

Shire of Lake Grace



Minutes

Special Council Meeting

6 December 2010

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SHIRE OF LAKE GRACE

Minutes of the Special Meeting of Council held in the Council Chambers, 1 Bishop St Lake Grace on Monday 6 December 2010 held for the purpose of finalising a way forward for the provision of a General Practitioner and Primary Health Care Service to the Shire of Lake Grace.

1.0 OPENING & ANNOUNCEMENT OF VISITORS

The Chairperson (President) opened the meeting at 3.30pm.

2.0 ATTENDANCE RECORD

2.1 PRESENT

Cr AJ Walker	Shire President
Cr IG Chamberlain	Deputy Shire President
Cr LW Armstrong	
Cr R Chappell	
Cr JF De Landgraft	
Cr OP Farrelly	
Cr AI Milton	
Cr WA Newman	
Cr DP Sinclair	
Mr SK Fletcher	Chief Executive Officer
Mr PW Dittrich	Manager Corporate Services
Mrs NY Owen	Manager Community Services
Mrs J Bennett	Executive Assistant
Ms M Slarke	Development Officer

Members of the Public Present

Hon Mi Davies	Federal Member for the Agricultural Region
Dr David Mildenhall	Head Partner Southern Regional Medical Group
Mr Chris Swarts	Executive Officer Southern Regional Medical Group
Mr Ian Williams	Albany Aviation
SK Altham	L Houston
S Reeves	G Kennedy
M Smith	G Argent
J Duckworth	G Duckworth
H Doelman	R Pelham
A Taylor	D Clarke
A Slarke	L Slarke
S Knill	P Carruthers
D Bell	A Spencer
H McDonald	A Bishop
P Dunham	A Thiel

Members of the Public Present continued

H Thiel	S Crook
M Naisbitt	E Bishop
C Cable	M Lay
P Lay	G Oliver
S Hunt	K Seaman
J Seaman	C Carruthers
T Spencer	D Spencer
R Walker	T Bray
Y Downey	S Stanton
L Fletcher	R Marshall
A Marshall	J Trevenen
K Rosenthal	P Green
J Sinclair	P Clarke
M Clarke	A Duckworth
L Duckworth	P Stoffberg
J Berendse	J Westphal
M King	G Carruthers
L Farrelly	K Chesson
R Gosling	P Medlen
K Slarke	M Slarke (Mrs)
C Richardson	T Conlon
A Evans	N Hutter
T Smithe	V Smith
M Downey	C Hopkins
D Stubberfield	B Poot
N Strevett	D Reid
S Richter	M Seaman
P O'Neill	B Daly-King
J Walker	A Stoffberg
C Bennett	J Bennett (Mr)

2.2 APOLOGIES

Members of the Public wishing to have their apology recorded:

Mr Cal King	Mrs Joy King
Mr Andrew King	Mrs Mandy King
Mr Bevan Lay	Mrs Vynka Lay

3.0 PUBLIC QUESTION TIME

3.1 MRS DEBBY CLARKE

Mrs Clarke made comments and asked questions as follows:

Comments and Question

Using the Governments Motor Vehicle Allowances (March 2010):

<1600cc is 51¢/km, >1600 – 2600cc is 61.1¢/km and >2600cc is 71.5¢/km

The distance from Lake Grace to Narrogin is 160km and the distance from Lake Grace to Ravensthorpe is 185km. From Newdegate to Narrogin is 210km and from Newdegate to Ravensthorpe the distance is 135km.

Lake Grace to Narrogin - Using 3,000 as the number of visits to the Lake Grace Doctor for a year, a return trip to Narrogin from Lake Grace for the smallest car is \$489,600, for the largest car it is \$686,400.

From Newdegate using the smallest car the cost of these 3,000 visits will cost \$642,600 and the largest car will cost \$900,900.

Lake Grace to Ravensthorpe - For these visits to be from Lake Grace to Ravensthorpe for the smallest car it will cost \$566,100 and the largest will cost \$793,650.

From Newdegate using the smallest car the cost of these 3,000 visits will cost \$413,100 and the largest car will cost \$579,150.

All of these are excessive and there is no figure put in to cover the cost of down time to businesses and the cost to businesses for the business that will then inevitably be done out of our Shire.

I would like any elected member who is intending voting against the quickest solution to finding a doctor to explain to the ratepayers that are present, who they are representing, why they intend to vote that way.

Reply

The Shire President replied that no one has voted yet - the item is to be considered this afternoon.

Question

If the Shire decides to agree with this contract with SRMG, how long before there will be a doctor practicing in Lake Grace, and if not immediately, what do you anticipate the delay will be?

Reply

The Shire President replied he was unsure – pending today's decision.

Question

For those elected members choosing to vote against getting a doctor as soon as possible, what support mechanisms will they be putting in place for our hospital staff? Also how can we hope to attract more hospital staff if nothing is done immediately to get a doctor?

Reply

The Shire President advised that again, no one has voted on the proposal as yet.

Question

As of this morning:

- Earl St Surgery - currently has a two week waiting list and is servicing Lake Grace, Corrigin, Kulin & Kondinin.

