

STANDING COMMITTEE ON HEALTH AND DISABILITY

Closure of the Wanniasa Medical Centre

AUGUST 2008

Report 9

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Resolution of Appointment

On 7 December 2004, the Legislative Assembly for the ACT resolved to establish the Standing Committee on Health and Disability to:

examine matters related to hospitals, community, public and mental health, health promotion and disease prevention, disability matters, drug and substance misuse, targeted health programs and community services, including services for older persons and women, housing, poverty, and multicultural and indigenous affairs.¹

Terms of Reference

At its meeting on Thursday, 7 August 2008, the Assembly resolved:

"That the closure of the Wanniasa Medical Centre be referred to the Standing Committee on Health and Disability for immediate enquiry and to report back to the Assembly on Tuesday, 26 August 2008."

The Committee resolved to consider:

- the circumstances of the closure;
- the impact on the residents of the Tuggeranong Valley;
- the nature of the ACT Government's relationship with privately owned general practice in the ACT; and
- possible options for the future delivery of GP services in the ACT.

¹ Legislative Assembly for the ACT, *Minutes of Proceedings* No. 2, 7 December 2004, p 12

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RECOMMENDATIONS

RECOMMENDATION 1

2.16 The Committee recommends that the ACT Government investigate the possibility of incorporating provisions in crown leases to protect community interests.

RECOMMENDATION 2

2.22 The Committee recommends that the ACT Government work with the ACT Division of General Practice to investigate the collection of data, about general practitioner workforce issues, in the different regional areas of Canberra.

RECOMMENDATION 3

2.29 The Committee recommends that the ACT Government consult with Regional Community Services regarding the demand for transport to medical appointments for the frail aged and people with disabilities.

RECOMMENDATION 4

2.33 The Committee recommends that the ACT Government ensures that Primary Health Care is meeting its lease requirements by providing the appropriate number of car parking spaces at the Phillip Medical Centre.

RECOMMENDATION 5

2.42 The Committee recommends that the ACT Government have discussions with the Australian Government with a view to exploring ways that patients can be assisted in receiving information about their rights in relation to accessing their medical records.

RECOMMENDATION 6

3.32 The Committee recommends that the ACT Government use the National Health and Hospital Reform Commission to raise concerns about the impact of Australian Government legislation on the provision of GP services in the ACT, with particular reference to the Medicare Benefits Schedule.

1 CONDUCT OF THE INQUIRY

- 1.1 The abrupt closure of Wanniasa Medical Centre and the relocation of doctors to the Phillip Medical Centre came as a shock to the community and sparked significant community concern. The Centre closed on 8 August 2008 and the Committee understands that staff and doctors working at the centre were given very little notice of the closure. The announcement in the media was the first many patients heard of the closure.
- 1.2 Due to community concern about the sudden closure of the Wanniasa Medical Centre, the ACT Legislative Assembly, on 7 August 2008, referred the matter for immediate inquiry to the Standing Committee on Health and Disability to report to the Assembly on 26 August 2008.
- 1.3 The Committee issued a media alert on Friday 8 August 2008 announcing the inquiry. Due to the very short time frame for the inquiry there was no opportunity to advertise in the local newspapers. However, the inquiry received significant media coverage.
- 1.4 The Committee held a public hearing on Thursday 14 August 2008. A list of witnesses is at Appendix A. Primary Health Care Limited declined an invitation to appear before the Committee.
- 1.5 The Committee received eight submissions that are listed at Appendix B.
- 1.6 The closure of the centre has highlighted a number of issues that are discussed in this report. These are: the shortage of practicing GPs in the ACT; the role of corporations in health service delivery; and the immediate impact on the patients and GPs in the Tuggeranong Valley.

2 IMPACT ON THE TUGGERANONG VALLEY

- 2.1 Wanniasa Medical Centre was owned by Symbion Health Limited until February 2008 when Symbion Health Limited was taken over by Primary Health Care Limited and became a wholly owned subsidiary of that company.²
- 2.2 Symbion Health Limited is an Australian company that provides diagnostic and wellness services through pathology, diagnostic imaging, medical centres and pharmacy services as well as health-related products through its consumer division. Kippax Family Practice, that operates in Holt, was also owned by Symbion Health Limited. Symbion Health Limited owned over 50 medical centres.³
- 2.3 Primary Health Care Limited is a publically listed company which, prior to the takeover of Symbion, owned 41 large scale medical centres and according to its website 'continues to look for opportunities to expand its medical centres and services'. Another interest of Primary Health Care Ltd is GP software.⁴
- 2.4 The Primary Health Care Medical Centres provide a wide range of medical services in the ACT. According to Dr Bateman, the Managing Director of Primary Health Care Limited, some of the benefits of the Phillip Medical Centre include: extended operating hours from 7.00 am–10.00 pm, 365 days per year; the availability of on-site ancillary services such as a pharmacy, a physiotherapy service, a radiology department, and a pathology service; and the availability of bulk-billing for all services.⁵
- 2.5 The Committee understands that the decision made by Primary Health Care to close the Wanniasa Medical Centre and relocate the seven contracted

² Symbion Health Limited, viewed 14 August 2008, <<http://www.symbionhealth.com/78.asp>>

³ Symbion Health Limited, viewed 14 August 2008, <<http://www.symbionhealth.com/78.asp>>

⁴ Primary Health Care Limited, viewed 8 August 2008, <<http://www.primaryhealthcare.com.au/IRM/Content/aboutus/aboutus.htm>>

⁵ Correspondence from Dr Bateman to patients of the Wanniasa Medical Centre

doctors to the Phillip Medical Centre was a business decision, and under the present circumstances is unlikely to be reversed.

