

AAPM Position Paper March 2017

The implementation of Health Care Homes in Australia



Summary

The Australian Association of Practice Management (AAPM) supports in principle the Health Care Homes (HCH) model as a significant and potentially highly valuable reform to the primary health care system in Australia. The HCH approach has a solid evidence base and broad support, having been adapted from research into international models, informed by the Royal Australian College of General Practitioners (RACGP) *Vision for General Practice and Sustainable Healthcare*, and affirmed by the Primary Health Care Advisory Group.

AAPM understands that Stage 1 of the implementation of the HCH model, scheduled for July 2017 to June 2019, is an exploratory phase to appraise the care model and associated funding, and to test the assumptions and the impact of the model on service delivery, practice operations and patient outcomes.

There are many unknowns with regard to the model being implemented in Stage 1. Critically, we do not yet know whether the approach will have a positive impact on patient outcomes, nor do we know whether the model as it is will prove viable for general practice. AAPM therefore supports the intention that Stage 1 of the implementation will involve only a limited number of practices and patients, over a relatively short time frame. This will enable lessons learned in Stage 1 to be used in the further development and broader implementation of the HCH approach.

AAPM shares the concerns of several other organisations that the timeframe for implementation may be shorter than optimal, and is keen to ensure that the Stage 1 design is robust and that there is a full state of readiness prior to implementation.

AAPM notes that the Government's Approach to Market which sought expressions of interest from general practices and Aboriginal community controlled health services in eligible areas, has been oversubscribed. The high level of interest from the primary health care sector is a positive indication that the sector is ready and willing to embrace change and innovation that could improve primary health care delivery, and result in better outcomes for patients.

As the peak body for practice management in Australia, AAPM is strongly committed and will play a key role in providing information and education to the sector regarding the change management strategies that are necessary to successfully implement this important reform. AAPM will also be a key advocate for any changes required to improve the model following Stage 1 implementation.

Background¹

Following the development of proposals for a new model of patient care in Australia informed by the “Patient Centred Medical Home” model overseas², the Federal Government in 2016 announced the implementation of a Health Care Homes model in Australia, focusing on improving care for patients with chronic conditions. The Government announcement was broadly welcomed by primary health care stakeholders.

The model is based on voluntary enrolment of patients with two or more chronic diseases. Practices will coordinate a comprehensive care plan for each enrolled patient, including identifying the best local providers to meet each patient’s needs, coordinating care with these providers, and developing strategies to better manage the patients’ health conditions and improve their quality of life.

Stage 1 of implementation is scheduled to commence 1 July 2017 and to run for two years. It will involve around 200 primary health care facilities (general practices and Aboriginal community controlled health services) across 10 Primary Health Networks, and up to 65,000 patients each of whom have two or more chronic conditions. The 10 Primary Health Networks were announced in August 2016 and the Government has since undertaken an Approach to Market to identify the 200 participating practices; this call for expressions of interest has been oversubscribed.

The model seeks to promote patient-centred care, continuity of care and a team-based approach to the care of patients with chronic conditions, as the removal of a number of MBS item restrictions will allow delegation to nurses and other health professionals. Bundled payments for enrolled patients aim to enable practices to take a long term approach to disease management and support, health promotion, and disease prevention, and to deliver care more flexibly, without being restricted by the requirements of fee-for-service billing.

The amount provided by the Federal Government for each patient will depend on the patient’s level of complexity and need using a common assessment tool which will assign patients to one of three tiers. Practices have the option of charging enrolled patients a contribution for their care, as long as this is agreed by the patient at the time of enrolment. Allied health, specialist, diagnostic and imaging services are not included in the bundled payments and will continue to be funded through normal MBS channels; and enrolled patients can still access MBS fee-for-service payments for episodic care not associated with their chronic condition, or for care provided by other practices. Practices participating in Stage 1 will receive a \$10,000 one-off grant to support the change processes required to implement the model.

¹ Unless otherwise indicated, the information in this background section has been drawn from official publications and resources accessed through the Australian Government Department of Health website:

<http://www.health.gov.au/internet/main/publishing.nsf/Content/health-care-homes>.