- Federal St Surgery - can currently get in most days.
- Wagin – Up to 3 days waiting list but at the moment you can get in (it happens at this time of year every year – they put it down to harvest).
- Katanning – 10 days to two week waiting list unless there are cancellations.
- Hopetoun & Ravensthorpe – have a week waiting list but they are not taking anyone from out of the Shire that is not already on their books.
- Esperance are not taking any new patients.

Elected members, that have decided not to vote for an immediate solution to the supply of a Doctor service in Lake Grace, I would like to ask you what do you expect us to do? Where are we to go and at what cost to the community and to business?

Reply

The Shire President again advised that as no one has voted on the proposal yet he cannot answer the question.

Comments

Lake Grace to Narrogin

- At 71.5¢ per km for a car 2600cc or larger the cost of driving 160km to Narrogin is \$114.40 one way (Govt figures used in March 2010)
- At 61.1¢ per km for a car 1600-2600cc the cost of driving 160km to Narrogin is \$97.76 one way (Govt figures used in March 2010)
- At 51¢ per km for a car less than 1600cc the cost of driving 160km to Narrogin is \$81.60 one way (Govt figures used in March 2010)

For the 3,000 doctors visits per year to the Lake Grace Practice the additional cost to residents of Lake Grace is between \$343,200 and \$244,800.

For those Elected Members that have said that the ratepayers cannot afford to pay for the cost of the SRMG, I am asking, can we afford not to have this service?

Please note that these figures do not include time away from work, they do not include the cost to businesses for the shopping that will be done out of town.

3.2 MRS ANNA TAYLOR (HOSPITAL STAFF)

Question

Could each Councillor please tell me why they do not want this current proposal – what do they want?

Question

No pharmacy access – what do people who have limited funds do to access this?

Question

Are Councillors concerned that people will leave the Shire/community to access medical resources and therefore will not be shopping local?

Reply

The Shire President advised that the proposal is yet to be voted on.

3.3 MR DARREN SPENCER

Question

Why is it that when it came to building a medical centre in Newdegate the eastern Councillors were keen to have an open cheque book. Now we have a solution to the doctor shortage they don't want to spend the money. What is the point of a medical centre with no doctor?

Question

After having an employee nearly die because of misdiagnosis by medical staff because there was no doctor, do the Councillors against this proposal feel comfortable with our hospital being sued?

Reply

Shire President replied he is unable to answer the questions however will take it on board and assured Mr Spencer Council is doing everything it can to ensure the Shire of Lake Grace is covered by a GP.

3.4 MR ALLAN MARSHALL

Question

If the Council has a problem with funding a doctor on a whole of Shire basis, is it possible to fund a reduced service via prescribed area rating?

Reply

Shire President advised that Specified Area Rating only covers sport and recreation, not medical services.

3.5 MRS JUDY WALKER (HOSPITAL STAFF)

Question

In the event of inpatients at the hospital - who will have care of them over the weekend? How will this be negotiated with WA Country Health Service? Will they be handed over to 'Doctors on-call' or will the hospital become an Aged Care Facility, with some other added services?

Reply

Shire President – unable to answer at this point in time.

3.6 MRS JANET BERENDSE (HOSPITAL STAFF)

Question

Why do we need to fly the Doctor in? Wouldn't money be better spent on permanent Doctor or have a car and driver available?

Reply

Shire President – unable to answer at this point in time.

3.7 MRS RITA MARSHALL

Comment

I am having to go to Wagin to get a repeat prescription, which requires a blood fasting test. This means leaving Lake Grace early without breakfast. The Doctor gives the script but then I need to go to the Wagin Hospital for the blood test approximately one hour later. I am not the only person who will be needing this treatment.

We need a Doctor!!!

3.8 MRS HELEN MCDONALD

Question

The amount of \$500,000 for the Doctor – is that the top up to that amount required by the Shire to pay? Or is that as well as the money generated by the Practice?

Reply

The Chief Executive Officer replied that the Doctor was expecting to be paid \$500,000 cash by the Shire.

3.9 MRS PEARL GREEN

Comment

Great alarm unless a permanent Dr can be found for Lake Grace and the one day at Newdegate which is vital to us all. This may be covered by previous speakers.

3.10 MRS BETTY DALY-KING

Question

What happens if we contract for Albany program and a Doctor becomes available as a resident Dr?

Reply

The Shire President replied that it would be highly unlikely for that to happen however hopefully that could be discussed with SRMG at the meeting.

3.11 MR ANDREW & MRS MANDY KING

Question

Why are we only having Doctors during the week, when they may be needed the most on the weekend with sport and travelling? Maybe a Doctor during the week and the weekend?

Reply

The Chief Executive Officer replied we have rarely had a doctor on weekends since last Christmas, about a one in six weeks cover. All rural communities are struggling for weekend cover – this will be part of discussions as we move forward.

3.12 MRS SUZANNE REEVES

Question

If the Council votes against the proposal presented by the Southern Regional Medical Group, how long will it be before Council can ensure they will have a doctor practicing in the Shire of Lake Grace?

Reply

The Shire President replied that as this point in time we don't know.

4.0 APPLICATIONS FOR LEAVE OF ABSENCE

None.

5.0 DECLARATIONS OF INTEREST

5.1 DECLARATIONS OF FINANCIAL INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60A

Nil.

