Annual Report 2004–2005

Australian Divisions of General Practice

Vision

Divisions of General Practice are the key infrastructure for integrated, quality primary health care services delivered through general practice.

Mission

National leadership and support for the Divisions of General Practice Network.

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Front cover:

An overview of the Australian Divisions of General Practice

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Australian Divisions of General Practice (ADGP) is one of the largest representative voices for general practice in Australia.

It is the peak national body of the divisions of general practice, comprising all 118 divisions across Australia, as well as the eight state based bodies (SBOs). Approximately 95 per cent of GPs are members of a local division of general practice.

Divisions are an integral component of the Australian Government's general practice strategy. They play a major part in implementing policy, supporting general practice and managing health programs at a local level. Divisions have been responsible for progressing many of the current developments in Australian general practice.

Through divisions, ADGP provides an important local health infrastructure that enables primary care services to be planned and delivered at the local and regional level.

The Divisions Network is focused on supporting high quality, evidence based primary health care and integrating health services. The network engages the local community and enhances communication between the Australian Government and general practice.

Divisions work closely with other primary health care providers including allied health professionals and practice nurses. As a result, ADGP has contact with the majority of GPs and a substantial proportion of the primary health care workforce in Australia.

Through ADGP, GPs sit on key health sector decision making and advisory bodies—having direct input into policy and programs across areas such as general practice financing, GP workforce and training, clinical practice and practice management.

Chair's report

Dr Rob Walters
Chair

'out of adversity comes strength and success'

In my final year as ADGP Chair, I am delighted to report that ADGP and the Divisions Network have come of age—we are set to take our place as leaders in the delivery and coordination of primary health care services in this county.

The sound performance of the Divisions Network is a result of leadership shown at all levels by ADGP, the state based organisations (SBOs) and divisions themselves. We have recognised the need to improve performance, and we are committed to the principles of fiscal propriety and implementing the Review Implementation Committee reforms.

This process was not without pain. However, the professional approach and the partnership between the Divisions Network and the Department of Health and Ageing has resulted in a shared purpose and sense of trust. Fears that the Review Implementation Committee reforms were simply a bureaucratic exercise have proved unfounded. There is a genuine government commitment to supporting and developing the Divisions Network in the interests of better health for all Australians.

There have been some set backs on the way, but out of adversity comes strength and success. The collapse of the Western Australian state based organisation and subsequent development of an alternative model is a good example. The Western Australian experience highlighted the leadership capacity of the Divisions Network. Western Australian divisions have defined and taken responsibility for their future and ADGP is pleased to assist and be part of this process. This has also strengthened the trust between ADGP and the state based organisations.

ADGP has grown considerably during 2004–2005. We attracted new national programs such as the lifestyle prescriptions initiative and chronic disease management. This adds momentum to the prevention and wellbeing agenda that ADGP has advocated for some time, and creates strategic links with other flagship programs such as practice nursing, mental health and aged care.

General practice workforce challenges are an opportunity to develop new practice systems and innovative, contemporary models of primary health care to take the health system forward into the next decade.

General practice teams that are being formed around the country that include allied health professionals. New models such as these require strong relationships with other stakeholders. We are working closely with the Health Professionals Council of Australia (HPCA) to strengthen the network's national links with major allied health professionals.

We also continue to have a frank and forthright dialogue with the other major GP groups through General Practice Representative Group (GPRG). While there remain areas of disagreement, a better understanding of positions on key issues has emerged. As a result there has been less public wrangling which can be destructive and divisive.

I am also happy to report that work has progressed in the area of Indigenous health and the relationship with National Aboriginal Community Controlled Health Organisation (NACCHO) has strengthened during the year. We have discussed ways of jointly taking forward key issues in this still neglected area of health care. A thought provoking and challenging agenda has been designed for the National Divisions Forum to progress and stimulate divisional indigenous health activities.

We are about to see a marked change in the way general practice services are delivered in Australia. This will require not only system change and a rethink of policy but also a change in the attitudes of those currently delivering services in their communities.

We will have to develop sophisticated electronic health systems, both in information transfer and data collection for health planning purposes. This essential element requires integration at all levels of health care systems throughout the country including public, private and government.

We will have to build a primary health care system that takes a comprehensive approach to care, that is wellness oriented, that features multidisciplinary teams with GPs as essential members, and that is underpinned by a cohesive network of divisions of general practice.

The vision for the future requires an accepted primary health care strategy. ADGP has shown leadership to stimulate debate by developing a primary health care position statement with the Divisions Network and other stakeholders.

It has been an extraordinary privilege for me to serve, over the last three years, as Chair of ADGP. I thank the Divisions Network and every single member for that honour. We may not have always agreed but most importantly we have had the debate and found a way to resolve issues and move forward, enabling the Divisions Network to be in the strong and respected position it is in today.

Much of the credit for this must also go to my fellow directors and the magnificent staff at ADGP who, under the fine leadership of our CEO, Kate Carnell, have worked tirelessly to progress and promote the principles of divisions throughout the country. My personal thanks go to all of them for their unique individual contributions.

To the new chair and board I say: may you continue to wisely and proudly serve this wonderful profession of ours, taking the Divisions Network from strength to strength in the interests of better health for all Australians.

Chief Executive Officer's report

What an experience, my first full year as CEO of the Australian Divisions of General Practice. It has been, and continues to be an honour to work alongside great new friends and talented colleagues alike as we confront the immediate challenge, change and opportunity presented to us in our rapidly moving industry.