² See for example RACGP (2015), *Vision for General Practice and Sustainable Healthcare* <http://www.racgp.org.au/vision>; Primary Health Care Advisory Group (2015), *Better Outcomes for People with Chronic and Complex Health Conditions* <http://www.health.gov.au/internet/main/publishing.nsf/Content/primary-phcag-report>; Consumers Health Forum of Australia, George Institute for Global Health, RACGP, Menzies Centre for Health Policy (2016), *Pateint-Centred Healthcare Homes in Australia: Towards Successful Implementation* <https://chf.org.au/sites/default/files/patient-centred-healthcare-homes-in-australia-towards-successful-implementation.pdf>.

All participating practices must be accredited or registered for accreditation, and must be registered for and actively use My Health Record. All enrolled patients must have a My Health Record. These requirements will help ensure there is capacity for data collection to support feedback, quality improvement, and evaluation of the model.

As noted earlier, patient enrolment is voluntary, and informed consent is required. The model potentially has benefits for patients in improved access to care, continuity of care with a longer term care approach, improved personalised care, improved self-management, and improved co-ordination of services. Practices and health professionals may benefit from increased opportunities for clinical development and leadership, improved opportunities for full utilisation of the multidisciplinary team, and reduced red tape. Benefits for the health system should include improved management of chronic conditions and reduced demand on hospitals, leading to savings for the health care system overall; and better data to guide resource allocation.

Several aspects of the model for Stage 1, including the patient identification tool and minimum standards for shared care plans, are yet to be finalised; as is the selection of participating practices. Concerns have also been raised by several stakeholders regarding both the state of readiness³, and the adequacy of funding available for Stage 1.⁴ However, the Government has signalled its intent to proceed with Stage 1 as planned.

AAPM welcomes the implementation of Health Care Homes as it has significant potential to improve patient outcomes, as well as having potential benefits for health care providers and the health system in general. While we share the concerns other organisations have expressed about readiness for implementation, and we believe the adequacy of the funding model is unknown at this point, we also recognise that Stage 1 is essentially an exploration phase which will test all aspects of the model including the financial aspects.

Our overriding commitment is to support practices which participate in Stage 1 – and primary health care providers more broadly – with information and education to assist them to respond to this important reform.

Participating practices will need to develop new models of care and new financial models to successfully implement the Health Care Homes approach, and this change process will require ongoing support for both clinicians and Practice Managers. The role of the Practice Manager will be to facilitate the flexibility and innovation needed to coordinate the patient's care, including ensuring members of the clinical team are well informed and supported in their roles, and have access to all necessary data; and that administrative and financial arrangements are in place to support the new model. At the same time, non-enrolled patients will continue to present to the practice under fee-for-service arrangements, and a clear management plan for these parallel systems will be essential.

³ Eg United General Practice Australia <https://gpra.org.au/wp-content/uploads/2016/11/UGPA-More-time-needed-on-Health-Care-Homes-to-get-it-right-29-Novemb....pdf>.

⁴ RACGP (September 2016) 2017-2018 Pre-Budget Submission <http://www.racgp.org.au/yourracgp/news/reports/04102016pre-budget/>; <https://croakey.org/health-groups-welcome-10-health-care-home-trial-sites-but-warn-funding-substantially-inadequate/>

We have already provided practices with initial information and advice, and we anticipate that supporting general practice management to respond to the Health Care Homes initiative will be a key focus for AAPM going forward. AAPM also plans to collect information and commentary from members involved in Stage 1 of the Health Care Homes initiative, and use this feedback to advocate for any changes required to the model prior to further implementation.

About AAPM

The Australian Association of Practice Management (AAPM) is the professional association for business managers of all healthcare practices including general practice, specialists, dentists and allied health as well as multi- disciplinary clinics. AAPM provides education, support, advice and advocacy for healthcare practice managers. Our aim is to ensure that they are able to effectively manage healthcare practices, that they are able to have the infrastructure and systems in place to provide a high quality health services to the Australian community, and that they are up to date with changes in the health sector. Consequently, AAPM is ideally placed to assist in implementing the government's primary healthcare reforms.

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