- 2.6 The manner with which Primary Health Care chooses to conduct its business, particularly the short notice to patients, doctors and staff of the centre, while unfortunate, is not the subject of this inquiry.
- 2.7 As a publically listed company on the Australian Stock Exchange (ASX), Primary Health Care is accountable to its shareholders, but at the same time provides much needed bulk-billing medical services to ACT residents.
- 2.8 The closure of the Wanniasa Medical Centre is the latest in a series of closures, amalgamations and relocations of general practitioner services in the Tuggeranong Valley.⁶

Lease arrangements

- 2.9 The Tuggeranong community, as attested by the community outcry and the ACT Government, is keen to have a medical centre re-established in the Wanniasa area. Primary Health Care currently holds the commercial lease on the privately owned building (that housed the Wanniasa Medical Centre) until 2012. At this stage, the intentions of Primary Health Care are unclear despite speculation that Primary Health Care will not relinquish the lease, thus preventing the re-establishment of a medical centre on the same site.⁷
- 2.10 The Minister advised the Committee that her office had sought a copy of the commercial lease between the building owner and Primary Health Care to determine if there was any action that could be taken by the ACT Government.⁸
- 2.11 The Minister further advised:
- ...whilst I have not seen the exact detail of the commercial lease, I understand in that lease there is not a requirement to operate a medical

⁶ ACT Division of General Practice, Transcript of Evidence, 14 August 2008, p 3

⁷ Mr Tall, Transcript of Evidence, 14 August 2008, p 10 (Also see Appendix C for correspondence from Mr Tall clarifying his comments in relation to the commercial lease, made at the public hearing on 14 August 2008.)

⁸ Minister for Health, Transcript of Evidence, 14 August 2008, p 41

facility; there is a requirement to establish one but not to have one continue to operate. That is a matter within the commercial lease.⁹

2.12 The ACT Government also examined the crown lease to ensure that there were no breaches there. The ACT Government does have control over the crown lease and the Minister advised that it was in the ACT Government's power to investigate whether additions could be made to crown leases to protect the community. The Minister noted that in this instance there had been no breach of the crown lease and in the aftermath of the closure of the Wanniasa Medical Centre the 'content of commercial leases and what needs to be in commercial leases to protect the interests of building owners and those who sign off on leases'¹⁰ could be further investigated.

2.13 The Minister further advised that:

There is no constitutional or legal authority to mandate the working locations of private GPs in this case and the regulation of general practice is an area under commonwealth responsibility, but I understand also that they have no legal power or any legal response to this particular situation.¹¹

2.14 The Committee understands that unless Primary Health Care voluntarily relinquishes the lease there is no legal avenue to force this issue.

2.15 With the future of the Wanniasa site unclear, the Minister advised the Committee of other options that have been considered. The Minister has taken advice from ACTPLA and LDA regarding options for land, identifying a suitable block in the Wanniasa area that is currently 'designated as community facility land, and one of those purposes is a medical facility'.¹² However, this is dependent on a suitable developer and does not address the short-term situation.

⁹ Minister for Health, Transcript of Evidence, 14 August 2008, p 36

¹⁰ Minister for Health, Transcript of Evidence, 14 August 2008, p 41

¹¹ Minister for Health, Transcript of Evidence, 14 August 2008, p 36

¹² Minister for Health, Transcript of Evidence, 14 August 2008, p 36

RECOMMENDATION 1

- 2.16 **The Committee recommends that the ACT Government investigate the possibility of incorporating provisions in crown leases to protect community interests.**

Impact on patients

- 2.17 Issues raised with the Committee of immediate concern for the patients of the Wanniasa Medical Centre include: the continuity of care of patients; the transfer of patients' records; and access to the Phillip Medical Centre. These issues are discussed below. Particular concern was also expressed for: elderly patients; those with chronic illnesses; people with disabilities; and parents with young children who do not have private transport.
- 2.18 Dr Sharma, who has been operating a general practice in the Tuggeranong Valley over the last ten years and who is President of the ACT Division of General Practice, advised the Committee that some of the Wanniasa patients will be able to find care in other local practices. However, from her personal experience Dr Sharma reported:
- ...for the last three days of this week, my practice, which is a large practice, has had no appointments by 9 o'clock in the morning. So, really, we are stretched. We can't keep absorbing all these patients in the area unless we improve the workforce numbers.¹³
- 2.19 Also of concern for the general practitioner workforce in the Tuggeranong Valley is the ongoing care of aged-care patients that were previously patients of the Wanniasa Medical Centre. These patients, many of whom live at the Goodwin Village in Monash, have complex, chronic conditions that require intensive medical support, placing further pressure on the GPs practising in the Tuggeranong Valley.¹⁴
- 2.20 The ACT Division of General Practice (ACT DGP) argues that the relocation of the doctors from the Wanniasa Medical Centre has moved doctors from one

¹³ Dr Sharma, Transcript of Evidence, 14 August 2008, p 3

¹⁴ Dr Sharma, Transcript of Evidence, 14 August 2008, p 3

area to another and has done nothing to address the number of doctors or the distribution of doctors in the ACT.¹⁵ Their submission states:

...GPs have been relocated from an outer metropolitan area of need to join an existing concentration of GPs in a major inner hub. This has occurred at a time when the Commonwealth [Government] offers financial incentives for GPs to relocate to outer metropolitan areas.¹⁶

- 2.21 The ACT DGP also noted the lack of available data about workforce issues in the different regional areas of Canberra.¹⁷ The Committee considers that this specific information would be valuable particularly to assist in future planning and to provide valuable information to new doctors considering establishing practices in the ACT.