Over the last year, ADGP has expanded by the equivalent of seven full time employees to a total of 31, with increased services to the network being delivered at a reduced cost. Overall, our financial outcomes look decidedly positive.

The Review Implementation Committee requirements, a greater focus on policy and the increasing importance for us all to operate as a network, have produced a dynamic work environment. We continue to accommodate the regular procession of new projects through utilisation of an increased staff skill set that encompasses true multi skilling. The challenges surrounding the re-establishment of a Western Australian state operation, the re-establishment of divisional coverage in Western Sydney, and the Central Bayside High Court Challenge have further stretched our resources, ADGP could never be seen as a boring place to work!

Opportunities available to ADGP and to the Divisions Network are enormously exciting. The combination of the increasing numbers of people living with chronic diseases and the 'baby boomers' starting to hit retirement age makes improved primary health care absolutely essential to the future of our nation. We need to keep people healthier for longer and for necessary medical treatment to be provided in general practice teams rather than in hospitals. A senior management team (comprising Liesel Wett, Leanne Wells and Norm Humphery), established this year to work closely with me, has ensured opportunities for new projects have been identified and acted upon promptly.

Kate Carnel
Chief Executive Officer

'Increasing numbers of people living with chronic diseases makes improved primary health care absolutely essential to the future of our nation.

'The best time is always the present time because it alone offers the opportunity for action, because it is ours, because on God's scale it is apocalyptic, a time clearly drawn and each of us must choose a side, a time when there is no longer room for either the coward or the uncommitted.'

Pierre Trudeau

Canadian Prime Minister (1968–1984)

The shortages of doctors and other health care professionals have made team based approaches in general practice more important than ever. ADGP continues to have a very active practice nurse program. It is gratifying to see that over 40 per cent of practices now employ a practice nurse. I often hear GPs say that they wish they had employed a practice nurse earlier and don't know how they ever coped without this important staff member. We hope that more general practices review the very compelling business cases on the ADGP web site and expand their practice to include at least one practice nurse in the next 12 months.

ADGP continues to urge government to expand the range of item numbers for practice nurses and other allied health professionals. We are confident that the minister sees the merit of this approach and we look forward to continuing movement in this area.

The work of all our staff in the Mental Health Team has been outstanding and is producing great results. It is good to see mental heath issues starting to get the profile that they deserve in government and in the community.

We will continue to reinforce with the Department of Health and Ageing (DoHA) that the Divisions Network and general practice, is the best vehicle for the roll out of primary health care changes and initiatives. We are making real gains, and it is further encouragement to hear David Learmonth (Primary Health Care Division) and Philip Davies (Deputy Secretary DoHA) speak publicly about the importance of divisions in the future development of primary health care.

This brings us to the controversy surrounding 'fundholding'. As you are aware, divisions already fund hold successfully in a number of areas. The MAHS (More Allied Health Services) program is a fund holding model, as is the allied health professional component of 'Better Outcomes in Mental Health'. Both have been particularly successful and have directly resulted in better health care for communities. It is projects like these that will enhance the expansion of practice teams. They will give divisions an increased opportunity to aide the provision of the primary health care services most appropriate to local communities on behalf of both state and federal governments. The current COAG process is a demonstration of the interest at all levels of government in service delivery models that overcome the difficulties of federal–state cost shifting.

To this end, and at the urging of divisions, ADGP has developed a primary health care position statement. This statement sets out the vision of the Divisions of General Practice Network in regards to Australia's primary health care system, the place general practice should occupy, and the future role of Divisions of General Practice in making a substantial contribution to primary health care reform.

I sincerely thank the dedicated and hard working staff of ADGP. It is through their dedication to our vision that we have achieved so much. They all recognise the need for action and understand that the time is now.

A special thanks to Liesel Wett who adroitly took up the challenge as acting CEO before my arrival last year; her knowledge of the network her drive and enthusiasm is admirable and of invaluable assistance.

I acknowledge the support of the ADGP Board of Directors and thank them for their contributions in guiding ADGP forward. Particular thanks must go to Dr Rob Walters, our outgoing chair who has worked tirelessly to promote ADGP and raise its standing in the national policy arena. Whilst Rob will be missed, we know he will continue to play an active role in the future of health policy.

As Canadian Prime Minister Pierre Trudeau said, 'The best time is always the present time because it alone offers the opportunity for action'. So too, the present time is an electrifying time to be involved in ADGP and in the Divisions Network. The opportunities for growth and change in the Divisions Network and in primary health care generally have never been so immediate or real. We need only the courage and commitment to take up the challenge!

Highlights

Nursing in general practice program

A flagship program of ADGP and the Divisions Network, the Nursing in general practice program originated as a response to rural workforce issues. It is now a major focus for divisions in supporting general practice into the future.

ADGP has continued to press for more practice nurses, and for an enhanced role for nurses to help meet the increasing demand for primary health care. ADGP's role, and that of the Divisions Network, is to continue to support this essential workforce in general practice by providing training and learning opportunities and support programs, as well as expanding the capabilities of the general practice team into the future.

Chronic disease management

In response to our ageing society, ADGP supports divisions and general practice to deal with the complexities of chronic disease. More than 80 per cent of general practice consultations are now chronic and complex. The Divisions Network has a clear role providing support and to enable GPs to deal with the changing face of general practice medicine.