5.2 DECLARATIONS OF PROXIMITY INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60B

Nil.

5.3 DECLARATIONS OF IMPARTIALITY INTEREST – ADMINISTRATION REGULATION SECTION 34C

Nil.

4.15pm *The Chief Executive Officer left the meeting and returned at 4.17pm*

6.0 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

6.1 PRESENTATION - SOUTHERN REGIONAL MEDICAL GROUP – GENERAL PRACTICE & PRIMARY HEALTH CARE SERVICE PROPOSAL

Mr Chris Swarts, Chief Executive Officer and Dr David Mildenhall, Head Partner presented on behalf of the ***Southern Regional Medical Group*** for the provision of a General Practice and Primary Health Care Service to the Shire of Lake Grace – the main points of their presentations are as follows:

Dr David Mildenhall – SMRG Head Partner

- Brief background – lived in Albany for the past 31 years, prior to that in Bridgetown from the age of 11.
- Government dollars available over the past 10 years have not helped towns like Lake Grace – money has gone to larger regional centres.
- The proposed model has not been tried before – SRMG are confident that it will work as a sustainable solution.
- Drs would have instant communication through SRMG and their wives would be supported.
- Changes in health delivery over past 10 years – team approaching including GPs, Nurse Practitioners and other health workers.
- SRMG proposal offers more than just a GP service.
- Female Drs available on a regular basis.
- By New Year SRMG will have close to 20 Doctors working out of Albany & Denmark.
- An optician service would be available with the possibility of an Ophthalmologist – no promises there.
- Service would include Newdegate and Lake Grace.
- It has become almost impossible to recruit a resident Dr for Lake Grace, believe the SRMG proposal covers the needs.
- If Council agrees to the model, SRMG would agree to provide management support and a reduced service in the interim whilst undergoing the recruitment process for the 3 doctors.

Mr Chris Swarts – SRMG Chief Executive Officer

- Proposal is a total primary health solution.
- Dr No 1 to fly in Monday and work until Wednesday, Dr No 2 to fly in on Wednesday and work until Friday – proposed to use 3 doctors which will provide a sustainable solution and a predictable service.
- There will be rosters so people will know which Dr is coming when.
- In reality if there is only one resident Doctor in a town they only stay for a short time.
- Financial impact of the fly in fly out is \$200,000 per year.
- SRMG believes the cost incurred is needed to provide a sustainable solution.
- Intent is for a group model service not just to Lake Grace, if other shires came on board cost would go down.
- Remote Air Support Services provides funding for communities without an air service.
- Fly in agreement would be between the Shire and Albany Aviation.
- Air service – use of the service as a courier/passenger service would be some ways in which to write down the cost.
- Benefits of proposal – innovative solution with a focus on sustainability, modelled around the needs of the doctors (i.e. professional & family support, lifestyle), is a predictable service.
- GP shortage is a reality – need to be innovative to attract, Albany competes with Metro, Bunbury, Joondalup & Mandurah.

The public then had to opportunity to ask questions:

- Mr Kim Slarke queried the initial term of contract - Dr Mildenhall replied that would be subject to negotiations with the Shire, it would not be short term.
- Mrs Anna Taylor queried would the Dr be on call nights, weekends and public holidays – Dr Mildenhall advised the weekend and public holiday service would be via telephone.
- Mr Ray Gosling commented on current services from Narrogin and would they be replaced – Dr Mildenhall advised they would not be replacing current services, only those which are not currently supplied.

The President thanked Dr Mildenhall and Mr Swarts for presenting their proposal.

6.2 SUBMISSION – BEVAN & VYNKA LAY - LETTER

Bevan & Vynka Lay have put in their apologies for today's meeting and wish to record their absolute support for the proposal from Southern Regional Medical Group to provide a medical service to the Shire.

7.0 MATTERS FOR CONSIDERATION

The Shire President asked Councillors to consider whether they had sufficient information to deal with the item or were there any further questions.

The Deputy Shire President made comment that Council should have an open and frank discussion with the proponents, Southern Regional Medical Group and that discussion should be in confidence.

4.30pm *Dr Mildenhall, Mr Swarts and Mr Davies left the meeting.*

MOTION 11130

Moved Cr Chamberlain
Seconded Cr Newman

That Council close the meeting to the public at this time, being 4.30pm, to allow discussion with Southern Regional Medical Group.

MOTION LOST 4/5

Recorded as voting for the motion:

Crs Chamberlain, Newman, De Landgrafft & Sinclair

Recorded as voting against the motion:

Crs Walker, Milton, Armstrong, Farrelly & Chappell

7.1 SHIRE OF LAKE GRACE – PROVISION OF GENERAL PRACTICE AND PRIMARY HEALTH CARE SERVICE

- Applicant:** Chief Executive Officer
- File No.** 0299
- Attachments:**
 1. Proposal Southern Regional Medical Group
 2. Analysis of Options (SWOT)
 3. Rural Health West – Eastern Wheatbelt Primary Care Project Discussion Paper
 4. Letter Hon Mia Davies & Survey – Doctor Shortage in regional WA
 5. Shire Submission to Minister Hames seeking funding
- Author:** Mr Sean Fletcher
Chief Executive Officer
- Disclosure of Interest:** Nil
- Date of Report:** 2 December 2010
- Senior Officer:** Mr Sean Fletcher
Chief Executive Officer

Summary

This report provides a recommendation to Council on a way forward regarding the provision of General Practitioner (GP) and primary health care services for the Shire of Lake Grace.