RECOMMENDATION 2

- 2.22 **The Committee recommends that the ACT Government work with the ACT Division of General Practice to investigate the collection of data, about general practitioner workforce issues, in the different regional areas of Canberra.**
- 2.23 There have been many accounts in the media of the difficulties facing the patients of the Wanniasa Centre. The Committee received three submissions, in the short timeframe, from patients expressing their concerns about the closure of the Wanniasa Medical Centre.¹⁸ These patients were not only upset about the decision made by Primary Health Care to close the Wanniasa Medical Centre but were clearly very disappointed with the way Primary Health Care managed the closure.
- 2.24 However, not all stories have been bad. A submission made to the inquiry from the daughter of an elderly patient, advised that her mother, a resident at Goodwin Village, initially upset about the closure of Wanniasa Medical

¹⁵ Submission no 8, ACT Division of General Practice, p 1

¹⁶ Submission no 8, ACT Division of General Practice, p 1

¹⁷ ACT Division of General Practice, Transcript of Evidence, 14 August 2008, p 3

¹⁸ See Submission no 1, Anne Quinn, Submission no 9, Sabine Kark, Submission no 10, Dianne Proctor

Centre, was very impressed with the service and care she received at the Phillip Medical Centre at a recent visit.¹⁹

Access to the Phillip Medical Centre

- 2.25 The Committee understands that the Phillip Medical Centre is not easily accessible by public transport as the nearest bus stop is some distance away and that the bus service through Townsend Street operates on an hourly basis.²⁰ The issue of public transport is exacerbated for those with mobility issues.
- 2.26 The Committee inquired about the availability of the new ACT Government Regional Community Bus Service. The Committee understands that this bus service is available to assist people with mobility issues who are experiencing social isolation due to their inability to access public transport. At this stage it is not able to be used to transport people to medical appointments..
- 2.27 The Community Centre in Tuggeranong, Communities@Work, has a community transport program funded through the Health and Community Care (HACC) program. Eligibility for this program is for anyone unable to use public transport and involves volunteer drivers picking people up from their homes and taking them to medical appointments or social outings. The Committee is pleased to note the existence of this service and considers that it could be better promoted to the general public, particularly in light of the transport issues facing many elderly or disabled patients.

¹⁹ Submission no 6, Pam Murphy

²⁰ Action Going your way. viewed 22 August 2008, <<http://www.action.act.gov.au/default.html>> in particular see Route 63

2.28 Primary Health Care has also notified patients that a courtesy car service is available for patients with mobility issues between the hours of 9.00 am and 3.00 pm on Mondays, Wednesdays and Fridays.²¹ The Committee understands that this car service is currently in operation and that patients are able to request the service at the same time as making their appointment. How long the service will operate, the Committee cannot say, but notes community scepticism at its long term viability.²²

RECOMMENDATION 3

2.29 **The Committee recommends that the ACT Government consult with Regional Community Services regarding the demand for transport to medical appointments for the frail aged and people with disabilities.**

2.30 For those patients who have access to their own means of transport, the availability of parking has been raised as a significant concern. The Committee received a submission from a business owner in the area who has been experiencing parking problems, even prior to the relocation of the doctors from the Wanniasa Medical Centre.²³

2.31 The Committee also received a submission from Mr Roger Tall, the owner of the Wanniasa Medical Centre building, who was very concerned about the parking situation in Colbee Court where the Phillip Medical Centre is located. He expressed the view that there were not enough parking spaces and the spaces provided by the Medical Centre car park were used by customers visiting retail outlets in Colbee Court or were being used as free parking by public servants working in the Woden area.²⁴ The Committee acknowledges the concerns about the availability of adequate parking at a medical facility but understands that this has not been the experience of everyone visiting Colbee Court.

2.32 The location of the Phillip Medical Centre, at Colbee Court Phillip, is zoned as CZ3 (Services) and as such the Parking and Vehicular Access General Code

²¹ Correspondence to patients, signed by Henry Bateman, August 2008

²² See; Submission no 7, West Belconnen Health Cooperative, p 3, Submission no 10, Dianne Proctor, 2

²³ Submission no 4, Kid Essentials

²⁴ Submission no 2, Roger Tall, p 4

requires that, for a health facility, 3.5 spaces per 100m² Gross Floor Area be provided in Town Centres or 4 spaces per practitioner in Group and Local Centres.²⁵ The Minister for Health advised the Committee that the approved site plan includes 43 on-site parking spaces.²⁶ The Committee notes that the lessee must provide and maintain the required number of car parking spaces or demonstrate that adequate off-site parking is available to meet demand.²⁷

RECOMMENDATION 4

- 2.33 **The Committee recommends that the ACT Government ensures that Primary Health Care is meeting its lease requirements by providing the appropriate number of car parking spaces at the Phillip Medical Centre.**

Continuity of Care

- 2.34 The patient-doctor relationship develops over a period of time. From a patient's perspective it is important to be comfortable in the knowledge that they are being provided with the best possible medical care. From a doctor's perspective this can be assisted by knowing the patient, their family and their history and being the main provider of their care management plan.