To provide these services into the future, general practice must become more team focused. ADGP and divisions play a key role in this regard, helping to ensure practice nurses, allied health professionals and GPs work together for better patient care.

ADGP website

An essential communication tool for ADGP and divisions, the website has become a popular and useful resource.

There were more than 546,260 page views on the website in the past 12 months, with an average daily rate of 1500 page hits per day.

ADGP continually reviews the site to ensure its relevance to divisional members, stakeholders and the general community.

Review Implementation Committee

The Review Implementation Committee was formed to oversee changes in response to the Review of the role of Divisions of General Practice. The success of the Review Implementation Committee is due to the strong partnership between the Divisions Network and the Australian Government.

A new national quality and performance system which includes a reporting and planning framework, will enable all divisions to be measured consistently across core areas. As the number of divisions accredited grows, partners and funding bodies will have greater confidence in the network as the provider of choice for primary health care.

Board committee reports

To assist the board in fulfilling its duties, there are currently three board committees whose terms of reference and powers are determined by the board. They are the Finance and Audit Committee, the Governance Committee and the Rural Committee.

Finance and Audit Committee

I have much pleasure this year in presenting my third report from the Finance and Audit Committee, and my second as chair of that committee. Over the last year significant progress has occurred in both organisational systems and financial management. This progress under Philip McCorkell and now Norm Humphery, as chief financial officers, has led to financial systems that I am pleased to say represent best practice for an organisation of this size.

Under the guidance of Kate Carnell as our CEO, and with significant tightening and control of our expenditure, ADGP has recorded a small surplus of $115,415. This surplus, which is a testament to prudent financial management, represents less than two per cent of ADGP's gross turnover of $7,316,616. It has led to an increase in accumulated funds which, whilst not considered at an adequate level for an organisation of this size, are at least heading in the right direction.

The reductions in the level of both revenues and expenses when compared to the previous year are not considered to reflect ADGP's level of activity. ADGP's level of outputs and staffing has increased over the course of the year. We have wound up several programs and commenced many new ones. This has led to significant changes to how we structure out internal accounts, a process that has been seamless and effective in the transparency of financial reporting to both the Board and our members in the quarterly reports issued.

For the next year the Finance and Audit committee plans to build on the work already done. The board has approved a budget for this financial year with a small surplus result, but we anticipate significant changes as new programs appear and must be absorbed into the budget. In addition we have ensured that sufficient flexibility exists in the budget to enhance the function of ADGP, rather than to act a dampener — the position in the past. Importantly, we will be looking at other areas such as new revenue sources and specific areas of cost control such as insurances over the coming year. Importantly, ADGP will be seeking accreditation, a process that will further demonstrate ADGP's commitment to best practice.

Dr Chris Pearce
Chair, Finance and Audit Committee

Governance Committee

The Governance Committee, chaired by Dr Ken Conolly, has an ambitious agenda to develop and implement a corporate governance framework for ADGP. The committee met several meetings during the year and conducted a corporate governance workshop for the ADGP Board on 10 December 2004. The workshop focused on strategic leadership, the nature and characteristics of a governance framework and key governance policies. The board subsequently endorsed the development of a corporate governance manual for the board and ADGP executive.

The Governance Committee drafted and circulated a discussion paper to the Divisions Network on revised roles for the chair of the board and directors, with associated remuneration changes. The changes result in the chair performing a more traditional role, with remaining directors taking on extra responsibilities, and a board structure that encourages succession planning.

Rural Committee

The ADGP Rural Committee comprises current directors from all rural divisions as members of the ADGP Rural Committee. During the last 12 months, this included:

- Chair, Michael Taylor (GP, SA)
- Ken Conolly (GP, QLD)
- Tony Hobbs (GP, NSW)
- Penny Roberts-Thomson (GP, NT).

According to the Rural Committee's revised terms of reference, states without rural directors can be represented by a coopted GP or CEO. In the last 12 months, coopted members included:

- June Foulds (CEO, SA)
- Buzz Burrell (GP, WA)
- Nola Maxfield (GP, VIC).

The ACT is not considered rural for the purposes of the committee and Tasmania declined to be involved during the past 12 months.

A representative from the Rural Doctors Association of Australia (RDAA), Dr Ken Mackey, had observer rights on the committee.

The ADGP Rural Committee met twice between 1 July 2004 to 30 June 2005. The face-to-face meeting in September 2004 discussed the committee's terms of reference, work plan and communication arrangements. The November 2004 meeting discussed the committee's future.

During 2005–2006 ADGP will be seeking accreditation, a process that will further demonstrate ADGP's commitment to best practice.

Core activities

National policy

Medicare reforms, Senate inquiries, the Divisions' Summit and the ongoing ramifications of the Divisions Review have been the main focus of the ADGP policy team in the 2003–2004 year.

ADGP's policy team of two full-time and one part-time staff members continued to drive forward a large program of work during the year.

A highlight was the commencement of the Primary Health Care Position Statement in consultation with the Divisions Network and other key stakeholders. The Statement will be one of the Network's most substantial contributions to health policy. It will define the national primary health care policy debate from the Network's perspective and will be the basis for the ADGP's next Federal Budget Submission. Most importantly, it will provide a blueprint for the future function and role of Divisions.

Key achievements

Federal Budget

ADGP lodged a comprehensive 2005 Federal Budget submission in December 2004, and provided an analysis of relevant Budget measures to the membership in May 2005 (published on ADGP's website).

