

Submission to Medicare Local Review



December 2013

Council of Social Service of NSW (NCOSS)

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About NCOSS

The Council of Social Service of NSW (NCOSS) is a peak body for the not-for-profit community sector in New South Wales. NCOSS provides independent and informed policy advice, and plays a key coordination and leadership role for the sector. We work on behalf of disadvantaged people and communities towards achieving social justice in NSW.

NCOSS' health priorities

NCOSS' objective in the health portfolio is to reduce inequities for disadvantaged people and improve population health outcomes. We believe that health policy and systems need to be based on principles that recognise health as a human right, the social determinants of health, and the importance of strengthening the role of the community and consumers in the development and delivery of health services.

NCOSS health priorities are primary and community-based health, oral health, mental health, health transport, and aids and equipment for people with disabilities. Our funding recommendations to the NSW Government on these issues are outlined in our [2013-14 Pre-Budget Submission](#). We also advocate on health system reform, consumer and community engagement and health equity issues.

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Summary of recommendations

NCOSS recommends:

1. Medicare Locals role is clearly defined and underpinned by a broad, comprehensive primary health care approach based on the social determinants of health.
2. Medicare Locals' role is revised to focus on health system planning and service coordination and integration based on a partnership approach. Their role in service delivery is limited to addressing local service gaps that cannot be appropriately met by existing providers.
3. Medicare Locals functions and governance structures recognise the full range of providers, including non-government community sector organisations, in order to effectively and efficiently integrate primary health care with broader community-based social supports.
4. Commonwealth funding supports the full spectrum of primary health services, including health promotion, prevention and early intervention, with the objective to improve health outcomes in local communities.
5. State-based representative functions are retained, particularly in states with large numbers of Medicare Locals.
6. Australian Medicare Local Alliance (AML Alliance) initiates a national information campaign about Medicare Locals targeted to the community sector in consultation with the Council of Social Service (COSS) Network.
7. AML Alliance develops platforms to recognise and encourage Medicare Locals' collaboration with community sector organisations.
8. Medicare Locals establish and maintain regular, on-going communication with regional peaks and local community sector organisations.
9. Medicare Locals review and update the information on their websites about community engagement structure and processes.
10. Medicare Locals' role in service delivery is based on a partnership-centred approach, as outlined in the NCOSS survey report: *Not-for-profit community sector's engagement with NSW Medicare Locals*.

Introduction

The Council of Social Service of NSW (NCOSS) welcomes the opportunity to input into the Commonwealth Government's review of Medicare Locals. NCOSS has been monitoring Medicare Locals' development since their inception in 2011. Our interest is in their engagement with the non-government community sector and their role in addressing health inequities in local communities.

Our submission is informed by NSW community sector organisations' feedback at two roundtables on Medicare Locals NCOSS held in early 2013, and responses to our survey of the Sector in May 2013 about their experiences engaging with NSW Medicare Locals. We refer the Department to the roundtable report and the survey recommendations report:

- [NCOSS Interim report on not-for-profit community sector organisations' engagement with Medicare Locals: Summary of Roundtable discussions](#) (March 2013)
- Healthy Relationships? Survey report: Not-for-profit community sector's engagement with NSW Medicare Locals (September 2013)
 - [Executive Summary](#)
 - [Full report](#)

1. Role of Medicare Locals and their performance against stated objectives

NCOSS believes the Commonwealth Government needs to provide clearer guidance about the scope of Medicare Locals' role in relation to primary health. While many Medicare Locals are working through a social determinants model, this broad primary health approach is not explicitly defined in the Operational Guidelines. The Guidelines mainly refer to primary medical care, such as GPs and allied health providers. A narrow interpretation of primary health care as clinical care is inconsistent with international health policy¹ and the National Primary Health Care Strategic Framework. Medicare Locals role must be premised on a broad, comprehensive primary health approach incorporating the social determinants of health in order to fulfil their objective of improving community health and well-being.

