



Australian Health Care Reform Alliance

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AHCRA welcomes new Primary Health Networks but some questions remain

The Australian Health Care Reform Alliance* (AHCRA) welcomes the end of uncertainty about the new Primary Health Networks (PHNs), with the announcement of the successful bidders for 28 of the 31 PHNs. It also welcomes the continued focus on systems improvement and Aboriginal Health and Mental Health in their roles. However there are some areas of concern with the operation of what, at first glance, looks much like the old Medicare Locals on steroids.

AHCRA is supportive of PHNs, as it was of Medicare Locals. However AHCRA has two concerns. First, hospital networks have been granted control of four rural Queensland PHNs. Whilst AHCRA is not privy to the details of these arrangements, there are many international examples in which primary health care became the poor cousin when managed by hospital-focussed management bodies. The outcomes of this decision will need monitoring closely over time to ensure these PHNs buck that trend.

Second, the increased catchment of many PHNs will make their capacity to be effective more difficult. It will be harder for them to reflect each community's needs in their planning and support for local primary health care services. Some catchments have populations well over one million or areas bigger than France, Spain or Italy.

Although Minister Ley inherited this decision about bigger catchments, it is clear she understands the issues associated with such inflated areas. There is a certain irony in her decision to split what was to be the Western NSW network into two zones because *"the needs of people in the Murrumbidgee area are quite different to those in much of Western NSW."*

"Clearly the same logic was not applied to Western Australia, where a single consortium will be expected to service the entire primary health care system across the three catchments comprising the largest state in the Federation. If these gargantuan PHNs are to achieve their objectives, AHCRA urges the Minister to be sympathetic to the new PHNs' infrastructure and funding needs in servicing their much larger areas", said Tony McBride, Chair of AHCRA.

"Despite the Government's continued criticism of the previous Medicare Locals, 24 of the 28 PHNs were won by Medicare Locals or consortia with key Medicare Local involvement. The estimated cost of the changeover of \$200 million appears at odds with the Government's concerns about health cost pressures".

AHCRA believes there are several key issues PHNs should be addressing:

- Identifying specific areas of need across the network;
- Ensuring all residents within PHN catchments get relatively equitable and affordable access to GPs, oral health care and allied health practitioners;
- Facilitating more integrated care for their populations, especially with hospitals and the mental health system;
- Promoting more focus on effective preventive care; and

- Encouraging more flexible and effective use of the whole health workforce.

AHCRA looks forward to the PHNs quickly focussing on their work and addressing these issues. AHCRA calls upon the Department of Health to allow them the space to do so, and not micro-manage them as occurred with the former Medicare Locals they are replacing.

** AHCRA is a coalition of over 35 national and state organisations, including those representing the medical profession, nursing, allied health, rural and remote health, health services and consumer groups.*

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