Submissions, reviews and position papers

Submissions and presentations were made to parliamentary standing committees including the House of Representatives Standing Committee on Health and Ageing Inquiry into Health Funding, and the Senate Select Inquiry into Mental Health.

ADGP developed position papers on topics such as practice nurses, nurse practitioners, the review of the Rural and Remote General Practice Program, Rural and Remote Metropolitan Areas classification review and e-health.

Support for the Review Implementation Committee included consolidating network input into the National Quality and Performance System.

Workforce development

ADGP contributed to workforce development initiatives such as the John Flynn Scholarship Scheme, the Prevocational General Practice Placement Program and several committees addressing the challenges faced by the Overseas Trained Doctor workforce.

Partnerships and research

A productive partnership has been established with the National Aboriginal Community Controlled Health Organisation (NACCHO) to advance Indigenous health issues. Key activities included joint media releases and a joint submission to DoHA for the Lifestyle Prescriptions Initiative.

ADGP is a research partner with the Australian National University and several other universities on the Australian General Practice Nursing Study, funded by the Australian Primary Health Care Research Institute (APHCRI). ADGP is also collaborating with the Primary Health Care Research Institute (PHCRIS) on the Effective Links project between Divisions and the university sector, and is on the advisory committee for another APHRCI-funded University of Melbourne project trialling new ways of encouraging adolescent Australians to avoid or reduce health risk behaviours.

ADGP collaborated with the Centre for General Practice Integration Studies at the University of New South Wales to convene a Practice Capacity Workshop in April 2005, and continues to work with the centre to apply the research findings in the development of chronic disease initiatives.

ADGP continued to participate in the General Practice Representative Group and the GP Summit on the future of general practice.

Representation and advocacy

Future directions

In 2005–06 ADGP will launch, promote and act on its Primary Health Care Position Statement, making it a centrepiece of the next Federal Budget submission.

An ADGP-SBO Policy Network and enhanced representation program will be introduced to further strengthen the quality of our contribution to various health policy debates.

Work with government and other key partners will continue, including contributing to key primary health care developments such as implementing the National Chronic Disease Strategy and agendas in the practice nurse, aged care and mental health arenas.

ADGP will also seek to engage key areas of government such as the Family and Community Services portfolio where the Divisions infrastructure could play a role in program delivery and coordination with health services.

Representation is core business and strategic for the work of Divisions. Representation on national committees and workshops enables ADGP to advocate for the interests of Divisions at the national level while keeping Divisions abreast of developments in primary health care.

ADGP representation on over 50 committees continued to provide opportunities for grassroots GPs and divisional representatives to actively contribute to a range of primary health care issues at the national level. This included input into the National Chronic Disease Strategy and supporting National Service Improvement Frameworks.

Demand for ADGP representation on national committees and workshops continued to grow, due to:

- recognition of the increasing role of the Divisions Network in primary health care delivery through support of general practice
- recognition of the quality of representation provided by ADGP
- new government initiatives.

Demand has to be carefully managed within current resources. New measures to help manage this demand include:

- ADGP staff members undertaking representation duties including workshop participation
- ADGP GP Board members undertaking representation duties in their state or territory.

A positive feature for the year was the increased number of representatives' reports which kept the ADGP Board informed of national developments. Unfortunately, the year saw a decline in the number of practising GPs undertaking representation duties, principally due to the low sitting fee rate provided by auspicing agencies. This will continue to impact on representation.

A list of representatives and committees is at the end of the report.

Left: Caption

Core activities

Communications

The ADGP communication strategy continues to successfully promote and raise awareness of the leading edge work being undertaken by ADGP.

ADGP publications reach a wide audience including the Divisions Network, key stakeholders, parliamentarians, health professionals and consumer groups. Opinion pieces and features from ADGP regularly appear in the medical media. Mainstream media also takes an interest in ADGP projects.

Key achievements

- Regular media releases responding promptly to key health issues and promoting achievements of ADGP programs.
- *ADGP News* continues to be a successful vehicle for promoting awareness of what we do.
- Regular opinion pieces in the medical media provide good ADGP coverage.
- Presentations by the CEO, chair and senior staff at health conferences, summits and forums keep ADGP in the health spotlight as innovative leaders.
- The number of visitors to the ADGP website grew, with a total of 546,260 visitors over the 12 month period—over 1500 page hits per day. This indicates that the number of visitors to the ADGP's website has more than doubled when compared with last year.

Future directions

- ADGP will continue to work with parliamentarians raising awareness of the issues affecting general practice and divisions.
- We will continue to strengthen our presence in the medical and mainstream media.
- We will ensure responses to key health care issues are immediate and relevant to the debate.
- Communications will highlight the achievements of divisions and SBOs in the community.
- ADGP will deliver a new vehicle for promotion of divisions and general practice. 'Dynamic Divisions' will give divisions a chance to shine and provide inspiration and ideas to others.

Western Sydney gen

ADGP took on a short-term contract to manage GP Division services in Western Sydney following the closure of Western Sydney General Practice Division (WSDGP) in April 2005. Significant support from the Alliance of NSW Divisions (ANSWD) contributed to the success of the temporary arrangement.

ADGP and ANSWD have jointly auspiced an independent consultancy to establish a locally-run entity to deliver division services in the long-term.

Western Australia Divisions State Office

From October 2004, on behalf of Western Australian Divisions, ADGP has overseen the contract for state-based support services via the implementation of the Western Australian Divisions State Office (WADSO). WADSO was funded with the equivalent of two full-time staff, and was tasked with re-establishing state-based support services.

