

Medicare Urgent Care Clinics - Victoria

FEDERATION FUNDING AGREEMENT - HEALTH

Table 1: Formalities and operation of schedule

Parties	Commonwealth Victoria (VIC)																								
Duration	This Schedule is expected to expire on 30 June 2026.																								
Purpose	<p>This Schedule will support the delivery of 17 Medicare Urgent Care Clinics (Medicare UCCs) in VIC. The Medicare UCCs will be based in Ballarat, Frankston, Geelong, Heidelberg, Narre Warren, Shepparton, Prahran, Werribee, Inner Melbourne, Sunbury, Bendigo, Dandenong, Epping, Glen Waverley, Maribyrnong, Maroondah and Melton. Medicare UCCs will ease the pressure on hospitals and give Australian families more options to see a healthcare professional when they have an urgent but not life-threatening need for care. All Medicare UCCs will provide free services, be open during extended business hours and accept walk-in patients.</p> <p>VIC, in partnership with a third party provider, will establish and oversee Medicare UCCs in locations agreed with the Commonwealth.</p> <p>VIC will ensure health system integration of Medicare UCCs, working closely with partner hospitals, Primary Health Networks (PHNs) and Local Health Networks (or equivalent), and work with the Commonwealth Department of Health and Aged Care to monitor and support Medicare UCC operations, including compliance and contractual requirements.</p> <p>This Schedule reflects the additional support offered by the Australian Government on 12 August 2024 for Victorian Medicare UCCs and state funded Priority Primary Care Centres (PPCCs) which operate in parallel with the Medicare UCC program. The funding for PPCCs will support extended hours of operation and is only for 2024-25.</p>																								
Estimated financial contributions	<p>The Commonwealth will provide an estimated financial contribution to VIC of \$88.3 million in respect of this Schedule. The Commonwealth's estimated financial contributions to the operation of this Schedule are shown below.</p> <table border="1"> <thead> <tr> <th>Table 1 (\$ million)</th> <th>2022-23</th> <th>2023-24</th> <th>2024-25</th> <th>2025-26</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>5.192</td> <td>10.063</td> <td>37.781</td> <td>35.296</td> <td>88.332</td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td>5.192</td> <td>10.063</td> <td>37.781</td> <td>35.296</td> <td>88.332</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> <td>0.000</td> </tr> </tbody> </table>	Table 1 (\$ million)	2022-23	2023-24	2024-25	2025-26	Total	Estimated total budget	5.192	10.063	37.781	35.296	88.332	<i>Less estimated National Partnership Payments</i>	5.192	10.063	37.781	35.296	88.332	Balance of non-Commonwealth contributions	0.000	0.000	0.000	0.000	0.000
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Additional terms	<p><u>Project Output</u></p> <p>The output of this Schedule will be the delivery of 17 Medicare UCCs and support provided to the clinics. The Parties have agreed that Medicare UCCs will be:</p> <ul style="list-style-type: none"> • Based in existing GP clinics, community health centres, or Aboriginal Community Controlled Health Services • Operating in extended business hours and accept walk-in patients • Bulk-billed resulting in no out-of-pocket costs to the patient • Flexible and diverse, responding to the needs of the local community • High quality, safe and effective • Provide treatment for conditions that do not require a hospital admission such as broken bones, minor wounds, and minor burns. <p>This Schedule also provides funding support for 12 Victorian PPCCs in 2024-25 to operate extended hours. The Commonwealth has already invested in state-funded urgent care services, including PPCCs in Victoria, under the Medicare UCC program by granting exemptions to subsection 19(2) of the <i>Health Insurance Act 1973</i> allowing these clinics to bill the Medicare Benefits Schedule (MBS) in addition to being in receipt of grant funding. In 2024-25, the Commonwealth agreed to a reallocation of funding under the Strengthening Medicare package to ensure continued service delivery of Victorian PPCCs. Parties agree that top-up funding for Victorian PPCCs beyond 30 June 2025 will not be the responsibility of the Commonwealth.</p> <p>The Parties have agreed to an approach to data, monitoring and evaluation that has been developed by the Commonwealth and jurisdictions. The key goals of Medicare UCCs are as follows:</p> <ul style="list-style-type: none"> • Medicare UCCs will improve access to urgent care in non-hospital settings, particularly for vulnerable groups (including people with a disability, First Nations people and people from culturally and linguistically diverse communities). This includes the aim of changing consumer behaviour when considering options for appropriate care for urgent conditions that are not immediately life-threatening. • Medicare UCCs will reduce the demand on Emergency Department (ED) in partner hospitals by providing patients with short term, episodic care for urgent conditions that are not immediately life-threatening. • Medicare UCCs will support integration with existing local health services and complement general practice. <p>The Parties have agreed that Medicare UCCs will support people to connect to pathways of care with the broader health system, including ensuring referrals back to a patient's regular GP or care provider to ensure that the patient receives continuity of care. All referral pathways into and out of the UCC should be driven by local need and co-designed with relevant stakeholders to ensure connectivity to existing community health services, GPs, non-government sector, state and territory funded services, hospital and ambulatory services and other support services.</p> <p>The Parties have jointly developed and agreed on measures of success, underpinned by associated data sources which will ensure a shared view of what Medicare UCCs will aim to achieve and guide the approach to evaluation, to be led by the Commonwealth.</p>
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The Parties have jointly developed and agreed on Operational Guidance for Medicare UCCs which specifies the minimum standard for activity, infrastructure and staffing of a Medicare UCC, while acknowledging that the specific operating model of clinics will vary across locations and is dependent on local conditions including workforce availability.

