



Australian Government

■ Strengthening medicare ■



Strengthening Medicare Taskforce Report

December 2022



Introduction

Australians enjoy access to a world class health system with primary care at its centre. Our vital and valued primary care workforce includes Australia's hard working general practitioners, allied health professionals, primary care nurses, nurse practitioners and midwives, pharmacists, Aboriginal health workers, practice managers and other practice staff. Primary care provides the foundation for universal health care, working hard to keep all Australians healthy and well in the community, and to deliver care that meets the needs of people and communities at all stages of life, no matter where they live. This is a strong basis to build on, driven by a skilled and dedicated workforce, but our funding models, infrastructure and systems need strengthening to better enable high quality, integrated and person-centred care for all Australians. We need to put people at the centre of care, better engage Australians in service and system design, and invest in systems that increase support for our primary care workforce to meet people's evolving needs as the population ages and rates of chronic disease and mental illness rise.

To ensure our primary care system can meet the current and future challenges and reflect the new models of care of the 21st century, the Government brought together a group of health leaders to form the Strengthening Medicare Taskforce. We were charged with identifying the most pressing investments needed in primary care, building on the direction outlined in Australia's Primary Health Care 10 Year Plan 2022–2032 (the 10 Year Plan).

Our recommendations progress implementation of the 10 Year Plan with the aim to broaden the ability of the sector to deliver future focused health care through person-centred primary care, supported by additional funding and reform. This will underpin integrated care that is locally delivered and tailored to the needs of the population. This report reflects the consensus view of the individual members of the Taskforce. It should not be read as reflecting any particular peak body or organisation's views.

The Taskforce's purpose has been to focus on what can be done immediately to strengthen Medicare, backed by the \$750 million Strengthening Medicare Fund, and to lay the foundations for longer-term reform and investment in the primary care system.

The Taskforce met six times over six months. At these meetings we delved deeply into the benefits and challenges of blended funding systems, data and digital reform, voluntary patient registration, multidisciplinary team-based care, and what is needed to sustain primary care into the future. We also considered the challenge of making primary care accessible and affordable for all Australians, including First Nations Australians, culturally and linguistically diverse people, people living in rural and remote Australia, culturally and linguistically diverse communities, people with disability and Australians less connected to the health system. Equity of health outcomes was at the centre of our discussions. We focused on how best to give all Australians what they want and need in their healthcare system, to help us design a primary care system that delivers person-centred, integrated and connected care, a system that aims to provide wrap around care for those that need it most.

This report distils those discussions and makes clear recommendations on next steps. It identifies where government needs to invest now to rebuild primary care as the vibrant core of an effective, modern health system. We call on government to back this investment with practical actions, clear accountability for driving outcomes and comprehensive support for the sector to manage change.

In recognition of the lived experience of Australians and the collective wisdom of communities, we encourage governments to meaningfully engage with consumers, clinicians, communities and others in the design, implementation, and evaluation of these key reforms.

Our vision to strengthen Medicare

Our vision is of a primary care system where:

1. all Australians are supported to be healthy and well, through access to equitable, affordable, person-centred primary care services, regardless of where they live and when they need care, with financing that supports sustainable primary care, and a system that is simple and easy to navigate for people and their health care providers.
2. coordinated multidisciplinary teams of health care professionals work to their full scope of practice to provide quality person-centred continuity of care, including prevention and early intervention; and primary care is incentivised to improve population health, work with other parts of the health and care systems, under appropriate clinical governance, to reduce fragmentation and duplication and deliver better health outcomes.
3. data and digital technology are better used to inform value-based care, safely share critical patient information to support better diagnosis and healthcare management, empower people to participate in their own health care, and drive insights for planning, resourcing, and continuous quality improvement.
4. the primary care sector is well supported to embrace organisational and cultural change, and to support innovation; consumers are empowered to have a voice in the design of services to ensure they meet people's needs, particularly for disadvantaged groups; and all levels of government work together to ensure the benefits of reform are optimised.