The overall aim of this activity was to enhance and reinforce the capacity of Divisions in Western Australia to support general practice to deliver high quality primary health care services to their communities. Within the limited available resources this has been achieved.

ADGP's role in this process included:

- oversight of the office in accordance with the DoHA funding agreement and to ensure that the deliverables, terms and conditions of the agreement are met
- acceptance of legal responsibility for the office
- responsibility for financial management of the office
- resolution of problems that arise.

Key achievements

The Western Australia Divisions State Office is now fully functioning with all Western Australia divisions actively contributing to the development of state-based support and links between divisions.

WADSO is seen as the peak agency for state support. In rebuilding confidence with key stakeholders and members including government, WADSO, via ADGP, has been offered the following funding to support Western Australia Divisions:

- Review Implementation Committee implementation support in Western Australia (to 30 June 2005)
- Practice nursing program support (to 31 December 2005)
- Lifestyle prescriptions program support (30 June 2006).

In addition, a review and consultancy conducted with Western Australia Divisions and other key stakeholders was implemented by the Department of Health and Ageing on the future of state support services in Western Australia. This has been completed and the report delivered with support from Western Australian Divisions for a continuing state office of ADGP.

Future directions

The Department of Health and Ageing will execute funding for a state office of ADGP. The WA office, trading as Western Australian General Practice Network will be set up early in the 2005–06 financial year, with full state funding and policy direction from WA Divisions.

eral practice support

Key achievements

ADGP opened Western Sydney General Practice Support (WSGPS) in Parramatta on 28 April 2005 with seven staff. Staff quickly established regular communication with the local GPs and re-established National Prescribing Service, Aged Care GP Panels and Immunisation activities.

The Access to Psychological Services contract for Western Sydney GPs was temporarily taken on by Nepean Division of General Practice, while Home Medicine Review support for Western Sydney GPs continues to be provided by the Hawkesbury Division of General Practice.

Local GP organising committees in the five Western Sydney local government areas (Blacktown, Parramatta, Holroyd, Auburn and Baulkham Hills) are represented on the management advisory group for WSGPS. This group provided advice to WSGPS management and to the independent consultancy.

Support for local continuing professional development activities was quickly put in place, and WSGPS has been involved in events including monthly GP presentations at Westmead Hospital and other local GP meetings.

WSGPS now provides chronic disease management and enhanced primary care practice support to local GPs and practice staff, and medical director training has also started.

Future directions

WSGPS staff are awaiting the independent consultancy report (due in early August 2005) and look forward to helping to establish permanent arrangements for Western Sydney GPs later in 2005.

Core activities

Review Implementation Committee

In 2002, the Minister for Health and Ageing, Senator the Hon Kay Patterson, announced a review of the role of Divisions of General Practice.

The future role of the Divisions Network—review of the role of Divisions of General Practice was released in June 2003. The government's response to the review, including a set of key recommendations, was released in April 2004. The Review Implementation Committee was formed to provide advice and oversee the implementation of the reforms.

The committee's substantial work has resulted in a significant partnership between government and the Divisions Network. The reform agenda set by the review of divisions and the government response resulted in significant policy change and challenges for the Divisions Network.

Committee membership

Membership includes senior members of both government and the network.

Chair	
Mr David Learmonth	First Assistant Secretary, Australian Department of Health and Ageing
Ministerial appointments	
Dr Karda Cavanagh	General Practitioner, former member National Institute of Clinical Studies (NICS) Board of Directors
Dr Paul Hosie	Independent General Practitioner, Rural New South Wales
Dr Chris Jambor	Independent General Practitioner, Rural New South Wales
Prof John Humphreys	Professor of Rural Health Research, Monash University School of Rural Health, Bendigo
Dr David Rosenthal	Academic Coordinator, Riverland Parallel Rural Community Curriculum, Flinders University Rural Clinical School
Departmental appointments	
Ms Vicki Murphy	State Manager, Queensland State Office, Australian Department of Health and Ageing
Ms Lisa McGlynn	Assistant Secretary, Budget and Performance Branch, Australian Department of Health and Ageing
Divisional network appointments	
Dr Margaret Culpan	Chair, North and West Queensland Primary Health Care
Dr Robert Walters	Chair, ADGP
Mr Bill Newton	Chief Executive Officer, General Practice Divisions Victoria
Mr Andrew Waters	Executive Officer, Kimberley Division of General Practice
Ms Kate Carnell	CEO, ADGP

Achievements

Challenges for the committee included:

- ensuring consistency in delivery of programs across the Divisions Network
- ensuring coverage of services to the entire Australian nation, something the Divisions Network ?????
- building the confidence of potential partners and funding bodies in the Divisions Network as the provider of choice for delivering primary health care initiatives.

To address these challenges, the committee developed a national quality performance system so all divisions could be measured consistently across core areas in nine domains:

- governance
- prevention and early intervention
- access
- integration
- manage chronic disease
- general practice support
- quality support
- consumer focus
- workforce.

The committee contracted the Australian Primary Health Care Institute to develop national performance indicators in consultation with the Department of Health and Ageing, Divisions Network members, and national and international experts. Alongside these national indicators, divisions will retain a local focus via programs based on community need. The National Quality Performance System will be implemented for the first time in 2005–06.

In addition to the National Quality Performance System, the Review Implementation Committee helped set the contractual framework for divisions through a new funding agreement which involved negotiations between Divisions Network members and officials from DoHA. A total of 106 network members have signed this agreement.