The Parties have agreed that Medicare UCCs will be funded by the Commonwealth through both block funding (which VIC will receive under this Schedule) and Medicare UCCs will have the ability to bill relevant Medicare Benefits Schedule (MBS) items. The funding model will be facilitated through a Medicare UCC specific exemption to subsection 19(2) of the *Health Insurance Act 1973* (the Act).

Roles and Responsibilities of Each Party

Role of the Commonwealth

The Parties agreed that the Commonwealth (in addition to the roles outlined in the Federation Funding Agreement (FFA) – Health), will be responsible for:

- Monitoring and assessing achievement against milestones in the delivery of projects under this Schedule to ensure that outputs are delivered within the agreed timeframe;
- Providing a consequent financial contribution to VIC as outlined in this Schedule to fund the establishment and operation of 17 Medicare UCCs, inclusive of one-off upfront equipment costs (where applicable), ongoing operational costs, and non-labour costs;
- Data management responsibilities will include entering into a Data Sharing Agreement with the Medicare UCC for extraction of data from Patient Management Software. The Department of Health and Aged Care will be the data custodian of this data.
- Preparing and supporting data extraction and/or collection directly from the Medicare UCCs to the Department of Health and Aged Care.
- Provide regular data to VIC to improve clinic service and manage ongoing health planning in line with the finalised Data Sharing Agreement with VIC.
- Assessing Medicare UCC locations against the agreed Medicare UCC definition and assessment criteria to resolve if a clinic should be awarded a (*Health Insurance Medicare Benefits Payable in Respect of Professional Services – Commonwealth Urgent Care Clinic Program*) Direction from subsection 19(2) of the Act. The provision of this exemption also includes:
 - Providing dedicated separate Medicare UCC provider numbers to eligible clinicians for each Medicare UCC to ensure access to the MBS for specified MBS items;
 - Supporting participating locations and jurisdictions to understand their responsibilities in relation to adhering to a granted subsection 19(2) Direction and provide relevant advice and education.
- Considering alternative arrangements for Medicare UCC operators that may be subject to an existing subsection 19(2) Direction (for example, Medicare UCCs established within remote community clinics or Aboriginal Community Controlled Health Services) and working across agencies to ensure appropriate access to the MBS in these instances.
- Leading the national evaluation of the Medicare UCC program in consultation with VIC and in line with the Senior Officials Advisory Group agreed measures of success.

Role of VIC

The Parties agree that VIC (in addition to the roles outlined in the FFA – Health), will be responsible for delivering on project outputs set out in this Schedule, including the delivery of 17 Medicare UCCs in locations agreed with the Commonwealth.

The Parties acknowledge that VIC will enter agreements with a third-party provider to deliver Medicare UCCs. In partnership with a third-party provider, VIC will:

- take all reasonably necessary steps to ensure that UCCs have clinical governance protocols in place and are providing care that is high quality, safe and effective.
- ensure Medicare UCCs adhere to Commonwealth guidelines and requirements for Medicare UCCs, including the UCC Design Principles, UCC Operational Guidance (published on the Department of Health and Aged Care Website), data sharing agreements and subsection 19(2) Directions;
- seek agreement from the Commonwealth if Medicare UCCs are unable to meet the full scope of the UCC Operational Guidance (e.g. extended opening hours), including agreement from the Commonwealth of interim operating arrangements.
- ensure Medicare UCC staff undertake any required training as specified by the Commonwealth.

VIC will:

- advise the Commonwealth of relevant details for each agreed Medicare UCC location to facilitate the provision of accurate subsection 19(2) Directions.
- administer and manage contracts with third party providers who will commission Medicare UCC providers.
- provide funding to PHNs to support Medicare UCCs including to undertake communications activities, data collection and support, development of care pathways, and support broader system integration.
- work in collaboration with PHNs to support integrated patient pathways between EDs, Medicare UCCs and other health care services and regularly review the pathways to ensure they remain appropriate and working effectively.
- supporting accessibility of Medicare UCCs for priority populations as identified by the Commonwealth.
- report relevant data to the Department of Health and Aged Care in accordance with data reporting requirements (as governed by the VIC Data Sharing Agreement) and supporting clinic adherence to data collection processes.
- timely reporting to the Department of Health and Aged Care on compliance, management or safety issues and any other notifiable changes as specified within the Medicare UCC Summary of Commissioner Reporting and Notifications to the Commonwealth.
- participating in the Commonwealth-led evaluation of Medicare UCCs including through the provision of requested relevant information (such as patient experience surveys or case studies) and supporting individual Medicare UCCs to provide such information.