Increasing access to primary care

All Australians are supported to be healthy and well, through access to equitable, affordable, person-centred primary care services, regardless of where they live and when they need care, with financing that supports sustainable primary care, and a system that is simple and easy to navigate for people and their health care providers.

General practice is at the heart of primary care provision for most Australians. The primary care system also relies on Aboriginal Community Controlled Health Services, nurse practitioners, allied health professionals, and midwives to provide quality care for Australians.

While most Australians enjoy ready access to quality primary care services, and with that, good health outcomes, accessing primary care for some Australians is becoming harder. Since the pandemic began, more people are presenting at emergency departments or delaying careⁱ, practices are finding it harder to recruit GPs and other health workers, and bulk billing rates are fallingⁱⁱ. Funding arrangements are complex, and the health care system is increasingly difficult for people and their providers to navigate. Challenges with access are concentrated among people living in rural and remote communities, First Nations Australians, people from culturally and linguistically diverse backgrounds, people with disability and people on low incomes. We can do better to support our primary care system, and the people working in it, to ensure that all Australians can get the care they need, when they need it.

We must rethink how we fund general practices and other primary care providers to deliver wrap-around care for the people who need it most. Funding arrangements need to be strengthened and remodelled to enable health professionals to provide longitudinal care that improves the quality of life for patients and reduces pressure on the health system. Continuity of care is strongly associated with better health outcomes. Reforms should focus on mechanisms that support an ongoing relationship between patients and their primary care team, and encouraging continuity of care from a GP or other primary care provider who knows you, and increase the focus on wellness.

Investments should address inequities in access and outcomes, including for First Nations Australians, people in rural and remote areas, culturally and linguistically diverse people, people with disability and people on low incomes. We need to design new funding models to enable providers to engage the people who are hardest to reach and most at risk of poorer health outcomes. Delivery of person-centred care must be the central aim of these reforms and must help to empower people to participate in their own health care, and better support health professionals to understand and meet the needs of the populations they care for. We need to add a fifth aim – equity – to the quadruple aims of the Primary Health Care 10 Year Plan for improved patient outcomes, provider experience, health system efficiency and population health outcomes.

Consumers need to have a say in the design of health services and systems to ensure that these better meet their needs, are flexible, facilitate choice and improve access overall. Understanding how the healthcare system works is the first step in accessing care, so enhancing health literacy and health system literacy needs to be a central part of primary care reform.

We must also improve access to after hours primary care and reduce avoidable emergency department presentations. After hours programs and incentive payments need to be improved to support increased service provision in the early evening and other times of high demand on emergency departments. Improvements should be based on evidence of people's access needs and better facilitate person-centred navigation to after hours primary care.

ⁱ Australian Bureau of Statistics (2022) Patient Experiences 2021-22 Financial Year.

ⁱⁱ Australian Government Department of Health and Aged Care analysis based on 2021-22 data. Unpublished.

Rural and remote communities need rural and remote solutions. A variety of options are needed to improve access to affordable health care tailored to the needs, and drawing on the strengths, of local communities and to support sustainable primary care solutions in rural and remote communities now and into the future. Rural and remote communities should have the flexibility to design and fund solutions that better reflect the reality of what's needed and can be sustainably delivered. This can only be achieved through consumer and community engagement, collaboration, and co-decision making at the local level. With support from all levels of government, introducing more blended funding models alongside fee-for-service will support primary care sustainability and foster innovative models of primary care in rural and remote communities.

General practice incentive payment programs should be better targeted and simplified to more effectively incentivise innovation, and to deliver high-quality models of multidisciplinary team-based care with measurable quality care and health outcome improvements. Through increased funding and reform that better reward providers for providing quality, person-centred models of care, we can also position primary care as a career of choice for health professionals, including medical, allied health, nursing and midwifery graduates.

