

Australian General Practice Alliance

2023 Chair's Annual Report

The Australian GP Alliance (AGPA) was registered on 20 October 2016 and is now seven years old. We have become an important vehicle to represent the views of GP Practice Owners, working alongside and independently of the larger advocacy groups.

The 2022/23 year has been busy for the AGPA and many General Practices. It saw a large-scale move towards private billing as successive governments' long-term underfunding of the MBS and the increasing costs of primary health care delivery coincided, forcing decisions to move away from large-scale bulk billing. The determination by State Revenue Offices in eastern Australia to charge Payroll tax on Medical professional fees has created significant uncertainty for Practices and contributed to the decline in bulk billing. The May budget announcement of increased bulk billing incentives to halt this trend was probably a case of "too little too late" for urban Practices but may help in regional and remote areas.

Declining bulk billing and GP shortages have also seen State Governments elect to extend limited prescribing rights for Pharmacies and introduce federally funded "free" clinics across major metropolitan areas of Australia. The lack of interest in General Practice or the shortages of GPs and the parlous state of Practice incomes due to the long-term underfunding of Medicare that was seen at the 2022 election appears to be continuing, making the need for AGPA to advocate for Practices in difficult times even more necessary.

The strategic plan of the AGPA lists four key areas where we focus our efforts: Advocacy, Practice Support, Practice Continuity, and the continued existence and viability of the AGPA.

Advocacy

As a small organisation, we use our limited resources to focus on only a few major issues.

Payroll Tax

AGPA has been tracking the Payroll tax issue almost since the organisation's inception. As the steps towards the imposition of Payroll Tax have been taken, we have sought to advise our members via our newsletters and via webinars. Over the last year, we have actively advocated for the Payroll Tax issue, particularly in Victoria where AGPA Directors Dr Mukesh Haikerwal and Dr Sarah Lewis have taken prominent roles in the campaign. This is an ongoing issue with the capacity to impact the viability of Practices, particularly if SROs apply taxes retrospectively. The AGPA has made submissions to the Victorian, NSW, Queensland and ACT Governments.

Pathology Rents

This has been a long-standing issue for General Practice, with the pathology market dominated by three major corporates and an ongoing campaign to reduce their costs by lowering rents to co-locate collection centres with GP Practices. These rents have become an essential component of the income streams contributing to the viability of practices.

In February 2021, the Commonwealth (Chief Executive Medicare) instituted civil proceedings against Specialist Diagnostic Services (SDS) (Healius) in the Federal Court regarding two Approved Collection Centres (ACC) in NSW. We understand that this case will be used to test the regulations and their interpretation. In August 2023 SDS pled guilty to the charge. Valuations used in the case appeared to be based on base commercial rents, not the site's market value as an ACC.

In February 2023, Australian Clinical Labs (ACL) made a bid to acquire Healius. If successful, two companies will effectively control over 85% of the ACCs. AGPA's concerns are the ability to use a tender process to establish market rents where there is reduced competition and the potential for impact on the quality and timeliness of pathology services. The Australian Competition and Consumer Commission (ACCC) is reviewing the proposed acquisition. AGPA has made submissions to the ACCC and has had several meetings to support these submissions. AGPA is currently seeking GPs who experience arbitrary alteration of rents during COVID and are prepared to appear as lay witnesses for the ACCC in the event of legal action.

Primary Care Implementation Group (PCIG)

Following the reduced emphasis on managing COVID as a pandemic, the PCIG has been wound up. This was a key platform for AGPA to have the voice of GP Practices heard during the COVID Pandemic. The AGPA representatives since 2021 have been Dr Maria Boulton, and Dr Bernard Shiu.

PHCQ SHECC- Primary Health Care Queensland

The AGPA continues to be represented on the PHCQ by AGPA Director Dr Kevin Arlett.

Public Advocacy

AGPA Directors were very active in the media and social media during the year, particularly on the issue of Payroll Tax, but also commenting on other matters, including the changes to bulk billing incentives and other issues associated with GP shortages and the continued trend towards private billing. In particular, Dr Mukesh Haikerwal has regularly appeared on various ABC forums, and Dr John Deery has also appeared regarding the impact of the payroll tax. We have raised issues on Facebook and Twitter. We have successfully used this media activity to advocate for and raise the profile of General Practice and the AGPA's profile.

Practice Support and Continuity

Our Practice Support and Continuity program focuses on the business of General Practice, recognising that this vehicle provides primary healthcare infrastructure that facilitates the high-quality primary healthcare Australians generally enjoy.

The primary vehicle for practice support continues to be via our webinar series and GP Peer discussion groups.

Webinar topics covered during the last financial year and early in the current financial year have included:

- Transition to Private Billing
- The New CPD System- Making it Work
- Payroll Tax – Another View (our fourth webinar on this subject)

All webinars are recorded and once edited are available on the AGPA website for members to view.

These are a key part of the AGPA program and it is our intention to continue this program of practice support webinars into the future. All members are very welcome to suggest topics that they would like to see covered.

The Peer Discussion Groups are small groups of GP owners (less than 10 per group) with similar experience backgrounds bringing issues of concern to the group for discussion. The concept appears to be very successful, and there is scope to extend the program to have more groups. This program has been very successful, but the impost on the volunteer facilitators is significant, so we are reviewing our approach. We see this is as an important component of our Practice support program and we are very keen to continue with these groups.

Continuity of AGPA

Without representation Principal Led General Practice will continue to be the low-hanging fruit for other health related businesses seeking to improve their own business models.

The level of influence that we can have depends on the number of Practices (and GPs) that we represent and the funds that we can use to press our case. Therefore, membership numbers are a vital issue for us, both as an issue of credibility and influence and to provide the funds to allow us to operate.

As part of a process to lift the profile of AGPA, we attended the 2023 RACGP Practice Owners conference in Adelaide. The AGPA was ably represented by AGPA Directors Dr Richard Barker and Dr Craig Richards. This resulted in several membership applications and a lift in the profile of the AGPA in a relevant forum. The Board has agreed to investigate attending future conferences.

I encourage all members to use the forums they frequent to promote membership of AGPA to other Practice Principals, to contact board members to discuss issues where you would like representation and to advise ways to improve our organisation.

Conclusion

The AGPA Board has had a number of changes in 2022 and 2023. The 2022 AGM saw the appointment of Dr Craig Richards and Dr Richard Barker. In August 2023 Dr Jared Dart resigned and Dr Sarah Lewis was appointed to fill the casual vacancy that occurred. Dr Brenda Murrison is resigning from the Board at this AGM. Jared and Brenda both joined the Board at the 2020 AGM and have been key parts of the AGPA Board helping to provide information that has informed our policy and actively seeking out and lobbying State and Federal politicians on behalf of the AGPA and Practice owners. I thank them both for their counsel and contributions to AGPA and General Practice.

I also thank the ongoing board members for their efforts during the past year. Like all GPs they run busy practices, and many have multiple roles representing GP interests with more than one organisation. I am greatly appreciative of their time commitments and support in progressing AGPA and confronting the issues faced by Principal Led General Practices.

Dr John Deery