- 2.35 This type of relationship is especially important for elderly patients, people with chronic illness or other medical conditions that require ongoing care. As one patient with a chronic illness noted:

I am a great believer, that I as a patient, must work in partnership with my GP, in order to maintain the maximum level of health and also in order to prevent hospitalisation as much as possible.²⁸

- 2.36 The relocation of the doctors from the Wanniasa Medical Centre to the Phillip Medical Clinic has caused significant debate in the media about patients losing access to their regular GP, based on the understanding, the Committee expects, that the Phillip Centre is a walk-in clinic that does not take appointments.

²⁵ Parking and Vehicular Access General Code, p20

²⁶ Minister for Health, Transcript of Evidence, 14 August 2008, p 47

²⁷ Minister for Health, Transcript of Evidence, 14 August 2008, p 47

²⁸ Submission no 10, Dianne Proctor, p 1

However, correspondence from Primary Health Care has assured patients that appointments with their preferred GPs will be available on request. Beyond the knowledge that this is the current arrangement the Committee makes no further comment.

Patient records

- 2.37 The Committee notes that not all doctor-patient interactions require the intimate relationship described above. In many instances a one off visit to a GP is adequate to address a particular problem. However, for patients with ongoing medical conditions, access to one's own medical records is of vital importance.
- 2.38 Not all patients of the Wanniasa Medical Centre will want to follow their doctor to the Phillip Medical Centre. Some patients will find alternative practices. For those patients that want to transfer to another GP, concerns have been raised over the accessibility of their patient records. This is of concern, particularly as increasing numbers of small practices close. Access to one's own records is a patient's right.²⁹
- 2.39 Anecdotal evidence from the Health Care Consumers of the ACT (HCCA) suggested that people have some difficulty accessing their medical records and that people were being charged 'hefty payments' to have their records released.³⁰ It was HCCA's view that:
- ...patients need to be assured that their full records will be made available to the GP of their choice if they choose to change provider.³¹
- 2.40 Patient records held by doctors and private hospitals are now accessible under the *national privacy principles* which were introduced by the *Privacy Amendment (Private Sector) Act 2000*. Principle 6 states that:
- If an organisation holds personal information about an individual, it must provide the individual with access to the information on request by the individual.³²

²⁹ *Privacy Act 1988* s16C and Privacy Principle no 6

³⁰ Health Care Consumers Association, Transcript of Evidence, 14 August 2008, pp 28–29

³¹ Health Care Consumers Association, Transcript of Evidence, 14 August 2008, p 29

- 2.41 The practitioner can charge a reasonable cost for providing this information. There are several grounds where access to personal information may be denied, including if provision of the information would pose a serious threat to the life or health of any individual. Access may also be denied to information acquired before 21 December 2001 and used or disclosed since that date if providing access would place an unreasonable administrative burden on the health organisation or cause the organisation unreasonable expense (*Privacy Act 1988 s 16C*).³³

RECOMMENDATION 5

- 2.42 **The Committee recommends that the ACT Government have discussions with the Australian Government with a view to exploring ways that patients can be assisted in receiving information about their rights in relation to accessing their medical records.**

Corporate Medicine

- 2.43 The action by Primary Health Care has raised community concern about the corporatisation of medical services and has prompted calls to address the role that corporations play in the provision of medical services in the ACT. The community response to this move has been one of outrage, that corporate profits are placed ahead of people's health.
- 2.44 It was suggested that that ACT Government had a role in regulating the presence of corporate companies in the ACT.³⁴ The Committee is of the view that the ACT Government is limited in intervening in the business practice of private companies as governance of corporations rest with the Australian Government. Section 51 (20) of the Constitution of Australia gives the Australian Government the 'power to make laws for the peace, order, and good government of the Commonwealth with respect to, [among other things]

³² National Privacy Principles, Principle 6, *Access and Correction*, viewed 20 August 2008, <<http://www.privacy.gov.au/publications/npps01.html#f>>

³³ Legal Services Commission of South Australia, *Law Handbook*, viewed 20 August 2008, <<http://www.lawhandbook.sa.gov.au/ch35s03s03s01.php>>

³⁴ Submission no 7, West Belconnen Health Cooperative Ltd, p 3

foreign corporations, and trading or financial corporations formed within the limits of the Commonwealth'.³⁵

- 2.45 As Dr Sharma rightly noted all general practices are private businesses, whether they are run by solo GPs, group practices or corporations.³⁶ The view of the ACTDGP is that:

Primary health medical care is delivered, and should continue to be delivered on a private business model with income and incentives offered to ensure the optimum use of evidence based care, and appropriate distribution of services to ensure equity of access.³⁷