Recommendations

- Support general practice in management of complex chronic disease through blended funding models integrated with fee-for-service, with funding for longer consultations and incentives that better promote quality bundles of care for people who need it most.
- Support better continuity of care, a strengthened relationship between the patient and their care team, and more integrated, person-centred care through introduction of voluntary patient registration. This needs to be supported with a clear and simple value proposition for both the consumer and their general practice or other primary care provider. Participation for patients and practices needs to be simple, streamlined and efficient.
- Develop new funding models that are locally relevant for sustainable rural and remote practice in collaboration with people, providers and communities. Ensure new funding models do not disadvantage people who live in communities with little or no access to regular GP care, and whose care is led by other healthcare providers.
- Grow and invest in Aboriginal Community Controlled Health Organisations (ACCHOs) to commission primary care services for their communities, building on their expertise and networks in local community need.
- Strengthen funding to support more affordable care, ensuring Australians on low incomes can access primary care at no or low cost.
- Improve access to primary care in the after hours period and reduce pressure on emergency departments by increasing the availability of primary care services for urgent care needs.

Encouraging multidisciplinary team-based care

Coordinated multidisciplinary teams of providers working to their full scope of practice provide person-centred continuity of care, including prevention and early intervention; and primary care is incentivised to work with other parts of the health system, with appropriate clinical governance, to reduce fragmentation and duplication, and deliver better health outcomes.

Australia's health professionals are some of the best in the world, providing quality services across a range of disciplines, to keep people well and manage illness effectively. However, the way services are organised and funded is disjointed, and the system can be hard to navigate for people and their health care providers. Our primary care system funding mechanisms reward episodic care and fast throughput, creating barriers for many people to get the comprehensive care they need. This has a disproportionate impact on older people, First Nations Australians, people with chronic and complex conditions, people with mental health conditions, people with disability, people from culturally and linguistically diverse backgrounds and people on low incomes. To improve access and achieve better health outcomes for all, we need systems and funding that support comprehensive continuity of care delivered by well connected teams working together to address people's health needs.

Australians seek care from a range of different health professionals across primary care and other care settings, and some do this purposely for privacy, cultural or other reasons. While people should be supported to manage their own care in this way, for many people the disconnected nature of their care is not desirable or beneficial. Connection and collaboration through coordinated multidisciplinary care teams can increase the ease of engaging with the health system, deliver better outcomes and help people to better engage with and manage their own health.

Australia lags behind other countries in making the most of the skills of the primary care workforceⁱⁱⁱ. With the growing complexity of Australia's health care needs, responsibility for providing the care people need should be shared across primary care and cross-sectoral teams, with appropriate clinical governance in place.

High quality primary care delivery depends more and more on health care teams – harnessing the full strengths and skills of the diverse health workforce, including GPs, nurses, nurse practitioners and midwives, pharmacists, allied health professionals, Aboriginal and Torres Strait Islander health workers and others. Funding and regulatory arrangements should support all parts of the primary care workforce to work to their full scope of practice and to collaborate across the health and other care systems, optimising the use of our most vital workforce resources, and supporting the delivery of person-centred outcomes. All governments must play their part to back in these reforms, working together to enable the legislative and regulatory barriers to full scope of practice to be reviewed and addressed.

We need our funding systems to more effectively support team-based care models in primary care by providing sufficient funding for general practice, Aboriginal Community Controlled Health Services and others to employ the core teams, combined with more flexible funding approaches that facilitate locally appropriate solutions.

We need to break down barriers to interprofessional collaboration and teamwork, build trust between professions and accelerate cultural change to allow all providers to work to their full strength in a coordinated approach that maintains the patient at the centre. Education and training programs should be strengthened to ensure workers have the skills required to support an integrated, person-centred team care approach. If we make it easier for practices to resource team-based care models, and support practices to make the change, we can also improve workforce wellbeing and job satisfaction, and make primary care a first choice career for all health professionals^{iv}.

iii Grattan Institute (2022) A New Medicare: Strengthening General Practice.

iv Rosen, M. A., DiazGranados, D., Dietz, A. S., Benishek, L. E., Thompson, D., Pronovost, P. J., & Weaver, S. J. (2018) Teamwork in healthcare: Key discoveries enabling safer, high-quality care. *The American Psychologist*.



