



21 December 2022

Australian National Audit Office
GPO Box 707
Canberra ACT 2601
Submitted via the ANAO website

To Whom It May Concern

RE: Administration of the Community Health and Hospitals Program

The Royal Australian College of General Practitioners (RACGP) welcomes the opportunity to provide a submission to the Australian National Audit Office's (ANAO) audit of the administration of the Community Health and Hospitals Program (CHHP).

The RACGP is Australia's largest professional general practice organisation, representing more than 43,000 members working in or towards a career in general practice including four out of five general practitioners (GPs) in rural Australia.

The RACGP sets and maintains the standards for high-quality general practice care in Australia and advocates on behalf of the general practice discipline. As a national peak body, our core commitment is to support GPs to address the primary healthcare needs of the Australian population.

Feedback regarding administration of the Community Health and Hospitals Program

We consider the CHHP to be a missed opportunity to inject essential funding into general practice, which is a sector in crisis. As noted in the RACGP's recently published [General Practice Crisis Summit White paper](#), decades of significant underfunding and cost-cutting has left general practice on the brink of collapse. Almost half of practising GPs have indicated that it is no longer financially sustainable for them to continue working in general practice.¹ The proportion of bulk billed GP services has dropped for the first time in almost two decades², and experts predict a shortfall of 11,392 GPs, or almost 28% of the general practice workforce, by 2032.³ Medical student interest in general practice as a career is now at a low of just 13.8%.⁴

Evidence shows that a well-supported general practice sector will result in efficiencies for primary and secondary care and the broader healthcare system.^{5,6,7}

A [fact sheet](#) on the CHHP released as part of the 2019-20 federal budget stated the following:
*The CHHP will tackle pressing health issues by addressing local service gaps and funding new and existing facilities. The Government will partner with communities, states and territories, health and hospital services and research institutions to provide additional funding in four key areas – specialist hospital services such as cancer treatment, rural health and hospital infrastructure; drug and alcohol treatment; **preventive, primary and chronic disease management**; and mental health. Projects will be delivered through Primary Health Networks, targeted grant funding, and transfer payments to states and territories.*



In reality, it appears that very few, if any, of the [projects](#) funded helped to support patients to access essential services from their regular GP/practice, which is where the majority of preventive, primary care and chronic disease management occurs (and should be encouraged to occur). Instead, much of the funding was directed to hospitals.

The RACGP considers this program to be another example of ad-hoc, piecemeal funding which could potentially duplicate services, create inefficiencies, and fragment care by directing funds towards more expensive secondary and tertiary health services.

For the ANAO's reference, the RACGP's [Vision for general practice and a sustainable healthcare system](#) is a framework for excellence in healthcare and provides the solution to address a range of issues and pressures currently facing the Australian healthcare system.

Please contact Ms Michelle Gonsalvez, National Manager – Policy and Advocacy, on (03) 8699 0490 or via michelle.gonsalvez@racgp.org.au if you have any questions or comments regarding this submission.

Yours sincerely

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RACGP President

References

¹ The Royal Australian College of General Practitioners. General Practice: Health of the Nation 2022. East Melbourne, Vic: RACGP, 2022.

² Department of Health and Aged Care. Statistics under Medicare – Annual Medicare Statistics. Canberra: DoHAC, 2022. Available at www1.health.gov.au/internet/main/publishing.nsf/Content/Medicare%20Statistics-1

³ Deloitte Access Economics. General practitioner workforce report 2022. Sydney: Deloitte, 2022.

⁴ Medical Deans Australia and New Zealand. National data report 2022. Sydney: Medical Deans, 2022.

⁵ Baird B, Reeve H, Ross S, et al. Innovative models of general practice. London: The King's Fund, 2018.

⁶ Sripa P, Hayhoe B, Garg P, Majeed A, Greenfield G. Impact of GP gatekeeping on quality of care, and health outcomes, use, and expenditure: A systematic review. Br J Gen Pract 2019;69(682):e294–303.

⁷ Southey G, Heydon A. The Starfield Model: Measuring comprehensive primary care for system benefit. Health Manage Forum 2014;27(2):60–64.