

# exciting

Behind this presentation are some ideas that will improve health care

## Medicare Locals and the Transition to Primary Health Networks

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# What you know

- 61 Medicare Locals cease 30 June 2015.
- Less Primary Health Networks commence 1 July 2015 with a transition period from early 2015.
- Boundaries of PHNs align with LHNs.
- Want economies of scale, Clinical Councils, Community Advisory Committees
- Will not provide services.
- Selection will be via an Invitation To Apply (ITA)



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# What is a PHN?

- Efficient corporate organisations
  - Economies of scale
- Responsible for improving patient outcomes
  - CAC & Clinical Council
- Ensuring integration of services across primary, secondary and community sectors.



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# So what more can you know?

- You probably have a small window of time before the ITA is released – until late in 2014 – this is your planning time.
- You will not have clarity until the ITA is released – then there will be all the restrictions that the probity process invokes.
- You also need to look at other changes that may occur in the future
  - *White paper on reform of the Federation.*
  - No of LHNs in Victoria
  - Other reform initiatives
- So the first decision you need to make is after referring to your constitution and in particular your objects – are you going to be in the bid or not?

# What to do?

- Keep the focus on your local community – ensuring they get the best care.
- It's happening – you can't stop it – create an opportunity.
- Decision tree – what to do. Option 1, 2, 3.....
  - Partners? MOUs now?
- Project plan for a few options – Gantt charts.
  - Plan your new world (CAC, Clinical Council, etc)
- Risk manage
- Communication – open and transparent to staff and key stakeholders
- Maintain business operation (especially services) – you will be distracted by the process
- Victorian experience of PCPs, MLs, Community Health amalgamations, Health Governance System – use it.



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# Use your experiences?

- Successful Medicare locals – what contributed to the success?
- New boards, execs, staff – good orientation
- How to adapt to new rules?
- How to manage relationships? Especially with area health service providers eg LHNs, community health, don't forget dental. Leverage of what you already have.
- Develop good reporting for KPIs (finance and performance)
- Simplicity & Partnerships
- Population health and planning – maybe collaborate with other PHNs
- Integrated care is key
- Decentralised regional approach – very Victorian. Principle of subsidiarity.

# My experiences?

- I have been involved in organisations that have
  - acquired others, been attempted to be acquired by others,
  - closed down business divisions or grown divisions.
- Last year my organisation went from about \$120m business to a \$200m business. This year we are back to about \$140m.
- We knew the risk was the funding might be one-off – but we provided care to 100,000 extra people.
- We planned, risk managed, communicated, modelled our expected outcomes, reviewed them at regular PCGs, adapted the model when needed, managed key stakeholders as well as could be expected.
- We made mistakes – plan started too high level and esoteric, modelling assumptions not all correct, communication to staff could have been better to prepare for downsizing, etc etc

Thank you



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