Recommendations

- Fast-track work to improve the supply and distribution of GPs, rural generalists, nurses, nurse practitioners and midwives, pharmacists, allied health, Aboriginal and Torres Strait Islander health workers and other primary care professionals.
- Work with states and territories to review barriers and incentives for all professionals to work to their full scope of practice.
- Increase investment in the Workforce Incentive Program to support multidisciplinary teams in general practice, improving responsiveness to local need, increasing accountability and empowering each team member to work to their full of scope of practice.
- Support local health system integration and person-centred care through Primary Health Networks (PHNs) working with Local Hospital Networks, local practices, ACCHOs, pharmacies and other partners to facilitate integration of specialist and hospital services with primary care, and integrate primary care with mental health, aged care, community and disability services.
- Increase commissioning of allied health and nursing services by PHNs to supplement general practice teams in under served and financially disadvantaged communities.

Modernising primary care

Data and digital technology are better used to inform value-based care, safely share critical patient information to support better diagnosis and healthcare management, empower people to participate in their own healthcare, and drive insights for planning, resourcing and continuous quality improvement.

Carefully designed data and digital reform can support primary care providers to increase continuity, quality and safety in health care. Better information will allow people to better participate in their own and their loved ones' healthcare. Through the COVID-19 pandemic, the primary care sector accelerated advances in adoption of technology, including e-prescribing and telehealth. Great progress has been made, but it is important that momentum is not lost. Critical patient health information remains locked in siloed clinical information systems and cannot be shared easily across the health system and care settings. Even where information sharing is possible it is not always happening as often as it should be. These issues must be addressed as poor information flows lead to increased cost and worse patient outcomes^v. We need to continue to invest in infrastructure that improves interoperability between systems, simplifies and streamlines data sharing and access, helps improve the security and resilience of the whole health system, and accelerates progress towards a consumer driven health system.

Access to near real-time health information by individuals and their care teams at the point of care will improve clinical decision-making and support personalised, safe, high quality, integrated care as people move through different care settings. When people can access and are supported to use and understand their health information, they are better able to actively participate in their care and make informed decisions. Near real-time access to data will help drive insights for planning, policy and research purposes. Simplifying data and digital interfaces, for example by automating what is safe to be

automated and making uploading a by-product of clinical workflow, will also reduce time spent on administration and remove the risk of crucial information being missed or unavailable when needed, thereby improving outcomes for patients. This will also enable our health professionals to spend their time on what matters most — delivering high quality care. Improving digital health tools and services to effectively use the health data gathered will not only improve individual patient outcomes but it will give practices insights into their broader patient populations for planning, resourcing and continuous quality improvement.

Beyond the direct benefits to patients and health professionals, modernising primary care data and digital approaches will also enable better collection of population-level clinical information to improve our understanding of local, regional and national health needs, and assist with system planning and resource allocation. Better use of data will also support decision making throughout the health system, providing widespread efficiencies. Currently, at the health system level, knowing what populations need is patchy at best. Investing in nationally consistent clinical data collection — with clarity of data ownership and consent — will improve information flows and understanding of patient journeys between different care systems (primary, secondary, tertiary, aged and disability care) and support the systems working more seamlessly together. It will also lift the performance of the whole health system by enabling more targeted investment in interventions that deliver better outcomes and benefits for disadvantaged groups and for all Australians.

^v Productivity Commission (2021) 'Innovation in care for chronic health conditions - productivity reform care study', <https://www.pc.gov.au/research/completed/chronic-care-innovations>

Recommendations

- Modernise My Health Record to significantly increase the health information available to individuals and their health care professionals, including by requiring 'sharing by default' for private and public practitioners and services, and make it easier for people and their health care teams to use at the point of care.
- Better connect health data across all parts of the health system, underpinned by robust national governance and legislative frameworks, regulation of clinical software and improved technology.
- Invest in better health data for research and evaluation of models of care and to support health system planning. This includes ensuring patients can give informed consent and withdraw it, and ensuring sensitive health information is protected from breach or misuse.
- Provide an uplift in primary care IT infrastructure, and education and support to primary care practices including comparative feedback on their practice, so that they can maximise the benefits of data and digital reforms, mitigate risks and undertake continuous quality improvement.
- Make it easier for all Australians to access, manage, understand and share their own health information and find the right care to keep them healthy for longer through strengthened digital health literacy and navigation.