The committee also worked in three other key areas:

- addressing structural efficiency
- measuring performance
- review of the funding formula for divisions.

Working groups were established to help develop strategies in these key areas.

The Structural Efficiency Working Group has developed several tools to assist divisions to assess their ability to meet the National Quality Performance System requirements. This work will continue in the short term, including identifying innovative divisions working together more efficiently.

The working group tasked with providing advice on performance measurement has provided significant feedback on the process for assessing the components of the network and their performance. Access to the performance and development funding pool has also been discussed at length, and the working group's activities will continue well into 2005–06.

The funding formula working group, led by consultants NOVA Public Policy, has been dealing with issues of core competencies for divisions, which will then drive the funding formula for the network. This is fundamental to the ability of the divisions to deliver services to general practice and their communities in the future.

ADGP has ensured key leaders from the network are providing advice and input into the strategies developed by the Review Implementation Committee. This includes working with the ADGP-SBO Coalition as a sounding board on major issues, and providing funding to SBOs to ensure support in the implementation of RIC's strategies.

Future challenges

The committee's development phase has been significant and the implementation phase is set to be just as challenging.

In the next six to 12 months the network faces the first reporting period using the new National Quality Performance System. Divisions are working towards meeting the performance measures, and close to 100 network members are registered for accreditation. The information management strategy is also a further piece of work that will require significant network development.

The drive towards consistency, coverage and increased capacity for the Network will ensure that all funding bodies, including the Australian Government, has confidence in the Divisions Network as the provider of choice in primary health care.

Core activities

Divisions of General Practice Network

The sixth annual national Divisions of General Practice Network Forum was held at the Adelaide Convention Centre 23–26 September 2004.

The forum's theme was 'Taking Action'. There were plenty of opportunities for debate between delegates and speakers, with guest panels and open discussion forums as well as the plenary and paper presentations.

The forum coordinator and secretariat were advised by a 12-member steering committee:

- Ms Liesel Wett, ADGP Deputy CEO
- Dr Annette Douglas, Southern Tasmanian Division of General Practice
- Ms Wendy Eccleston, Top End Division of General Practice
- Mr David Gardner, Brisbane South Division of General Practice
- Dr Mary-Anne Lancaster, Inner Eastern Melbourne Division of General Practice
- Ms Debra O'Connor, Consumers Health Forum
- Ms Natasha Pavlin, General Practice Registrars Australia
- Dr Moira Sim, ADGP Urban (WA) Director
- Dr Michael Taylor, ADGP Rural (SA) Director
- Ms Susi Tegen, Limestone Coast Division of General Practice
- Ms Kerry Ungerer, ADGP Senior Policy Adviser
- Mr Robin Wells, Australian Department of Health and Ageing.

Highlights

The forum was opened during a welcome reception by the Minister for Health and Ageing, the Hon Tony Abbott MP. The minister also presented the Divisions Achievement Awards for 2004. Shadow Minister for Health, Ms Julia Gillard MP spoke to delegates during the Saturday morning plenary session.

Highlights of formal presentations included the keynote address by Ms Stella Axarlis AM who urged the network to work together to embrace change in a culture of innovation and accountability. Other international speakers included Dr Gregory P Marchildon from the University of Regina, Canada, Dr Doug Baird from the Independent Practitioner Association Council of New Zealand and Dr Andrew Russell, Director of Primary Care Tayside, Scotland.

The forum opening plenary session also hosted the Dr John Aloizos AM Medal Award ceremony for outstanding individual achievement to the Divisions of General Practice Network. The recipient of this year's medal was Mr Bill Newton, CEO of General Practice Divisions Victoria.

The forum once again received a grant from DoHA that enabled subsidised registrations for Divisions, to ensure wide participation.

Trade exhibition

The trade exhibition was completely sold out this year, with a range of exhibition stands from state based offices, pharmacy, nursing, IT, university centres, rural organisations, insurance and practice management fields. Once again, the Internet café and massage stand were successful components of the trade exhibition.

Forum 2004

Key achievements

A total of 923 registrations were received for the Forum, including sponsors and exhibitors.

Approximately 532 delegates were from Divisions of General Practice and more than 292 were GPs. 270 organisations were represented including other GP groups, university departments and centres, allied health organisations and a number of state health departments.

A total of 100 abstracts were received in response to the call for papers, with 20 selected for presentation. This is a significant increase from 79 in 2003 and indicates a high level of interest from Divisions to showcase local initiatives and successes.

The ADGP website was once again a key medium for dissemination of advance information and forum proceedings and presentations.

Future directions

Feedback from delegates and sponsors provided useful suggestions and comments for improving both the program and organisation in 2005.

Overall feedback was positive, with the administration of the forum and the trade exhibition rated most highly. In future forums, delegates would like to see greater emphasis on practical workshops and even more opportunities for interaction. Delegates also felt there was a need to provide greater opportunities for strategic reflection and planning.

The National Divisions Forum 2005 will be held at the Perth Convention Exhibition Centre on 3–6 November 2005.

National programs

Chronic disease management and prevention in general practice

Seven out of ten general practice consultations are chronic disease related and comorbidity is common. With an ageing population, this is likely to rise.

General practice has a key role in preventing and managing chronic disease at both the individual and population levels.

