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JOINT MEDIA RELEASE

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A Healthier Medicare for chronically-ill patients

The Turnbull Government will revolutionise the way we care for Australians with chronic diseases and complex conditions – aiming to keep them out-of-hospital and living happier and healthier lives at home.

Our *Healthier Medicare* package is one of the biggest health system reforms since the introduction of Medicare 30 years ago.

Patients with multiple chronic conditions will get a health care package tailored to their needs and that care will then be co-ordinated to help them easily navigate the complex system.

As many as one-in-five Australians now live with two or more chronic health conditions.

The most prominent are diabetes, heart disease, cancer, mental health, eye disease, respiratory conditions and arthritis – requiring a range of health services from their GP through to specialists, nurses, pharmacists, physiotherapists, psychologists, dieticians and weight-loss programs.

This figure is even higher for Indigenous Australians, with a third reporting three or more long-term conditions.

Australians who are high users of the health system see as many as five different GPs per year – triple those with lower-use of the system. Seeing multiple GPs increases a patient's risk of poor healthcare co-ordination and their likelihood of falling through the cracks and ending up in hospital.

Half of all potentially avoidable hospital admissions in 2013/14 were attributed to chronic conditions. That is one every two to three minutes.

The primary care package will be trialled through creating 'Health Care Homes' that will be responsible for the ongoing co-ordination, management and support of a patient's care.

About 65,000 Australians will participate in initial two-year trials in up to 200 medical practices from 1 July 2017.

The Council of Australian Governments has discussed the benefits of primary care and the Prime Minister on Friday will invite state and territory leaders to partner with the Commonwealth on these reforms. We want to reduce the barriers patients face across fragmented health services, with the aim of keeping them well at home and out of hospital.

Simplifying a chronically-ill patient's care by allowing them to nominate one GP practice as their 'home base', in conjunction with other Turnbull Government reforms such as our new digital *MyHealth Record*, will empower patients to take better control of their own care.

It will also reduce potentially life-threatening and costly inefficiencies in our health system, including hospitals.

We will provide quality patient outcomes in Commonwealth-funded primary health care services for the chronically ill to keep more Australians healthier, happier and out-of-hospital.

The announcement is a core part of Government's response to our Primary Health Care Advisory Group review, released today and chaired by former Australian Medical Association President Steve Hambleton.

An extra \$21 million will be committed to support the rollout of trials. The remaining balance of the package is expected to be cost neutral, in line with PHCAG recommendations, with further evaluation to continue ahead of a national rollout.

If we don't act, Commonwealth health spending as a proportion of GDP will increase by over 50 per cent within 50 years because of higher rates of chronic disease.

Key Details

The Turnbull Government's primary health care reforms, as part of its *Healthier Medicare* package, will consist of:

- *Tailored patient care plans developed in partnership with patients and their families.*
- *The establishment of 'Health Care Homes', which will co-ordinate all of the medical, allied health and out-of-hospital services required as part of a patient's tailored care plan. Health Care Homes will be delivered by GP practices or Aboriginal Medical Services. Patients will be able to enrol with the Home of their choice.*
- *Payments for Health Care Homes will be bundled together into regular quarterly payments. This will encourage providers to be flexible and innovative in how they communicate and deliver care, and will ensure that the patient's health care needs are regularly monitored and reviewed. This signals a move away from the current fee-for-service model for these eligible patients, except where a routine health issue does not relate to their chronic illness.*
- *Improved use of digital health measures to improve patient access and efficiency, including the new MyHealth Record, telehealth and teleweb services, remote health monitoring and medication management technologies etc.*
- *A risk stratification tool to determine an individual patient's eligibility for the new packages.*

- *Stronger data collection, measurement and evaluation tools to allow a patient's individual progress to be measured and their care plan to be better tailored to their needs.*
- *The creation of a National Minimum Data Set of de-identified information to help measure and benchmark primary health care performance at a local, regional and national level to inform policy and help identify regionally-specific issues and areas for improvement.*
- *Processes to empower patients and their families to be partners in their own care and take greater responsibility for the management of their conditions.*
- *Greater co-ordination between Primary Health Care Networks (PHNs) and Local Hospital Networks (LHNs) in the planning and procurement of health services for their local communities.*
- *Additional training to care coordinators and providers so they are aware of their responsibilities under the new model.*
- *A Health Care Home implementation advisory group to oversee the design, implementation and evaluation of the trials ahead of the national rollout.*

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