Background

NOVEMBER COUNCIL MEETING

At the November Council Meeting on 24 November 2010, Council resolved under Motion 11120 the following:

MOTION 11120

Moved Cr Milton

Seconded Cr Newman

That Council:

1. *Receive the Chief Executive Officer's report on updating the recruitment of a general practitioner for the Shire of Lake Grace.*
2. *Hold a special meeting at a date to be announced to finalise the way forward regarding a provision of a General Practitioner and Primary Health Care Service to the Shire of Lake Grace.*

AMENDMENT

Moved Cr Chamberlain

Seconded Cr Sinclair

That the following be added to Point 2 - with all players in providing the health services to the Shire of Lake Grace.

CARRIED 8/1

The President then put the motion:

COUNCIL DECISION

That Council:

1. *Receive the Chief Executive Officer's report on updating the recruitment of a general practitioner for the Shire of Lake Grace.*
2. *Hold a special meeting at a date to be announced to finalise the way forward regarding a provision of a General Practitioner and Primary Health Care Service to the Shire of Lake Grace with all players in providing the health services to the Shire of Lake Grace.*

MOTION CARRIED 9/0

The report submitted to Council at the November meeting resulting in resolution 11120 is as follows:

At the August Ordinary Meeting of Council, the author presented the different options regarding the attraction and retention of a GP. This included:

- A service provided by the Southern Regional Medical Group;
- An agreement with the Wheatbelt GP Network to recruit a GP and manage the practice;
- Setting up a group scheme with the Shires of Corrigin, Kulin, Kondinin and Lake Grace.

In the September Report to Council, the author suggested that once the proposal has been received from the Southern Regional Medical Group (or other interested parties) and the model from Rural Health West including consideration of the group scheme it may be appropriate for

Council to hold a special meeting to make a decision on the management of the Lake Grace practice.

In the interim the author continued to review the issues surrounding the attraction and recruitment of a GP. In particular the author met with Rural Health West and the Southern Regional Medical Group (SRMG) on Wednesday 3 November 2010 to look further into the GP requirements for the Shire of Lake Grace.

On the subsequent Friday and Saturday the author then had a range of meetings and discussions with Wendy Newman CEO of the Wheatbelt Development Commission, Minister Waldron and Graeme Fardon (CEO Quairading and member of Wheatbelt Health MOU) regarding the suitability of the SRMG model.

As advised previously, the Earl St Practice (Narrogin) is not willing to provide locums. Tim Free (WACHS) replied that he is not able to provide locum support. However, he was looking at a model regarding Narrogin that would probably cost the Shire of Lake Grace at least \$150,000 pa.

The author then had further meetings with SRMG CEO Chris Swarts on Friday 12 November including the Head Partner of that group and a separate meeting with the Hon. Tony Crook MP on the same day. The Member for O'Connor confirmed that he had met with the Commonwealth Minister for Health Nicola Roxon regarding the Shire of Lake Grace the previous week and that he was meeting with her again the following week. The author subsequently sent through a copy of all relevant documentation to Mr Crook including a letter to the Commonwealth stating that Local Government can no longer carry the can regarding the placement of GPs, which is a Commonwealth responsibility.

In all the author has had no less than eight enquiries from GPs wanting to be involved with the Lake Grace/Newdegate Practice. Two appeared eligible based on qualifications and entry requirements to operate in a solo practice. One withdrew and the other asked for a cash salary of \$500,000. None of the "applicants" were prepared to take on the practice in their own right.

A proposal was finally received from the Southern Regional Medical Group (SRMG) on 10 November 2010. Chris Swarts the CEO of SRMG then flew up from Albany to Lake Grace on the same day and met with the author, the Shire President and the Manager Community Services. The meeting was also attended by Ian Williams the proprietor of Albany Aviation.

The proposal from SRMG and a summary was then issued by the author to all elected members late that same day seeking attendance at a Council Workshop on Monday 15 November 2010.

Overview of Primary Health Care Proposal Southern Regional Medical Group

Provision of Health Service

This has been put at a cost to the Shire of \$100,000 per annum (Gemini cost the Shire on average \$50,000 for GP and Pharmacy only). The fee will provide the Shire with a full primary health care service i.e.:

- GP coverage Monday to Friday with the service continuing in Newdegate on the Wednesday. The GPs will receive a higher level of incentive than under Gemini. Ideally there will be three GPs providing the coverage. This will assist with preventing burnout and fatigue and mean that professional development can proceed;
- Practice nurses;
- Dietician;
- Other specialty areas including optometry and dentist once the current dentist moves on, obesity, mental health and so on.

Southern Regional Medical Group will be responsible for all staff, plant and equipment including computers and other IT items. It should be noted that in many other solo practices these costs are generally met by the Shire each year.

As such the author has put a submission to the State Minister for Health seeking funding to assist the Shire cover the above cost.

