

GPV produces Health Reform Updates to help keep our division members and Medicare Locals partners up to date with developments in health reform. The updates are emailed to Division Chairs and CEOs and are posted on the GPV website.

See: [www.gpv.org.au/resources.asp?type=42](http://www.gpv.org.au/resources.asp?type=42), or [www.gpv.org.au](http://www.gpv.org.au) > Resources > Health Reform Updates

### Medicare Locals starting in 2012

On 4 November the Department of Health & Ageing announced the successful applicants to become Tranche 2 and Tranche 3 Medicare Locals across Australia. In total, 38 new organisations were announced.

In Victoria, six Tranche 2 and five Tranche 3 Medicare Locals were announced, bringing the total number of confirmed Medicare Locals to 15 of the 17 proposed for the state. Below are the Medicare Locals, and the partner divisions.

#### Tranche 1 (commenced 1 July 2011)

Inner East Melbourne	Melbourne East GP Network
Barwon	Geelong General Practice Association
Inner North West Melbourne	Melbourne DGP, impetus
Northern Melbourne	Northern DGP, North East Valley DGP

#### Tranche 2 (commencing 1 Jan 2012)

Bayside	Southcity GP Services, Bayside GP Network, Monash DGP
Frankston-Mornington Peninsula	Peninsula GP Network
Loddon-Mallee-Murray	Murray Plains DGP, Central Victoria
Lower Murray	Mallee Health Care Network
Macedon Ranges & NW Melbourne	PivotWest, Central Highlands GP Network
South Eastern Melbourne	Dandenong Casey GP Association

#### Tranche 3 (commencing 1 July 2012)

Eastern Melbourne	Eastern Ranges GPA, Greater Eastern Primary Health
Gippsland	East Gippsland PCA, Central West Gippsland DGP & GPA
	South Gippsland
Goulburn Valley	Goulburn Valley DGP
Grampians	West Vic DGP, Ballarat DGP
Hume	Albury-Wodonga Regional GP Network, North East Victoria DGP

DoHA is working with the applicants for Great South Coast and South Western Melbourne (Otway Division and Westgate GP Network) to confirm the arrangements for these Medicare Locals.

(A list of the Medicare Locals, LGAs in the catchment and contact details will be available shortly on the GPV website.)

GPV congratulates the successful applicants and will continue to support all Victorian divisions and their partners and newly formed Medicare Locals in this time of transition.

There are plans to retain a division type organisation in some of the Medicare Locals, at least initially. The Department of Health and Ageing's *Divisions of General Practice Program Transitioning to Medicare Locals Issues – Frequently Asked Questions* (version 3, November 2011) has made quite clear that after 1 July 2012, any agreement between the Medicare Local and a division for service provision has to be contestable. The document states:

## **Can divisions be subcontracted to continue to provide services on behalf of the Medicare Locals?**

*It will be a requirement of Divisions which receive Commonwealth funding in 2011-12 to work with Medicare Locals as they are established to ensure continuity of service, and to collaborate with Medicare Locals to ensure effective transition of all Department of Health and Ageing funded programs.*

*There is no formal role for Divisions to act as the service delivery arm of a Medicare Local. Where a Division within a Medicare Local catchment area has the capacity to provide the services, a Medicare Local may wish to subcontract a Division to provide direct services during the transition period in 2011-12.*

*From 1 July 2012, subcontracting arrangements under the Medicare Local must be contestable and demonstrate efficient use of Commonwealth funding.*

See Divisions of General Practice Program Transitioning to Medicare Locals Issues, FAQ, Version 3, November 2011 (sections 3.2 and 9) which was emailed to Division CEOs on 4 November, and further clarification from Department of Health & Ageing which was emailed on 10 November.

## **GPV Board Communiqué: Future Direction for GPV**

At its October meeting, the GPV Board determined that GPV should remain as an independent not-for-profit organisation. Its services will continue to support Divisions and will also encompass the new Medicare Locals as they develop over the next few years as part of the health reform agenda. Its focus will be on the central role of general practice in the provision of primary health care, promoting and facilitating improved integration with the broader primary care sector and hospital sector.

The Board's Communiqué is available to view and download from the [GPV website](#).

## **Department of Health**

The Victorian Department of Health has released some new documents about health reform, which are available on its website at <http://www.health.vic.gov.au/healthreform/documents.htm>. This page includes links to a resource on "Primary Care Services and Medicare Locals" and one called 'National Health Reform – Questions and Answers.' The Q& A document clarifies that:

- "Rural health service boards will not be removed or amalgamated as a result of the National Health Reform Agreement"
- Rural hospitals will continue to report to the state
- The extra funding (ie \$822 million over four years to support meeting access targets for elective surgery and emergency departments and funding for new subacute care) will be allocated to Health Services through either activity-based or block funding, according to how they currently receive funding from the State.

The following are excerpts from the *National Health Reform - Q& A* document:

### ***What is the future of Primary Care Partnerships in Victoria?***

*Medicare Locals will need to work with a range of key partners in the local area. Currently, Primary Care Partnerships are established across Victoria. Medicare Locals should seek to work closely with these partnerships to build on existing relationships and work achieved to date. The relationship between Medicare Locals and Primary Care Partnerships will continue to evolve and some functions may be integrated once Medicare Locals are fully operational.*

***How will the creation of Medicare Locals impact upon Victoria's integrated approach to planning and delivering primary care services?***

*Primary Care Partnerships and community health services have played an important role in providing a holistic, integrated approach to health and healthcare in Victoria. The Department of Health remains committed to delivering an integrated health care model, where primary health care is integrated with other human services such as housing and disability services.*

*Medicare Locals should seek to work closely with Primary Care Partnerships to build on existing relationships and work achieved to date. This relationship will continue to evolve and some functions may be integrated once Medicare Locals are fully operational.*

*Victoria will work with the Commonwealth on system-wide policy and state-wide planning for GP and primary health care services to ensure effective integration across Commonwealth and State funded health care services. Victoria will develop a state-specific plan for GP and primary health care by July 2013.*

Similarly, the shorter Fact Sheet on Primary Care Services and Medicare Locals says:

*The Victorian Government supports ongoing delivery of existing critical functions of the Victorian Primary Care Partnerships to improve health outcomes for Victorians. Medicare Locals and Primary Care Partnerships may operate in conjunction with each other or consider integration of functions into the future.*

*In addition, Divisions of General Practice will need to be maintained whilst their current functions are transferred into Medicare Locals. Where similar coordinating primary health care organisations already exist, they may in the future become part of arrangements for Medicare Locals.*

**AGPN Resources**

Over the last 12 months or so, AGPN has developed a range of resources to assist divisions' transition to become Medicare Locals, including on legal and HR issues, consumer/community engagement, clinical governance, etc. The resources are available at:  
<http://www.agpn.com.au/medicarelocaltransition>

**Medicare Locals Boundaries**

Maps (pdf) of all ML areas in Australia are available at:  
[http://yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/MediLocBound\\_Review](http://yourhealth.gov.au/internet/yourhealth/publishing.nsf/Content/MediLocBound_Review)

Maps of Victorian MLs (with population figures, and LGA and PCP boundaries) are at:  
[http://www.health.vic.gov.au/pcps/pcps\\_mls.htm](http://www.health.vic.gov.au/pcps/pcps_mls.htm)

Digital data of Victorian ML boundaries (also showing current divisions; LGAs) can be downloaded for use in Google Earth or other mapping software at  
[http://www.gpv.org.au/files/downloadable\\_files/20110628%20GPV%20maps.zip](http://www.gpv.org.au/files/downloadable_files/20110628%20GPV%20maps.zip)

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