- 2.46 The Committee acknowledges the concerns over the corporatisation of medical services, but also acknowledges that Primary Health Care is a legitimate business. There is a role for corporations to own medical centres, as has been demonstrated in the ACT by Symbion Health Limited owning both the Wanniasa Medical Centre and the Kippax Family Practice. These businesses, until recently have served their respective communities with little public complaint, to the knowledge of the Committee. While the ACT DGP regrets the closure of the Wanniasa Medical Centre and the circumstances around the closure, there is recognition that clinics need to be economically viable. Their submission states:

Large clinics such as that at Phillip need to be viable, and have an important role in providing services in "one stop shop settings" that demonstrably assist in taking pressure off the public hospital accident and emergency departments.³⁸

- 2.47 What is of concern to the Committee is the limitations on choice that patients have when their local medical centre is either closed down, relocated or amalgamated with other practices. As was noted earlier, this situation is not unique to medical centres owned by private companies. Compounding the problem is the workforce shortage of general practitioners in the ACT, the high

³⁵ *The Australian Constitution*, Section 51 (20)

³⁶ ACT Division of General Practice, Transcript of Evidence, 14 August 2008, p 4

³⁷ Submission no 8, ACT Division of General Practice, p 5

³⁸ Submission no 8, ACT Division of General Practice, p 5

costs of running a general practice and the pressure on general practitioners to meet the needs of their patients in these challenging times.

- 2.48 The Committee considers that addressing the shortage of GPs in the ACT, and increasing people's choices through the provision of alternative models of service delivery, will reduce the impact on patients of business decisions made by corporate owned medical centres. These issues are discussed in the next chapter.

3 GP WORKFORCE ISSUES

- 3.1 The ACT Division of General Practice (ACT DGP) estimates that there are 600 medical practitioners in the non-specialist category in the ACT.³⁹ ACT DGP notes in their submission to the inquiry:

Medicare Australia reported that for 2006-07 that there were 412 claiming doctors and these equated to only 226 FWE (Fulltime Weighted Equivalent). That is 54.8% of GP time is utilised in Medicare services compared to the national average of 70.07%. The same data also indicates that the ACT has only 66.8 FWE doctors per 100,000 of population compared the national average of 86.1 and the NSW average of 94.1. This represents a notional shortfall of nearly 60 doctors against the national average.⁴⁰

- 3.2 There are 330 doctors in private general practice with the remaining Medicare-claiming doctors most likely employed in public and sexual health clinics, community health services or in the Department of Defence.⁴¹ The Committee notes that there are also general practitioners working in research facilities in the ACT.
- 3.3 Of those doctors practicing in the ACT, Primary Health Care Limited employs a total of 34 general practitioners, just over 10 per cent: Ginninderra Medical Centre (14); Phillip Medical Centre (17); and Kippax Family Practice (3).⁴²
- 3.4 The 2006–2007 annual survey of Divisions of General Practice indicated the 330 GPs were working in 94 practices in the ACT. The survey also revealed that 56 per cent of those practitioners were women.⁴³ Only 24 of those practices were operated by solo practitioners.

³⁹ ACT Division of General Practice, Transcript of Evidence, 14 August 2008, p 2

⁴⁰ Submission no 8, ACT Division of General Practice, p 3

⁴¹ ACT Division of General Practice, Transcript of Evidence, 14 August 2008, p 2

⁴² Information provided by medical centres.

⁴³ Submission no 8, ACT Division of General Practice, p 3

- 3.5 General practices have steadily been moving away from single doctor practices to group practices. This is due, in part, to the high administration costs and heavy demands placed on GPs to complete paperwork and meet Australian Government requirements. The difficult conditions such as long hours of work and shortage of locums to take over a practice make it hard for solo practices. In 2006–2007 solo practices made up 8.2 per cent, practices with 2–4 GPs made up 35.7 per cent and practices with five or more GPs made up 56.1 per cent of practices across Australia. General practices with five or more GPs have more than doubled since 1999–2000.⁴⁴
- 3.6 Responding to the growing concern amongst Australian GPs about the burden of paperwork and other government requirements, the Productivity Commission commissioned a study on this matter. The report concluded that that the paperwork and compliance programs were significantly impacting on GPs.⁴⁵
- 3.7 As noted by the ACT DGP, understanding the drivers that motivate practising GPs 'away from traditional general practice to join larger corporate entities or move to salaried employment'⁴⁶ would assist in developing strategies to ensure that young graduates consider taking up careers in general practice.

Bulk-billing

- 3.8 The bulk-billing rate in the ACT has been significantly lower than throughout the rest of the country. One reason for this is the high costs associated with running a general practice that make it difficult for doctors to offer bulk-billing to their patients. The most common item that GPs claim through the Medicare Benefits Schedule is an Item 23 for a level B consultation. Medicare pays \$32.80 for this item and an extra \$8.20 if the patient has a Health Care Card.⁴⁷ The recommended fee set by the AMA for an Item 23 level B consultation is \$60.⁴⁸
- 3.9 Since the establishment of the Primary Health Care Medical Centres at Phillip and Belconnen in 2006, the rate of bulk-billing has increased significantly in the ACT. Medicare figures⁴⁹ show an increase in bulk-billing from 55.8 per cent

⁴⁴ Bettering the Evaluation and Care of Health, cited in Correspondence from Primary Health Care to patients of the Wanniasa Medical Centre

in 2004–2005 to 61.4 per cent in 2006–2007 and up to 63.3 per cent to March 2008. While these figures are still low, compared to the national average of 70.2 to 73.7 per cent for the same period, the ACT would not have experienced the significant increase without the services provided by Primary Health Care.

