

# Medicare Urgent Care Clinics - Victoria

## FEDERATION FUNDING AGREEMENT - HEALTH

<b>Table 1: Formalities and operation of schedule</b>																									
<b>Parties</b>	Commonwealth Victoria																								
<b>Duration</b>	This Schedule is expected to expire on 30 June 2026.																								
<b>Purpose</b>	<p>This Schedule will support the delivery of Medicare Urgent Care Clinics (Medicare UCCs) in Victoria (VIC).</p> <p>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 (LHNs) (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>																								
<b>Estimated financial contributions</b>	<p>The Commonwealth will provide an estimated financial contribution to VIC of \$48.1 million in respect of this Schedule. The Commonwealth's estimated financial contributions to the operational of this Schedule are shown below.</p> <table border="1"> <thead> <tr> <th><b>Table 1</b> <b>(\$ million)</b></th> <th><b>2022-23</b></th> <th><b>2023-24</b></th> <th><b>2024-25</b></th> <th><b>2025-26</b></th> <th><b>Total</b></th> </tr> </thead> <tbody> <tr> <td><b>Estimated total budget</b></td> <td><b>5.192</b></td> <td><b>10.063</b></td> <td><b>16.272</b></td> <td><b>16.548</b></td> <td><b>48.075</b></td> </tr> <tr> <td><i>Less estimated National Partnership Payments</i></td> <td><b>5.192</b></td> <td><b>10.063</b></td> <td><b>16.272</b></td> <td><b>16.548</b></td> <td><b>48.075</b></td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td><b>0.000</b></td> <td><b>0.000</b></td> <td><b>0.000</b></td> <td><b>0.000</b></td> <td><b>0.000</b></td> </tr> </tbody> </table>	<b>Table 1</b> <b>(\$ million)</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>Total</b>	<b>Estimated total budget</b>	<b>5.192</b>	<b>10.063</b>	<b>16.272</b>	<b>16.548</b>	<b>48.075</b>	<i>Less estimated National Partnership Payments</i>	<b>5.192</b>	<b>10.063</b>	<b>16.272</b>	<b>16.548</b>	<b>48.075</b>	Balance of non-Commonwealth contributions	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
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<b>Additional terms</b>	<p><b><u>Project Output</u></b></p> <p>The output of this Schedule will be the delivery of 10 Medicare UCCs and support provided to the clinics. Medicare UCCs will be:</p> <ul style="list-style-type: none"> <li>• Based in existing GP clinics, community health centres, or Aboriginal Community Controlled Health Services</li> <li>• Operating in extended business hours and accept walk-in patients</li> <li>• Bulk-billed resulting in no out-of-pocket costs to the patient</li> <li>• Flexible and diverse, responding to the needs of the local community</li> <li>• High quality, safe and effective</li> <li>• Provide treatment for conditions that do not require a hospital admission such as broken bones, minor wounds, and minor burns.</li> </ul>																								

An approach to Data, Monitoring and Evaluation has been developed by the Commonwealth and jurisdictions. The key goals of Medicare UCCs are as follows:

- 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 (CALD) 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.

It is expected 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.

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.

The Parties have jointly developed and agreed on Operational Guidance for Medicare UCCs (the Guidance) 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.

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 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 for two Medicare UCCs and operation of eight Medicare UCCs, inclusive of one-off upfront equipment costs, ongoing operational costs, and non-labour costs;
- Preparing and supporting data extraction and/or collection from agreed upon entity, with the data custodian to be agreed separately between the Parties.