Chronic Disease Management (CDM) program funding to Divisions ceased in 2003–04. However, general practice continues to receive support from divisions in managing chronic disease, particularly in developing recall and reminder systems for patients.

Key achievements

Australian health ministers are developing a national chronic disease strategy.

ADGP Director, Dr Tony Hobbs, is the general practice representative on the national taskforce charged with developing the strategy.

ADGP also contributed to the development of new Medicare Benefits Schedule Chronic Disease item numbers. These item numbers will enhance the quality of chronic disease care in general practice, and promote the involvement of other allied health professionals such as practice nurses, physiotherapists, dieticians and psychologists in team-based care.

A contract was negotiated with DoHA to provide funding until June 2006 for the Divisions Network to implement lifestyle prescriptions in general practice. Lifestyle prescriptions provide general practice with tools to assist patients make healthier lifestyle choices.

Future directions

Funding for divisions to deliver preventative health and population health systems of care is a priority for the next five years.

Population health programs aimed at preventing chronic disease and using multidisciplinary team-based approaches for patient management will be strengthened.

Activities will address education, training, patient self management, coordinated team-based care, and engaging the community in health promotion activities.

Enhanced Divisional Quality Use of Medicines

Enhanced Divisional Quality Use of Medicines (EDQUM) Program commenced on 1 July 2002, involving 15 Divisions of General Practice from five states in a two year pilot program. EDQUM was developed from a 1999 federal budget initiative in consultation with ADGP, DoHA, the National Prescribing Service, the Divisions Network and other stakeholders. The program uses local divisional expertise to enhance existing Quality Use of Medicine initiatives. Divisions participating in EDQUM receive no upfront funding and while Pharmaceutical Benefit Scheme (PBS) reduction is not the primary focus, Divisions are paid a share of savings to the PBS, attributable to EDQUM activity. These savings can then be reinvested in primary care programs that will benefit the community of that division.

Key achievements

The program expanded beyond the pilot to include 21 participating divisions in 2004.

Enhanced Quality Use of Medicine initiatives are underway in four designated drug groups in each participating division.

ADGP maintained a range of web-based resources to assist divisions with this initiative.

The return of share of PBS savings totalled more than $150,000 to six of 13 divisions participating in the financial year 2003–2004.

The program has resulted in enhanced communication and working relationships between participating divisions, the National Prescribing Service, Health Insurance Commission and DoHA.

Future directions

ADGP has petitioned the DoHA to further expand number of Divisions and drug groups for 2005–2006.

Effective resource management

A subset of Enhanced Divisional Quality Use of Medicines (EDQUM) has been exploring the possibility of running a fully funded version of EDQUM.

There is growing awareness among the participating divisions about their ability to engage and influence GPs with evidence-based information, and recognition that influence with GPs at the point of prescribing or service request has broad ramifications for whole of health care system efficiencies.

DoHA has indicated it is not in a position to fund such an activity but is willing to consider alternate funding models.

Key achievements

A memorandum of understanding is now in place with nine organisations comprising five divisions, three New Zealand Independent Practitioner Associations and ADGP, with the goal of developing a business case for effective resource management.

There has been ongoing engagement of lead GPs in participating divisions.

Initial data analysis of Pharmaceutical Benefits Scheme data in participating divisions has shown that opportunities exist for targeted, evidence base programs focusing heavily on quality prescribing, efficacy and patient outcomes.

To support the project, AGDP has initiated dialogue with the Health Insurance Commission regarding availability of regular, targeted prescriber feedback.

Meetings with DoHA have been held to provide information as the project develops.

Future directions

A regular schedule of face-to-face meetings and teleconferences has been established to advance the project among the participating organisations and continue to inform other stakeholders of developments. ADGP is positive of moving this initiative forward, with the participating Divisions in the next 12 month period.

National programs

General practice immunisation

Supporting general practice through the Divisions Network, to achieve the objectives of both the National Immunisation Program and the GPII Scheme.

General practice provides the majority of immunisations nationally, administering 80 per cent of valid vaccinations recorded on the Australian Childhood Immunisation Register (ACIR). The General Practice Immunisation Incentives (GPII) Scheme has been highly successful in supporting general practice to achieve average practice immunisation coverage rates in excess of 90 per cent, with more than 5400 practices currently participating in the scheme.

ADGP has been contracted to deliver national leadership in this area via the National GP Immunisation Coordinator role which has now completed its 7th year. The overarching aim is to support general practice through the Divisions Network, to achieve the objectives of both the National Immunisation Program and the GPII Scheme.

Key achievements

The program's major achievements include:

- providing national support and advocacy to SBO immunisation coordinators through regular face-to-face meetings and teleconferences
- ensuring regular contact with divisions' immunisation coordinators through email and a monthly newsletter to the network
- convening the 4th biennial National Divisions Immunisation Workshop held in Cairns in August 2004
- hosting and maintaining the immunisation web module on the ADGP website.

Future directions

The National GP Immunisation Coordinator role will undergo an independent review under the auspices of DoHA in the later half of 2005. ADGP welcomes this review process, and looks forward to reshaping the role to reflect the resulting recommendations.

Delivering immunisation services is becoming increasingly complex, with schedule changes and multivalent vaccines. ADGP will continue to support and maintain the divisional immunisation networks to enable them to meet the needs of general practice service providers, with a particular focus on areas with low coverage, and on quality issues.