Medicare Locals role in relation to the broader community and social care system would also benefit from greater clarification. Some community sector organisations report Medicare Locals do not appear interested in working with non-clinical health services, despite their importance in supporting people to live well in the community. The National Primary Health Care Strategic Framework recognises the need for cross-sectoral relationships to improve service access and build an integrated care system. Medicare Locals must be required to work with the full range of providers across the spectrum of health and social support in order to support an integrated and coordinated service system.

Recommendation:

1. Medicare Locals' role is clearly defined and underpinned by a broad, comprehensive primary health care approach based on the social determinants of health.

NCOSS argues Medicare Locals' role must be re-focused on systems planning and service coordinating rather than direct service provision. Medicare Locals' role as connectors in the primary care system is essential. However, competing with existing services is an inefficient use of resources. Medicare Locals' role should focus on service integration and care

¹ World Health Organisation, *Rio Political Declaration on Social Determinants of Health*, 2011; World Health Assembly Resolution WHA62.14 *Reducing health inequities through action on the social determinants of health*, 22 May 2009; World Health Organisation, *Declaration of Alma-Ata*, 1978; and World Health Organisation, *Ottawa Charter on Health Promotion*, 1986

coordination based on a partnership approach, rather than as direct competitors with existing services. Their role in service delivery should be limited to addressing local service gaps that cannot be appropriately met by existing providers.

Recommendation:

2. Medicare Locals role is revised to focus on health system planning and service coordination and integration based on a partnership approach. Their role in service delivery is limited to addressing local service gaps that cannot be appropriately met by existing providers.

2. Performance of Medicare Locals in administering existing programmes

No comment.

3. Recognising general practice as the cornerstone of primary care in the functions and governance structures of Medicare Locals

Medicare Locals functions and governance structures must recognise the broad spectrum of services that contribute to keeping people well in their communities, not just general practice. One of Medicare Locals value-adds over the former Divisions of General Practice is their broader primary health focus, which facilitates working with the broader suit of services that assist people maintain their health and well-being.

Not-for-profit community sector organisations, Aboriginal Community Controlled Organisations, allied health and local government are all important providers of primary health services and/or contribute to service integration and access. The National Primary Health Care Strategic Framework² also recognises the whole suite of other professionals and organisations providing primary health care services in addition to general practice.

Recommendation:

3. Medicare Locals functions and governance structures recognise the full range of providers, including non-government community sector organisations, in order to effectively and efficiently integrate primary health care with broader community-based social supports.

4. Ensuring Commonwealth funding supports clinical services, rather than administration

NCOSS believes Commonwealth funding should be directed and assessed against the contribution to improving local health outcomes, rather than against functions or services. Administration is not in and of itself a negative function. Applied well, it facilitates the efficient and effective delivery of services.

NCOSS strongly argues funding should not be limited to clinical services, and must support the full range of primary health care services. Health promotion, prevention and early intervention are essential to keeping people healthy and out of hospital, reducing the burden

² <http://www.health.gov.au/internet/publications/publishing.nsf/Content/NPHC-Strategic-Framework-purpose>

on the more costly acute care system. This has been widely recognised in Australia and internationally.³

State-level coordination is essential in states with large numbers of Medicare Locals to maximise efficiency by reducing duplication and gaps. A state-level representative function for Medicare Locals is important for maintaining effective relationships with other state-wide organisations, such as NCOSS and NSW Health, and engaging with strategic public health programs and services, such as Connecting Care.

Recommendation:

4. Commonwealth funding supports the full spectrum of primary health services, including health promotion, prevention and early intervention, with the objective to improve health outcomes in local communities.
5. State-based representative functions are retained, particularly in states with large numbers of Medicare Locals.

5. Assessing processes for determining market failure and service intervention, so existing clinical services are not disrupted or discouraged

No comment.

