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Special Commission of Inquiry into Healthcare Funding

Witness Outline

Name: Debb Wood

Occupation: Director People and Community Services, Bogan Shire Council

1. This is an outline of the evidence that it is anticipated that the witness will give to the Special Commission of Inquiry into Healthcare Funding.

A. Bogan Shire Council

2. I am the Director People and Community Services of Bogan Shire Council (**'the Council'**), which is in the Orana region of New South Wales.
3. I have been employed by the Council for 14 years, including several administrative roles prior to being appointed as Director in 2016. My role includes responsibility for Human Resources and Community Services, including the Bogan Shire Medical Centre, Early Learning Centre, and Youth and Community Centre.
4. In addition to the usual operations of local government however, the Council also owns and operates the Bogan Shire Medical Centre in Nyngan (**'the Medical Centre'**).

B. Operation of the Medical Centre

5. The Medical Centre has progressively expanded available services and currently provides the following:
 - i. General Practitioner
 - ii. Practice Nurse
 - iii. Sonography (ultrasound)
 - iv. Podiatry
 - v. Physiotherapy
 - vi. Pathology
 - vii. Family Planning
 - viii. Alcohol and Other Drug Counselling
 - ix. Mental Health services

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- x. Telehealth services with a variety of allied health and specialist services (e.g. endocrinology and psychology)
6. The Council's flexible employment model for the Medical Centre accommodates the needs of both the Practice and the individual:
- a. Term Contracts
 - i. General Practitioners x 2 FTE
 - ii. Aboriginal Health Practitioner x 1 FTE (currently recruiting)
 - iii. Diabetes Educator x 0.4 FTE (currently recruiting)
 - b. Local Government Award
 - i. Registered and Enrolled Nurses x 1.2 FTE
 - ii. Sonographer x 0.8 FTE
 - iii. Practice Coordinator x 1 FTE
 - iv. Support staff (administration and cleaning) x 2.2 FTE
 - c. Service Agreements (room rental, administrative support)
 - i. Physiotherapist x 0.4 FTE
 - ii. Podiatrist x 0.4 FTE
 - iii. Pathology 0.4 FTE
 - d. Placements
 - i. Medical Students
7. The Medical Centre currently has one GP employed on a term contract with the other GP FTE being covered through ongoing arrangements with locum agencies.
8. The Council has had success in hiring and retaining local clinicians to work in the Medical Centre, including a nurse, sonographer, physiotherapist and podiatrist. The pathology staff who work out of the Medical Centre are also local, as are the support services and administrative team.

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9. Allied and specialist health services have also been delivered by service providers such as Marathon Health and are funded by the Federal Government. Various health professionals have visited the Medical Centre under this arrangement providing Diabetes Education, Psychiatry, Psychology, and Mental Health services.
10. We have well-developed networks and work collaboratively with the Western NSW PHN, Rural Doctors Network, the Western NSW LHD, and the National Rural Health Alliance.
11. Council has built up the capacity internally to allow us to effectively operate and manage the Medical Centre over the last 7 years with three performance reviews over that period supporting Council's operations of the Practice. The most recent review indicates that the billing of the Medical Centre is in line with the better performing similar practices as far as billings per FTE GPs are concerned and even better considering it is a 100% bulk billing practice. Council is currently considering the introduction of gap fees which could generate \$98,000 per annum. This takes into account that 70% of our patients are under 16 years old or hold a Commonwealth Concession Card and would not be required to pay gap fees.
12. The introduction of the increased Medicare Bulk Billing Incentive (BBI) is projected to reduce some of that deficit, perhaps by \$100,000 per annum, but it will not allow for the Council to break even in the operation of the Medical Centre.
13. The Council leases space within the Medical Centre for use by pathology services at a market rental.
14. Current Medical Centre budget projections for 2024/2025 indicate a \$500,000 deficit. That level of deficit equates to approximately 15% of the Council's annual rates revenue.
15. Our funding gap arises because Medicare rebates and incentives are inadequate to cover the true cost of providing healthcare at the practice. To meet the market and remunerate GPs accordingly, as well as provide supporting services and infrastructure, Medicare billings have to be supplemented from other sources of revenue.

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16. Solutions to reduce the funding gap/deficit could include:
- a. Direct financial incentives paid to GPs practicing in remote and very remote areas (MMM6/MMM7).
 - b. Increasing Medicare benefits in remote and very remote areas (MMM6/MMM7).
 - c. Block grant funding from government to enable practices in remote and very remote areas (MMM6/MMM7) to provide this vital community service.

C. Recruitment and Retention of Clinicians

17. The Council has allocated a portion of its grant funding from the former NSW Government's Resources for Regions Program to fund a part time Diabetes Educator, and an Aboriginal Health Worker. This funding has a deadline for when it has to be spent by and, given the shortage of Diabetes Educators, and lengthy recruitment times, we are not able to fully take advantage of the funding opportunity. We are currently going through the recruitment and selection process for the Aboriginal Health Worker position.
18. There is a strong community need for Aboriginal health services as the closest Aboriginal Health Organisation is in Dubbo and over 17% of the Shire's population identifies as Aboriginal or Torres Strait Islander.

Name: Debb Wood

Date: 10 May 2024

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