Fly in Fly Out

Albany Aviation has put the cost to fly GPs and other key staff to and from Lake Grace at \$200 000 per annum. This is based on three services per week and consists of a combination of the maximum charge of \$1 395 per service and a lower charge of \$995 if an alternative aircraft is used. GP1 would arrive Monday morning and work through to Wednesday morning before return to Albany. GP2 would arrive Wednesday morning and then head out to Newdegate to conduct the Wednesday sessions. This doctor would then work through and leave Lake Grace @ 5:00PM on a Friday.

The initial proposal mentions this cost being charged directly to the Shire. However, it would appear that RASS would pay for the service and deal with Albany Aviation direct. Alternatively, this cost can be offset by seeking funding from the State and Commonwealth as well as back filling of seats for those who may be interested in flying down to Albany for a day or two. There is also an opportunity to charge for freight.

Recruitment Fee

This is set at \$50,000 and is a provisional cost only. It is intended to use Rural Health West who provide recruitment services at nil cost.

Possible Start Date and Interim Arrangements

Gemini can hand over records, pharmaceuticals and other items directly to Southern Regional Medical Group. At this point in time, Gemini has

agreed to leave such items in place until the proposal from Southern Regional Medical Group is resolved. The start date would be dependant on acceptance of the proposal.

GP Workshop 15 November 2010

At the GP Workshop on 15 November, a range of options and issues were discussed using a SWOT analysis for each model including:

1. Shire managed and run medical practice.
2. Solo GP self managed practice.
3. Solo GP practice managed by the Wheatbelt GP Network.
4. Southern Wheatbelt Medical Group (also known as the Eastern Wheatbelt Group of Local Governments).
5. Medical practice managed and run by the Southern Regional Medical Group.

A sixth option regarding support from the Earl St Practice was not discussed as this practice had previously indicated it would not support the Shire due to the turnover of GPs and that it would appear that the head partner is moving on.

As a result of the discussions, the author made the decision to explore matters further with the Southern Regional Medical Group and the Wheatbelt GP Network. This included whether a trial period would be considered.

A summary of the SWOT analysis for each model is attached to this report.

Follow-Up Discussions Paul West CEO Wheatbelt GP Network

The author contacted Mr Paul West on Tuesday 16 November 2010. Mr West advised that the Wheatbelt GP Network would be interested in providing a service, but the issue came down to when a suitable GP was available. Service costs and arrangements as discussed at the workshop were confirmed. The Shire would have an opportunity to share 50/50 in the practice profits, but would wear the loss over a three month period. Other costs would need to be identified.

Other discussions focused on establishment of the Group scheme once a GP was secured.

Follow-Up Discussions Chris Swarts CEO Southern Regional Medical Group

The author spoke to Mr Swarts on 22 November 2010 as this was his first day back at work after being overseas. Mr Swarts comments were that a trial period of six months was not the best option. However, he said he understood the level of concern and that he was willing to look at making the proposal presented to the Shire of Lake Grace conditional on the following:

- Successful recruitment of GPs; and
- Successful securing of external funding.

He also suggested that SRMG could manage the practice on a contractual basis until such times as the placement of the GPs and securing of external funding was resolved. This means that the Shire through SRMG would be in a position to find locums for the practice.

Mr Swarts along with the head partner did offer to meet with Council at the November meeting to discuss the proposal further. However, the head partner was not available due to prior appointments to conduct procedures. After discussions with the Shire President, it was felt that it would be prudent to hold a special meeting sometime during the week starting the 29 November and invite to SRMG to that meeting for further discussion.

Group Scheme Model

The author, the Manager Community Services and the Customer Service Officer (the former practice manager) met with Kelli Porter from Rural Health West and Kaye Mazzoleni from Barrington Consulting Group on 22 November to discuss the development of the Group Scheme model. It is expected that Belinda Bailey the CEO of Rural Health West will launch the report regarding options for the Group Scheme model at the Shire of Kondinin in late January 2011.

Financial Implications

Southern Regional Medical Group

Costs to Provide Service Per Annum

Full Primary Health Care Service inc Pharmacy:	\$100 000
Fly in Fly Out Component:	<u>\$200 000</u>
	\$300 000

Note there are no establishment costs in the first instance.

The Shire would continue to provide the house, car and medical centres at nil cost. However, over time the residential commitment could be reduced.

Based on the number of patients, this would be \$100 per head per year.

Sources to Offset Costs

State Minister for Health:	\$100 000 (at least)
Remote Aviation Subsidy Scheme:	\$200 000

The Remote Aviation Subsidy Scheme (RASS) would have the contract direct with the aviation company, not the Shire. However, the Shire is the applicant.

Note that in time the Shire's FAGs will also increase to recognise any increased expenditure. The current review by Mr Bashtannyk is indicating that a substantial level of Commonwealth funding will certainly offset the above cost.

Interim Contract to Provide Services

The cost for SRMG to provide contract services until the outcome of the GP recruitment and funding is known is yet to be confirmed.

Wheatbelt GP Network

Costs to Provide Service Per Annum

GP and Pharmacy Service: \$55,000 (minimum)

Any losses over a three month period

Establishment of the Practice: \$100,000+ (IT, equipment, pharmaceuticals)

The Shire would continue to provide the house, car and medical centres at nil cost.