Supporting change management and cultural change

The primary care sector is well supported to embrace organisational and cultural change, and drive innovation; consumers are empowered to have a voice in the design of services to ensure they are fit-for-purpose to meet people's needs, particularly for priority groups; and all levels of government work together to ensure the benefits of reform are optimised.

Many of the reforms put forward in this report are complex to implement and represent a significant change in the way that primary care is funded and delivered in Australia. It is important that reforms are not rushed and are introduced logically and incrementally. System reform will also need to be carefully designed — in partnership with consumers and providers from across the primary care system — to ensure that businesses are supported to successfully transition to new ways of working and patients understand and actively participate in their care^{vi}. People, providers, practices, PHNs and others will need time and support to adapt and find the best ways to apply the changes in their contexts, for the benefit of individual and community health. System reforms must be introduced without disruption to existing systems to provide stability and enable providers to transition smoothly. At the same time, we cannot sit on our hands. The primary health care system is under challenge now and policy change needs to balance urgency and support for the new required transition.

A strengthened role for PHNs that is clear and consistent in its goal, while remaining flexible and responsive to local needs, can help support the sector to drive organisational and cultural change and better enable local innovation. Joint regional primary health care plans responsive to local health priorities with joint accountability and local governance are critical to co-commissioning of integrated services. There are many innovative, locally designed models of care being developed and implemented across Australia. Support to evaluate programs, identify success factors and share findings more broadly can help PHNs and communities adopt and apply successful models.

For person-centred care to be at the heart of system redesign, the experiences and needs of our diverse population must be heard. We need to empower, inform and engage consumers and involve them in service design. Specific strategies should be employed to engage priority populations and people for whom access to healthcare can be challenging, including First Nations Australians, people from culturally and linguistically diverse backgrounds and people with disability. Engaging First Nations Australians in the design of primary care services will ensure they are culturally safe and contribute to Closing the Gap. We need to simplify the system to make it easier for people to get the care they need, and for our primary care professionals to spend more time on delivering high quality care and less time on administration.

We know from past reforms that success relies on resourcing and supporting the primary care sector as the system transitions^{vii}. We need to give health care professionals resources, guidance, education and choice, with the ability to decide on how to deliver the models of care that their patients and communities need. We need to support practice managers to guide practices through the reforms. Changes must be progressive, well managed and accommodate different stages of readiness across practices. It will be important to actively monitor and assess the impact of reforms throughout implementation and adjust as needed along the way. In the long-term this will ensure that reforms achieve their objectives, practices and patients do not get left behind, and people working in the system know they are valued, empowered and supported.

vi Francetic, I., Gibson, J., Spooner, S., Checkland, K., & Sutton, M. (2022) Skill-mix change and outcomes in primary care: Longitudinal analysis of general practices in England 2015-2019. *Social Science & Medicine*.

vii Department of Health and Aged Care (2022) Evaluation of the Health Care Homes trial – final evaluation report 2022, available at: <https://www.health.gov.au/resources/publications/evaluation-of-the-health-care-homes-trial-final-evaluation-report-2022>



Recommendations

- Put consumers and communities at the centre of primary care policy design and delivery. Allow for flexibility in models of care to deliver on local needs and incentivise innovation to deliver better health outcomes.
- Learn from both international and local best practice, and invest in research that evaluates and identifies models of high value primary care excellence.
- Work with providers to help them effectively manage change and transition to new ways of working, including through a strengthened role for PHNs to support the adoption of successful, locally designed models of care.
- Support the continued development of practice management as a profession, including through an initial training program to help practices transition to new ways of working.
- Implement a staged approach to reform, supported by an evaluation framework to monitor progress and measure the impact of reforms.

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