6. Evaluating the practical interaction with Local Hospital Networks and health services, including boundaries

The NCOSS [survey](#) in May 2013 found NSW community sector organisations had mixed experiences engaging with Medicare Locals. The main challenges and barriers were Medicare Locals lack of understanding about the community sector, a lack of information about Medicare Locals, a lack of time and resources to engage, infrequent/poor communication, and Medicare Locals' focus on clinical health priorities.

There was broad consensus about how engagement could be improved. Respondents wanted more information and communication about Medicare Locals, including about their role, the services provided, and how to engage with them. Performance measures and reporting on community sector engagement was also recommended. At the local level, respondents identified the need for regular communication and on-going forms of engagement to sustain the relationship long-term. Suggestions included Medicare Local community newsletters, email updates, interagency meetings, and regular regional forums.

Recommendation:

6. Australian Medicare Local Alliance (AML Alliance) initiates a national information campaign about Medicare Locals targeted to the community sector in consultation with the Council of Social Service (COSS) Network.
7. AML Alliance develops platforms to recognise and encourage Medicare Locals collaboration with community sector organisations.
8. Medicare Locals establish and maintain regular, on-going communication with regional peaks and local community sector organisations.
9. Medicare Locals review and update the information on their websites about community engagement structure and processes.

³ World Health Organisation, *Rio Political Declaration on Social Determinants of Health*, 2011; World Health Assembly Resolution WHA62.14 *Reducing health inequities through action on the social determinants of health*, 22 May 2009; World Health Organisation, *Declaration of Alma-Ata*, 1978; and World Health Organisation, *Ottawa Charter on Health Promotion*, 1986

7. Tendering and contracting arrangements

NCOSS believes Medicare Locals' role should be to coordinate and broker services where possible, rather than provide them directly. There is a potential conflict of interest if Medicare Locals are both service funders and service providers. As stated in section one, NCOSS recommends their role in service provision is limited to addressing local gaps that cannot be appropriately met by existing providers.

Community sector organisations have also expressed concern that Medicare Locals ability to compete for funding and directly provide services threatens the sector's long-term viability. This competition, both perceived and direct, undermines the Medicare Locals ability to work collaboratively with local organisations to better integrate the service system.

The Medicare Local Operational Guidelines must include requirements to build and strengthen the capacity of existing providers wherever possible, rather than compete with them. These principles could be modelled on the draft Principles for a Partnership-Centred Approach for NGOs Working with Aboriginal Organisations and Communities in the Northern Territory.⁴

Recommendation:

10. Medicare Locals role in service delivery is based on a partnership-centred approach, as outlined in the NCOSS survey report: *Not-for-profit community sector's engagement with NSW Medicare Locals*.

8. Any other related matters

The NCOSS community sector survey revealed a high degree of willingness from organisations to engage with Medicare Locals in recognition of their valuable role coordinating and integrating broader primary health services beyond general practice.

Many organisations reported positive experiences resulting in beneficial outcomes. They cited regular communication, active relationship building, and genuine partnerships with their Medicare Local. This resulted in networking opportunities, information exchange, increased referrals, funding and partnership opportunities, better local services, and improved client and community outcomes.

While not all Medicare Locals are fully developed, NCOSS believes they have matured significantly over the past two years, in particular the last 12 months. They have become more established with a greater capacity to focus outwards and work with the broader range of organisations in their local communities. We believe this is a positive development with the capacity to facilitate greater primary health care coordination and integration and improve the health outcomes of Australians into the future.

Conclusion

For inquiries or further information in relation to this submission please contact Ms Solange Frost, Senior Policy Officer (Health), NCOSS on 02 9211 2599 ext. 130 or solange@ncoss.org.au

⁴ See Clause 4. The principles were developed by Aboriginal Peak Organisations NT, Strong Aboriginal Families Together, National Congress Of Australia's First Peoples, ACOSS and NTCOSS, 2013, see <http://www.apont.org.au>