With the Wheatbelt GP Network model all costs are not known including level of remuneration, if a top up is required, ongoing replacement of medical equipment, payment of GP insurances and so on.

Sources to Offset Costs

- Possibly the State Minister for Health.
- Possible 50/50 profit sharing.
- FAGs this is the same as for the comments re SRMG.

Group Scheme

It would be expected that the Group Scheme model once established will pay for any services provided. So the starting price will be \$55,000 plus house, car, medical facilities, plant and equipment. It should be noted that there is no guarantee that any of the GPs will live in the Shire. However, there is an opportunity to apply to the State Government for the model to be fully funded based on the agreement recently signed off by the Mid West Group of Councils.

The State Government is looking for innovative solutions to Primary Health Care. The proposed Group Scheme is one such solution.

Strategic Implications

Shire of Lake Grace Strategic Plan

2.1 Seek and undertake an improvement of the medical facilities and primary health care provided to the Shire.

Strategically, although the Southern Regional Medical Group Proposal would appear to cost more in the first instance, it meets the focus, goal and strategies regarding undertaking and improving the primary health care provided to the Shire. This includes patients being able to access other services or the capability to follow-up with the GP in Albany. The Wheatbelt GP Network model does not deliver the same level of reassurance.

SRMG is a fly in fly out model. Wheatbelt GP Network is a drive in drive out model with the potential for the GP to be based in Lake Grace or nearby. With SRMG all costs are known. With the Wheatbelt GP Network model all costs are not known including level of remuneration,

if a top up is required, ongoing replacement of medical equipment, payment of GP insurances and so on.

Conclusion

It would be prudent for Council to have further discussions with the Southern Regional Medical Group at a special meeting sometime next week before making a final decision. The author is waiting to hear back from Mr Swarts regarding the availability of SRMG for a meeting.

COUNCIL INFORMATION SESSION 6 DECEMBER 2010

Although resolution 11120 stated invite key stakeholders to the special meeting to discuss finalising the way forward regarding GPs and primary health care services for the Shire, the reality is that a special meeting cannot be used for this purpose. Instead an information session has been arranged with the key stakeholders to give elected members an opportunity to look into further the issues surrounding the provision of GPs and primary health care including what might be applicable for the Shire of Lake Grace.

The agenda and those attending are as follows:

Welcome:

Cr Andrew Walker: President Shire of Lake Grace

Overview:

Sean Fletcher: CEO Shire of Lake Grace

Presentations:

Belinda Bailey: CEO Rural Health West (General Practice Workforce Update)

Tim Shackelton: CEO RFDS (Emergency Services in the Wheatbelt)

Chris McGowan: CEO Silver Chain (Remote Area Nursing Services)

Dr Tony Mylius: Regional Medical Director Wheatbelt WACHS (Overview of Regional Health Services and Where to?)

Other Comment:

Hon Mia Davies MLC: Member Agricultural Region

Paul West: CEO Wheatbelt GP Network

Suzie Leavesly: CEO Great Southern GP Network

Melissa Vernon: Executive Director Primary Health & Engagement WACHS

Michelle Poepjes: Manager Community Development WALGA

General Discussion & Questions with Council.

Is there a way forward? The Shire of Lake Grace currently has a proposal before it regarding a fly in fly out solution regarding the provision of GPs and Primary Health Care. Before deciding on the path forward, the Council would like to know from key health stakeholders

whether this is a viable solution, whether there are other alternatives and what is possible regarding funding.

The Great Southern GP Network will be on phone hook up.

Apologies have been received from Hon Terry Waldron and the Hon Brendon Grylls as Cabinet are meeting on this day. However, the Hon. Mia Davies is attending as she has responsibility for the doctor shortage project in WA.

LATEST INFORMATION

Invitation to a Meeting with the Minister for Health

The author and the Shire President have been invited to, and accepted, a meeting with the State Minister for Health the Hon. Kim Hames on 18 January 2011 to discuss the Shire's submission for funding. A copy of the submission is attached.

Discussions with Tony Crook MP

The Member for O'Connor contacted the author on 1 December 2010 to advise that he has had a number of further meetings with the Federal Minister for Health Hon. Nicola Roxon. Mr Crook advised the author that the Minister is warm to the idea of a fly in fly out proposal.

Mr Crook will provide a letter of support regarding the Shire's RASS application.

Discussions with Minister Waldron

The Hon Minister assisting the Minister for Health Terry Waldron spoke to the author on a number of occasions. The latest conversation confirmed the discussions that Minister Grylls has had with Minister Roxon and working towards a potential solution including the location of salaried GPs in key areas.

Discussions with Remote Air Subsidy Scheme (RASS)

The author has had further discussions with RASS and is currently putting the application for the provision of an air service together.

Mr Williams has been kept up to date on the latest developments.

Meeting with WALGA 1 December 2010

The author met with Tony Brown – Executive Manager Governance, James McGovern – Manager Governance and Michelle Poepjes Manager Community Development regarding WALGA's involvement concerning the provision of GPs and primary health care.

Ms Poepjes advised that a specific group of key stakeholders has been established to assist address the GP shortage and have input into different models including the telehealth model supported by a nurse practitioner.