- 3.10 Despite arguments to the contrary, bulk-billing services in the ACT are highly sought after, as is demonstrated by the number of people accessing both the Phillip and Belconnen Medical Centres and enduring very long waiting periods to see a GP. The Minister noted that 20 per cent of the ACT community has accessed services through the two medical centres.⁵⁰ The Committee understands that some people would prefer, and are in the position, to pay for the service of their choice, but there are many people in the ACT community who do not have the luxury of this choice.

Communication

- 3.11 The Committee inquired as to whether the ACT Government could have played a greater role in preventing Primary Health Care from closing the Wanniasa Medical Centre. The Minister advised the Committee that there had been no regular communication between her office and Primary Health Care Limited. She had met with Dr Bateman, the Managing Director of Primary Health Care, about a year ago, but as an employer of GPs there had been no reason for additional meetings.⁵¹
- 3.12 Responding to questioning as to why the Minister had not initiated further meetings with Dr Bateman, the Minister advised that as the provision of GP services is a key issue in the ACT 'I meet with the Division of General Practice,

⁴⁵ Millward Brown, *General Practice Compliance Costs Qualitative Project - Topline Report* - Prepared For The: Productivity Commission, 2002, viewed 19 August 2008, <http://www.pc.gov.au/__data/assets/pdf_file/0006/18429/consultancy1.pdf>

⁴⁶ Submission no 8, ACT division of General Practice, p 5

⁴⁷ Submission no 5, Dr Tuck Meng Soo, p 1

⁴⁸ Information provided by the Australia Medical Association, 22 August 2008

⁴⁹ Medicare Australia, cited in Correspondence from Primary Health Care to patients of the Wanniasa Medical Centre

⁵⁰ Legislative Assembly, Questions without notice, 19 August 2008

⁵¹ Minister for Health, Transcript of Evidence, 14 August 2008, p 38

I meet with the AMA and I meet with a number of local GPs. I meet with anyone who wants to meet with me'.⁵² The Minister went on to explain:

He [Dr Bateman] is an employer of general practitioners and he runs two services here. I do not see him as a key stakeholder, if that is what you are asking. I negotiate and discuss and have regular meetings with key stakeholders which I would point to straightaway being the Division of General Practice and the AMA as representatives of general practitioners and doctors in the ACT.⁵³

- 3.13 The ACT Division of General Practice also reported no formal relationship with Primary Health Care despite many of the doctors employed by Primary Health Care also being members of the ACT DGP. ACT DGP advised the Committee that they would be seeking to initiate a relationship to 'see whether or not there is anything that we can offer or we can understand better from them'.⁵⁴
- 3.14 The Committee was advised of the collaborative work that was underway between the ACT DGP, the AMA and ACT Health, particularly in the area of after hours services, national and international GP recruitment campaigns, workforce analysis projects and working with the ANU medical school to provide a local supply of qualified practitioners.⁵⁵
- 3.15 The Committee notes the recent partnership between the ACT Government and the ACT DGP to attract and retain GPs in the ACT. The ACT Government has funded 0.5 (Full Time Equivalent) GP Marketing and Support Advisor at a cost \$281,000 over four years. The position was filled in May 2008 and will coordinate 'recruitment support for GPs and their potential employee(s) and to increase the profile of the Canberra region as a desirable location for GPs to work. The role also provides support and information for general practices trying to recruit GPs from interstate and overseas'.⁵⁶

⁵² Minister for Health, Transcript of Evidence, 14 August 2008, p 38

⁵³ Minister for Health, Transcript of Evidence, 14 August 2008, p 39

⁵⁴ ACTDGP, Transcript of Evidence, 14 August 2008, p 8

⁵⁵ Submission no 8, ACT Division of General Practice, p 2

⁵⁶ Submission no 8, ACT Division of General Practice, p 2

3.16 At the national level, the ACT Minister for Health has lobbied the Australian Government Health Minister to increase the number of funded GP training positions and to extend the *Area of Need* declaration to the whole of the ACT for international recruitment.⁵⁷

Service delivery models

3.17 GP services in the ACT are delivered through sole GP practices, group GP practices, corporate owned and managed medical centres, hospital emergency departments and the ACT Government after hours locum service, CALMS.