- The Department of Health and Aged Care will:
  - Enter into a data sharing agreement with VIC that will identify the level and frequency of data provided to VIC to improve clinic service and manage ongoing health planning;
  - Assist in Medicare UCC data analysis and linkage where appropriate, to assess the impact of the Medicare UCCs on hospitals and understand patient pathways associated with the Medicare UCCs.
- Assessing Medicare UCC locations against the agreed Medicare UCC definition and assessment criteria to resolve if a clinic should receive an exemption from subsection 19(2) of the *Health Insurance Act 1973*. The provision of this exemption also includes:
  - Providing dedicated provider numbers to Medicare UCC clinicians for each location to ensure access to MBS is limited to Medicare UCC appropriate Medicare Billing items
  - Supporting participating locations and jurisdictions to understand their responsibilities in relation to Medicare UCC requirements and provide relevant advice and education.
- Working with VIC to identify and treat clinic non-compliance of Medicare UCC requirements in accordance with the Department of Health and Aged Care's compliance guidelines.
- Developing a national plan to evaluate Medicare UCCs the Senior Officials Advisory Group (SOAG) agreed measures of success.
- Finalising, in collaboration with VIC, the national evaluation of the Medicare UCC program to determine if the aims and objectives have been achieved and to inform future policy reform.

#### **Role of VIC**

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 10 Medicare UCCs in locations agreed with the Commonwealth.

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.
- take all reasonably necessary steps to ensure clinics adhere to Commonwealth guidelines for UCCs, including the UCC design principles, UCC operational guidance, data sharing agreements and compliance;
- identify and notify the Commonwealth of significant contractual noncompliance within 10 business days.
- facilitate specific localised training for clinic staff in adherence with the Commonwealth guidance including (but not limited to):
  - Refresher clinical training where appropriate and necessary in accordance with "Section 7: Staffing" of the Commonwealth operational guidance; and
  - Specified mandatory training for clinical and administrative staff intended to ensure appropriate, accessible and equitable delivery of services for priority populations (as defined in the Commonwealth onboarding pack).

VIC will;

- advise and seek approval from the Commonwealth prior to any change in agreed Medicare UCC locations.
- 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 Emergency Departments, Medicare UCCs and other health care services and regularly review the pathways to ensure they remain appropriate and working effectively. This includes supporting clinics to establish specific referral pathways for priority populations as identified by the Commonwealth.
- report relevant data to the Department of Health and Aged Care in accordance with data sharing agreements and as endorsed by National Cabinet, Health Ministers and the Medicare UCC SOAG, including
  - monthly ED hospital data for partner hospitals, aggregated by triage category and outcome of presentation.
  - contract compliance and safety reporting around workforce capability, complaints and adverse events to inform the Department of Health and Aged Care as soon as practicable of management and safety issues which could detrimentally impact Medicare UCCs service offering and patient safety.
- participate in the Commonwealth-led evaluation of Medicare UCCs including through the provision of requested relevant data (where reasonable and practical) and support individual Medicare UCCs to provide such data; and
- report on the delivery of outputs (project milestones, reporting and payments) as set out in Table 2A.

#### **Shared Roles**

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.

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 ss19(2) Directions and separate Medicare UCC flagged provider numbers, both Parties will ensure that Medicare UCCs are operating in accordance with the associated Medicare UCC definition and assessment criteria outlined as part of this Direction.

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 Data Sharing Agreements.

The Commonwealth will undertake a Privacy Impact Assessment (PIA). Recommendations identified through the PIA will be actioned and/or adhered to where appropriate and reasonable by both the Commonwealth and the VIC. A copy of the PIA, along with the Department of Health and Aged Care response to the recommendations, will be provided to VIC.

The Commonwealth, VIC and PHNs will support communications campaigns to inform consumer behaviour change and encourage patients to present appropriately at Medicare UCCs.

**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 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 Medicare Benefits Schedule (MBS) (see clause A9 and A10 of the 2020-2025 Addendum).

**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
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
	The provision of services through the Medicare UCCs for the period 1 April 2024 to 31 March 2025	1 May 2025	\$16,272,000
	The provision of services through the Medicare UCCs for the period 1 April 2025 to 31 March 2026	1 May 2026	\$16,548,000

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

28 May 2023  
June

*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

27 June 2023