- ensuring Medicare UCCs participate in national communications activities and adhere to Commonwealth branding requirements, including maintaining an accurate online presence (including a website) and each Medicare UCC being exclusively Commonwealth branded; and
- report on the delivery of outputs (project milestones, reporting and payments) as set out in Table 2A.
- operate and deliver health services for the 12 Victorian PPCCs in 2024-25 consistent with Victorian Government requirements.

Shared Roles

The Parties agree that the Commonwealth and VIC (in addition to the roles outlined in the FFA – Health), will be jointly responsible for agreeing State-specific projects and implementation arrangements under this Schedule.

Both Parties will support communications campaigns to inform consumer behaviour change and encourage patients to present appropriately at Medicare UCCs.

The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Schedule, and that the roles of both Parties will be acknowledged and recognised appropriately.

While the Department of Health and Aged Care will provide subsection 19(2) Directions and support the provision of Medicare UCC flagged provider numbers, both Parties will ensure that Medicare UCCs are operating in accordance with requirements under the associated Medicare UCC Direction.

The Parties agree that the Commonwealth and VIC will be jointly responsible for privacy controls and appropriate data governance in accordance with the Privacy Act 1988 and relevant state-based privacy legislation. These responsibilities will be outlined in the Commonwealth and Medicare UCC Data Sharing Agreements. In addition, both parties must ensure patients at Medicare UCCs are provided with the Commonwealth's privacy policy and patient consent forms (to complete) every time patients present at a UCC.

The Parties note that the Commonwealth has undertaken a Privacy Impact Assessment (PIA) for the current terms of data collection. Recommendations identified through the PIA have been actioned and/or adhered to where appropriate and reasonable by both the Commonwealth and VIC. The Parties agree that any significant changes made to data collection processes in the future will need be considered again by the Commonwealth and VIC and the PIA may need to be updated.

Financial Arrangements

In addition to the financial arrangements as outlined in the FFA – Health, it should be noted that the Commonwealth's funding contribution does not include additional Commonwealth contributions of MBS billings which will be demand driven and paid separately to Medicare UCCs through the existing MBS payment mechanism.

VIC are unable to seek or utilise funding under the National Health Reform Agreement (NHRA) for the purpose of delivering Medicare UCCs. The

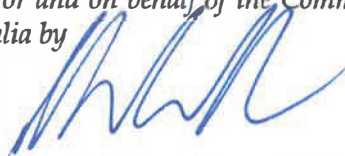
	<p>Commonwealth will not fund patient services under the NHRA if the same service, or any part of the service, is funded through an existing Commonwealth program including the MBS (see clause A9 and A10 of the 2020-2025 Addendum), and VIC will ensure appropriate records are maintained.</p>
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Table 2A: Victoria – Performance requirements, reporting and payment summary			
Output	Performance milestones	Report due	Payment
Operation of Medicare UCCs in the following locations: Ballarat, Frankston, Geelong, Heidelberg, Narre Warren, Shepparton, South Melbourne/Prahran, Werribee. Planning for Medicare UCCs in Inner Melbourne and Sunbury.	Execution of Project Agreement, participation in Medicare UCC governance arrangements, establishment of data sharing agreement, commencing establishment of Medicare UCCs.	30 June 2023	\$5,192,000 (Complete)
Provision of services through the Medicare UCCs	The establishment and the provision of services through the Medicare UCCs for the period 1 July 2023 to 31 March 2024	1 May 2024	\$10,063,000 (Complete)
Establishment and operation Medicare UCCs in the following locations: Bendigo, Dandenong, Epping, Glen Waverley, Maribyrnong, Maroondah and Melton	Establishment and operation of Medicare UCCs in the agreed locations and in accordance with the Additional Terms including execution of funding agreements with existing UCC providers through to 30 June 2026	1 October 2024	\$19,435,000
Extended hours of operation of 12 Victorian PPCCs in 2024-25.	Execution of funding agreements with PPCC providers through to 30 June 2025 and evidence of extended hours of operation.	1 November 2024	\$2,074,000
Provision of services through the original ten Medicare UCCs (Ballarat, Frankston, Geelong, Heidelberg, Narre Warren, Shepparton, South Melbourne/Prahran, Werribee, Inner Melbourne and	The provision of services through the Medicare UCCs for the period 1 April 2024 to 31 March 2025 and in accordance with the Additional Terms.	1 April 2025	\$16,272,000
	The provision of services through the Medicare UCCs for the period 1 April 2025 to 31 March 2026 and in accordance with the Additional Terms.	1 April 2026	\$35,296,000

Sunbury). Provision of services through seven additional Medicare UCCs (Bendigo, Dandenong, Epping, Glen Waverley, Maribyrnong, Maroondah and Melton).	The provision of services through the Medicare UCCs for the period 1 April 2026 to 30 June 2026 and in accordance with the Additional Terms.	1 August 2026	N/A
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The Parties have confirmed their commitment to this schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Mark Butler MP
Minister for Health and Aged Care

23 / 01 / 2024

Signed for and on behalf of the State of Victoria by



The Honourable Mary Anne Thomas MP
Minister for Health, Health Infrastructure and Medical Research

21/2 / 2024