget summary	The Government is investing in a National Indigenous Health Workforce Training Plan. The plan will include: <ul style="list-style-type: none"> ▪ ongoing support of the Australian Indigenous Doctors' Association and the Congress of Aboriginal and Torres Strait Islander Indigenous Nurses ▪ establishment of a network of Indigenous community controlled registered training organisations tasked with training Aboriginal Health Workers ▪ the establishment of the new Aboriginal Health Worker Association. Work will be undertaken to embed Indigenous curriculum content in all medical courses.
Relevant web-link(s):	www.health.gov.au/internet/budget/publishing.nsf/Content/2009-2010_Health_PBS_sup1/\$File/Outcome%208%20-%20Indigenous%20Health.pdf (See p.244)
Other resources:	N/A
Implications for Divisions:	Primarily for information and awareness. Aboriginal Health Worker Association expected to provide support and advocacy for Aboriginal Health Workers including those employed through divisions and may lead to further professionalization of the role over the long term.
Follow up actions:	N/A
Funding opportunities?	N/A