3.18 The Committee was advised of a model for delivering GP services within a cooperative community-based health and wellbeing centre. The centre is being developed by the West Belconnen Health Cooperative and is a partnership between community, business and government.⁵⁸

3.19 Some features of this model include:

- a one stop shop for GP Services, health promotion, early intervention, nurse practitioner, family support;
- low recurrent finding for government;
- designed for disadvantaged and under-serviced communities;
- bulk-billed services;
- appointments and adequate consultation time;
- good working conditions for GPs; and
- coordinated management administration by the cooperative which eases the GP workload in relation to paperwork and government compliance requirements.⁵⁹

⁵⁷ Submission no 8, ACT Division of General Practice, p 3

⁵⁸ Submission no 7, West Belconnen Health Cooperative, p 3

⁵⁹ Submission no 7, West Belconnen Health Cooperative, pp 3–4

- 3.20 The West Belconnen Cooperative advised the Committee that two thirds of the funding for this project had been secured and that negotiations were continuing with business and government to secure the remainder.⁶⁰
- 3.21 The Committee understands that the ACT Government has been supportive of this model. The Committee is keen to see diversity of service delivery models established in the ACT and considers that this community cooperative model has the potential to secure general practitioner services in areas of disadvantage and high need.
- 3.22 The ACT DGP also supports a range of service delivery models, stating:
...a rich range of service delivery options better supports emerging care needs and provides for innovation and diversity of ownership preventing the emergence of monopoly care providers as has been the trend in the area of radiology and pathology.⁶¹
- 3.23 The ACT Government has committed to establishing a number of 'Walk-in Centres' in the ACT to enable patients to access public health care from a number of locations. The 2008–2009 budget has allocated \$150,000 for a scoping study for these centres:
This initiative will provide for a scoping study into establishing extended hour primary care walk in centres staffed to improve access to primary care for patients who require episodic, non-ongoing care for minor illness, which is consistent with the principles and aims of the ACT Primary Health Care Strategy.⁶²
- 3.24 In the wake of the closure of the Wanniasa Medical Centre, the Minister for Health has indicated her intention to fast track the establishment of a nurse-led walk-in clinic in Tuggeranong.⁶³
- 3.25 Another option that was raised with the Committee was the introduction of salaried positions for GPs in the ACT. The Committee heard salaried positions

⁶⁰ Submission no 7, West Belconnen Health Cooperative, p 4

⁶¹ Submission no 8, ACT Division of General Practice, p 6

⁶² 2008–09 Budget Paper No.3, p 75

⁶³ ACT legislative Assembly, Questions Time, 19 August 2008

could take 'pressure off GPs who do not want to be spending their time running businesses but do want to be providing health care'.⁶⁴

3.26 As Mr McGowan explained:

There are many GPs who are choosing to work for a salary so that they are not saddled with those extra responsibilities and so that they have more freedom for family purposes, for travel, for career changes, for going overseas and for serving with Medecins Sans Frontieres or whatever. There is a whole range of younger doctors who want those freedoms.⁶⁵

3.27 The Committee understands that it is not a simple process for the ACT Government to establish salaried positions for GPs. There are limitations to accessing the Medicare Benefits Schedule rebates for bulk-billing clinics run by the ACT Government and the Government would need to examine the cost implications very carefully.⁶⁶

National Health and Hospitals Reform Commission

3.28 The National Health and Hospitals Reform Commission (NHHRC) was established in February 2008 to develop a 'long-term health reform plan for modern Australia'.⁶⁷ The Commission received over 450 submissions and in April 2008 released its first report *Beyond the Blame Game*. This report provides 'advice on the framework for the next Australian Health Care Agreements (AHCAs), including robust performance benchmarks in areas such as (but not restricted to) elective surgery, aged and transition care, and quality of health care'.⁶⁸

⁶⁴ Health Care Consumers Association, Transcript of Evidence, 14 August 2008, p 31

⁶⁵ Health Care Consumers Association, Transcript of Evidence, 14 August 2008, p 32

⁶⁶ Hansard Transcript, Questions without notice, 19 August 2008

⁶⁷ National Health and Hospitals Reform Commission, viewed 18 August 2008, <<http://www.nhhrc.org.au/>>

⁶⁸ National Health and Hospitals Reform Commission, viewed 18 August 2008, <<http://www.nhhrc.org.au/>>

- 3.29 The Commission is required to report by June 2009 on a long-term health reform plan to provide sustainable improvements in the performance of the health system that addresses the following:
- reduce inefficiencies generated by cost-shifting, blame-shifting and buck-passing;
 - better integrate and coordinate care across all aspects of the health sector, particularly between primary care and hospital services around key measurable outputs for health;
 - bring a greater focus on prevention to the health system;
 - better integrate acute services and aged care services, and improve the transition between hospital and aged care;
 - improve frontline care to better promote healthy lifestyles and prevent and intervene early in chronic illness;
 - improve the provision of health services in rural areas;
 - improve Indigenous health outcomes; and
 - provide a well qualified and sustainable health workforce into the future.⁶⁹
- 3.30 The Commission provides the ACT Government, and indeed any other interested parties, with a timely opportunity to raise the issues that have been highlighted by the actions of Primary Health Care and the role of corporations in the delivery of health services across Australia. The Committee is of the view that legislation regarding corporations and big business are best addressed at the national level.
- 3.31 The Australian Government Medicare Benefits Schedule has increasingly come under fire. As explained by Dr Tuck Meng Soo, a general practitioner in the ACT, under the Medicare system GPs are reimbursed at a lower rate the longer the consultation.⁷⁰ This fuels speculation about the '6 minute' consultation being the preference of corporate practices, as it maximises profits. The Health Care Consumers Association of the ACT also raised concerns about the Medicare rebate not being sufficient to remunerate general practices for their operating costs.⁷¹ With the Medicare rebate significantly less

⁶⁹ National Health and Hospitals Reform Commission, Terms of Reference, viewed 18 August 2008, <<http://www.nhhrc.org.au/internet/nhhrc/publishing.nsf/Content/terms-of-reference>>

⁷⁰ Submission no 5, Dr Tuck Meng Soo, p 1

⁷¹ Submission no 3, Health Care Consumers Association of the ACT, p 1

than the scheduled fees, as set by the AMA, it is hardly surprising that bulk billing rates are so low in the ACT. Any reforms to the Medicare Benefits Schedule must be considered by the Australian Government and the Committee considers that the National Health and Hospitals Reform Commission is the appropriate forum to raise these concerns.