Ms Poepjes was also instrumental in getting Melissa Vernon Executive Director Primary Health WACHS, Tim Shackleton CEO RFDS and Gary McGowan CEO Silver Chain to attend the Shire's GP Forum.

Discussions with Dr Tony Mylius

Dr Mylius is the Wheatbelt Regional Medical Director and contacted the author on 1 December 2010 to advise that he was attending the Council Information Session on 6 December. He also discussed the Shire's submission to the State Minister for Health. In particular Dr Mylius queried the Shire's concerns regarding WACHS support for the GP process.

Dr Mylius also discussed the Medicare underspend in the Wheatbelt as previously highlighted by Paul West and this may be another option for a source of funding in due course. The author advised Dr Mylius that the boundaries between the Wheatbelt and the Great Southern regarding GP support would need to be relaxed for this to work.

It would appear that Dr Mylius will also have responsibility for coordinating future solutions for the Wheatbelt.

Doctor Shortage in Regional WA – Survey

The attached survey was undertaken by the Hon. Mia Davies MLC. The Shire participated in this survey as part of the Wagin Electorate. Of the 23 shires in this group, 11 do not have a doctor, 12 said they have a doctor shortage and that the average cost of incentives provided was \$176,182 with some costing up to \$936,626 (includes provision of new medical facilities).

As a result of this survey, the Hon Mia Davies has put a funding submission to State Cabinet for consideration.

Ongoing Discussions with Dr Griffiths

Throughout this whole process the author has spoken to Dr Charlie Griffiths on a number of occasions regarding the attraction and retention of a suitable GP for the Shire of Lake Grace. The most recent meeting was on 16 November where Dr Griffiths offered for the author to stay in touch and let him know how things are getting on post January 2011.

Gemini

Gemini finished providing a GP service to the Shire on 24 November 2010. Through the generosity of Southern Regional Medical Group, the Shire has been able to retain all the patient records, plant and equipment and information technology that is required for the Lake Grace Newdegate Practice

The author has arranged for the practice name to be transferred to the Shire as well as the phone lines, ADSL and security systems. This ensures that no one else can register the business name and so on. The author has also met with practice staff.

DISCUSSION WITHIN THE COMMUNITY

Meeting with the Lake Grace Community 24 November 2010

The author was invited to a meeting of the Lake Grace community to update interested persons on the latest developments regarding the provision of GPs and primary health care.

Other Community Comment

The author is aware of some comments in the wider community that not all options have been explored. This is of concern given that the author, key staff and Council have considered every angle including the most appropriate solutions for the community.

Comment

OPTIONS

The following is a summary of the options currently before Council:

Southern Regional Medical Group (SRMG) Proposal

Council has before it the proposal from Southern Regional Medical Group. The issue here is whether Council authorise the CEO to develop a contract with SRMG that is conditional on the recruitment of GPs and the securing of an acceptable level of funding.

In the interim, SRMG as previously stated is willing to manage the practice on a month by month basis until an appropriate model is put in place for the Shire. The cost is expected to be within budgetary constraints.

Wheatbelt GP Network

Mr West has advised that his organisation is not in a position to provide a GP and support the practice at this point in time. However, he is keen for the Group Scheme to develop and proceed in due course.

Government Proposed Solutions

These are yet to materialise but more than likely will be based around telehealth, nurse practitioners and fly in fly out. These will take quite some time to implement from a government perspective.

Other Suggested through the Council Information Session

An alternative to the above may be forthcoming out of the Council Information Session on the 6 December 2010.

CONCLUSION

Based on the Workshop conducted with Council on 15 November 2010, the proposal before Council and the ongoing discussion with key health stakeholders, the author considers the Southern Regional Medical Group proposal worthy of consideration as the final way forward for the provision of GP and Primary Health Care Services.

Legal Implications

Nil

Policy Implications

Nil

Consultation

External: Paul West – CEO Wheatbelt GP Network
 Belinda Bailey – CEO Rural Health West
 Kelli Porter – Rural Health West
 Kaye Mazzoleni – Barrington Consulting Group
 Wendy Newman – CEO Wheatbelt Development Commission
 Suzie Leavesly – CEO Great Southern GP Network
 Chris Swarts – CEO - Southern Regional Medical Group
 Dr David Mildenhall – Head Partner Southern Regional Medical Group
 Tim Free – Regional Director WA Country Health Service – Wheatbelt
 Dr Tony Mylius – Wheatbelt Regional Medical Director
 Julian Murphy – CEO Shire of Corrigin
 Greg Hadlow – CEO Shire of Kulin
 Peter Webster – CEO Shire of Kondinin
 Leza Pearce - Gemini Medical Services
 Hon Minister Waldron
 Hon Minister Grylls
 Hon Tony Crook – Member for O'Connor
 Tony Brown Executive Manager WALGA
 James McGovern Manager Governance
 Michelle Poepjes Manager Community Development

Internal: Shire President
 Council
 Senior Management Team

Financial Implications**Southern Regional Medical Group**Costs to Provide Service Per Annum

Full Primary Health Care Service inc Pharmacy:	\$100 000
Fly in Fly Out Component:	<u>\$200 000</u>
	\$300 000

Note there are no establishment costs in the first instance, although some may be required for the interim solution.