RECOMMENDATION 6

- 3.32 **The Committee recommends that the ACT Government use the National Health and Hospital Reform Commission to raise concerns about the impact of Australian Government legislation on the provision of GP services in the ACT, with particular reference to the Medicare Benefits Schedule.**

4 CONCLUSION

- 4.1 The Committee considers the closure of the Wanniasa Medical Centre and in particular, the impact that this has had on the patients and residents of the Tuggeranong Valley to be unfortunate.
- 4.2 The Committee considers that addressing the work force issues and reducing the shortage of practising GPs in the ACT is the key to ensuring all ACT residents have access to appropriate and adequate medical services.
- 4.3 The Committee acknowledges the work done by the ACT Government in working with the ACT Division of General Practice to address the shortage of GPs.
- 4.4 The Committee considers that the corporatisation of medical services is a major issue and one that merits broad-ranging community debate. This matter may be an appropriate issue for further consideration for the next Assembly to take up with the Australian Government through the ACT Minister for Health.
- 4.5 The Committee wishes to thank all those who gave their time for this inquiry.

Karin MacDonald

Chair

25 August 2008

APPENDIX A: Public Hearing

Thursday 14 August 2008

- Minister for Health, Ms Katy Gallagher

- ACT Division of General Practice
 - Dr Rashmi Sharma, President
 - Mr Phil Lowen, Chief Executive Officer

- West Belconnen Health Co-operative
 - Mr Roger Nicoll, Chair

- Health Care Consumers Association of the ACT
 - Mr Russell McGowan, President

- Mr Roger Tall
 - Building Owner and Local Pharmacist

APPENDIX B: Submissions

1. Ms Anne Quinn
2. Mr Roger Tall
3. Health Care Consumers Association ACT Inc
4. Kid Essentials
5. Dr Tuck Meng Soo
6. Ms Pam Murphy
7. West Belconnen Health Cooperative Ltd
8. ACT Division of General Practice
9. Ms Sabine Kark
10. Ms Dianne Proctor OAM

APPENDIX C: Email from Mr Russell Tall

From: Roger Tall [rogertall@capitalchemist.com.au]
Sent: Thursday, 14 August 2008 5:37 PM
To: Concannon, Grace
Subject: Standing Committee on Health and Disability - Closure of Wanniasa Medical Centre

Grace Concannon
 Committee Secretary
 Legislative Assembly

Re: Standing Committee on Health and Disability Enquiry Into The Closure of the Wanniasa Medical Centre

Dear Ms Concannon

Further to our conversation of this afternoon I would like to place on the record my apologies for inadvertently responding to a question the answer to which I now acknowledge as being incorrect.

As one of the owners of the Wanniasa Medical Centre I was responding to questions regarding any contact I may have had with Primary Health Care and the Health Minister's office. When asked if there was any contact between myself and the Minister's office I replied in the negative.

Upon listening to Ms Gallagher's address to the Committee regarding the lease between Primary Health Care and the owners I instantly realized the error of my response referred to previously. I was aware that one of the pharmacists at Wanniasa had rung Ms Gallagher's office the day after the closure became public to make her aware of the situation, but I had not done so personally. I had spoken to Joy Burch, Labor candidate and organizer of the petition against the closure, a couple of days later and mentioned that it would be appreciated if the owners of the Wanniasa Centre could be involved in any discussions to try and stop the closure.

A couple of days subsequent to this I had a phone call to my home at night, who I now recall as identifying himself as an adviser to Ms Gallagher. We had a brief talk, mainly about the parking situation at Phillip, and he undertook to come back to me and also said he would take up the parking issue with Andrew Barr's office and ask them to contact me.

I heard nothing more for a couple of days until someone rang me asking if they could have a copy of the lease between Primary Health Care and the owners. This I readily agreed to and arranged for a copy to be collected from my office in Griffith in my absence. I thought it surprising that there was no follow up contact from this request.

I guess it now seems odd in hindsight that I could have forgotten those two contacts but in my defense I was responding to the Committee's question in the context of the reality that there had been no real face to face dialogue between myself and Ms Gallagher or her advisers along the lines of: 'What can we do collectively to address this disastrous situation?' It could also be argued that perhaps it was incumbent on me to contact Ms.Gallagher's office, but based on the comments attributed to Ms.Gallagher in the press it seemed to me that there was little that could be done from their perspective. This, as I indicated at the hearing, I found a little disappointing. I might also add that I have taken literally hundreds of calls over the past couple of weeks and keeping track of precisely who I have talked to is not easy.

Again, my sincerest apologies to the Committee for my error and please be assured that it was not my intention to mislead.

Roger Tall

14th August 2008