The Shire would continue to provide the house, car and medical centres at nil cost. However, over time the residential commitment could be reduced.

Based on the number of patients, this would be \$100 per head per year.

Sources to Offset Costs

State Minister for Health:	\$100 000 (at least)
Remote Aviation Subsidy Scheme:	\$200 000

The Remote Air Subsidy Scheme (RASS) would have the contract direct with the aviation company, not the Shire. However, the Shire is the applicant. In the event that that RASS funding does not eventuate other sources may come to fruition e.g. Hon Mia Davies Cabinet Funding proposal.

Note that in time the Shire's FAGs will also increase to recognise any increased expenditure. The current review by Mr Bashtannyk is indicating that a substantial level of Commonwealth funding will certainly offset the above cost.

Interim Contract to Provide Services

The cost for SRMG to provide contract services on a month by month basis until the outcome of the GP recruitment and funding is known is yet to be confirmed. Mr Swarts will provide an indicative cost prior to the meeting. It is not expected to be cost prohibitive and will cover the provision of a locum and staff. Some consideration will need to be given regarding start up cost of pharmaceuticals. Ideally the locum(s) would be based in Lake Grace.

A total of \$69,589 is in the budget for Medical Practice Subsidies and Medical Centre expenses. At this point the Shire will be ensuring that a new server is put into the Lake Grace Medical Centre at a cost of \$4,000. A further \$2,500 may be needed for minor purchases of existing plant and equipment. This would leave \$63,089 to provide a basic health service for three to six months in the first instance.

Wheatbelt GP NetworkCosts to Provide Service Per Annum

GP and Pharmacy Service: \$55,000 (minimum)

Any losses over a three month period

Establishment of the Practice: \$100,000+ (IT, equipment, pharmaceuticals)

The Shire would continue to provide the house, car and medical centres at nil cost.

With the Wheatbelt GP Network model all costs are not known including level of remuneration, if a top up is required, ongoing replacement of medical equipment, payment of GP insurances and so on.

Sources to Offset Costs

- Possibly the State Minister for Health.
- Possible 50/50 profit sharing.
- FAGs this is the same as for the comments re SRMG.

Group Scheme

It would be expected that the Group Scheme model once established will pay for any services provided. So the starting price will be \$55,000 plus house, car, medical facilities, plant and equipment. It should be noted that there is no guarantee that any of the GPs will live in the Shire. However, there is an opportunity to apply to the State Government for the model to be fully funded based on the agreement recently signed off by the Mid West Group of Councils.

The State Government is looking for innovative solutions to Primary Health Care. The proposed Group Scheme is one such solution. As with all such solutions this will take some time to set up.

Other Funding Sources

Other funding sources long term is the under utilised Medicare allocation for the Wheatbelt. This would take time to achieve, but is something within the power of the Commonwealth Minister for Health to pursue.

There is also the proposal developed by the Hon Mia Davies MLC for consideration by Cabinet to reimburse or provide funding to those local governments that are currently providing incentives or other funding for GP services..

Strategic Implications

Shire of Lake Grace Strategic Plan

2.1 Seek and undertake an improvement of the medical facilities and primary health care provided to the Shire.

Strategically, although the Southern Regional Medical Group Proposal would appear to cost more in the first instance, it meets the focus, goal and strategies regarding undertaking and improving the primary health care provided to the Shire. This includes patients being able to access other services or the capability to follow-up with the GP in Albany. The Wheatbelt GP Network model does not deliver the same level of reassurance.

SRMG is a fly in fly out model. Wheatbelt GP Network is a drive in drive out model with the potential for the GP to be based in Lake Grace or nearby. With SRMG all costs are known. With the Wheatbelt GP Network model all costs are not known including level of remuneration, if a top up is required, ongoing replacement of medical equipment, payment of GP insurances and so on.

Voting Requirements

Simple majority required.

Officer Recommendation/Resolution

MOTION 11131

Moved Cr Newman
Seconded Cr Milton

That Council:

1. Authorise the Chief Executive Officer to proceed with engaging the Southern Regional Medical Group on a month by month basis to manage the Lake Grace/Newdegate Practice until such time as a permanent solution is finalised whether this is with Southern Regional Medical Group or some other provider.
2. Authorise the Chief Executive Officer to draft a contract within the Shire's budget that is acceptable to both the Shire of Lake Grace and Southern Regional Medical Group that includes a review of the services provided on a six monthly basis.
3. The draft contract to include for consideration, but not limited to the following conditions:
 - a) Arrangements for the provision of a General Practitioner and Primary Health Care Service as outlined in the proposal submitted by Southern Regional Medical Group;
 - b) The successful recruitment of suitable general practitioners; and
 - c) Securing of an acceptable level of funding.
4. Recognises that funding under the Remote Air Subsidy Scheme (RASS) is provided by the Commonwealth under contract to those aviation companies providing the service and not the Shire.

MOTION CARRIED 9/0

8.0 CLOSURE

There being no further business, the Chairperson closed the meeting at 4.58pm.

9.0 CERTIFICATION

I Andrew James Walker certify that the minutes of the Special Meeting held on the 6 December 2010 as shown were confirmed as a true record at the meeting held on the 22 December 2010.

Chairman

Date