Information management/information technology

In the past 12 months, the Divisions Network has addressed the challenges and opportunities presented by the e-health agenda. In May 2005, the ADGP won support from government to re-establish a national information manager/ information technology (IM/IT) coordinator. This was based on the ongoing emphasis on IM/IT in primary health care through government initiatives such as Broadband for Health, HealthConnect, and more recently the requirements of the government's National Quality and Performance System for Divisions Network.

There are well recognised opportunities to improve the capacity of divisions to use IT and communications technologies to enhance the primary health care delivery, leading to more efficient practices and improved patient outcomes. With a moving changing agenda ADGP will now play a key role in bringing together common understandings and issues as they arise and impact on divisions and ultimately the impact this has on improving better patient outcomes and improved efficiency in General Practice.

Key achievements

The program's major achievements from May to June 2005 include:

- providing national support and advocacy to the Divisions Network in IM/IT
- representing Divisions on national committees such as National Broadband for Health Working group and General Practice Computing Group
- establishing regular contact with the divisions through electronic mechanisms and updates
- presenting ADGP policy at national forums, sessions and conferences about the challenges and successes of the uptake and use of IT and information management as supported by divisions in general practice.

Future directions

ADGP is working collaboratively with the network on policies to ensure solutions are consistent with the requirements of a national shared electronic health record and that the Divisions Network capacity to share outcomes is enhanced.

Building on the successful implementation of activities in this area will help to engage other stakeholders including governments, software vendors and other health providers. Strong leadership in this area is key to success and linking e-health agendas to primary health care and the health agenda more broadly. ADGP is strengthening partnerships to ensure the best possible outcomes for the use of new technologies and enhanced information management systems in primary health care.

National Divisions Youth Alliance

Funding for the National Divisions Youth Alliance (NDYA) concluded in August 2004. The NDYA was a focal point for youth health in the Divisions Network, providing Divisions and GPs with resources, information and tools to promote quality primary health care services to young people.

Key achievements

NDYA promoted GP access to quality training in youth health in collaboration with the Centre for the Advancement of Adolescent Health and Dr Link.

NDYA assisted Divisions to strengthen their youth health programs by providing resources and advice through a comprehensive NDYA website, newsletters and listserves, and through workshops and presentations at ADGP's annual forum.

NDYA promoted the role of general practice in youth health at conferences, in various national consultation forums and via the medical and mainstream media.

Future directions

Through its *MindMatters Plus GP* and mental health program, ADGP continues to focus on youth health with a priority on mental health, psychosocial and drug and alcohol issues.

NDYA resources such as the adolescent health check and youth friendly practice principles have been promoted through MindMatters Plus GP and several Divisions of general practice expanded their allied health services to include services for children and young people.

National programs

Medication management review

Providing health professionals and end users with the knowledge and guidance required for the safe administration of medications.

DoHA implemented the Home Medicines Review (HMR) initiative in October 2001. The aim was raise the levels of health in the community by providing health professionals and end users with the knowledge and guidance required for the safe administration of medications. To achieve this, the ADGP has collaborated with the Pharmacy Guild of Australia.

Key achievements

HMR facilitators have been employed locally by Divisions to promote and develop the Home Medicines Review Program. Their role includes approaching GPs and pharmacists to educate and encourage them to conduct HMRs. Facilitators are skilled in conducting HMRs and perform reviews on a regular basis throughout their communities. In doing so they are building first hand knowledge to help them promote the benefits of HMRs to all other health care groups.

HMR GP Champion Program

Over the past six months, ADGP has developed a Train the Trainer program, delivered by GPs to provide training in HMR.

In May 2005, ADGP conducted the first of its GP Champion Home Medicines Review training workshops in Canberra. This event brought together six computer literate GP Champions to be skilled as HMR trainers.

The objective was to produce a learning package that the GP Champions can use for HMR training in their own Divisions and in nearby regions, to promote the benefits, and ensure that such reviews work for the GP, pharmacist and patient.

An advantage of this project is that GPs are being trained by their peers, who understand their interests and concerns and can communicate the value of an HMR, from a general practice perspective.

Presentations by GP Champions incorporate a short video to demonstrate the ease with which software can be used to electronically process referrals between GPs and pharmacists.

The HMR training packages clearly define how GPs, pharmacists and patients can work together under the HMR program. GP Champions have complete training kits, and are available to deliver this training to all Divisions.

Future directions

In June of 2005, senior management within ADGP Canberra conducted a survey that gave all Divisions the opportunity to make comments and offer suggestions for improvements to the HMR GP Champion Program, and the MMR facilitator Program overall. The aim was to make this important component of business more efficient and more able to be integrated into core Divisional activity. Responses received represented feedback from a broad range of people in various positions and levels of authority.

Divisions of General Practice are working hard to integrate the HMR initiative into the work of general practices throughout the country. New initiatives such as Residential Medication Management Review have now been embraced by general practice to provide another service to better the health of the community.

Both ADGP and the Pharmacy Guild of Australia believe that they have and will continue to make a difference to the level of health of those in the community through the proper administration and development of this program

Nursing in general practice

The aims of the ADGP Nursing in General Practice Program are to:

- build the capacity of Divisions to support nursing in general practice through supporting general practice to recruit nurses, developing mentoring and support programs for general practice nurses, and sharing knowledge, expertise and resources
- maintain communication links between divisions, SBOs, national nursing and general practice organisations, and other key stakeholders on issues pertinent to nursing in general practice
- provide strategic policy advice and input into future policy direction for practice nursing.

Key achievements

ADGP and the Centre for General Practice Integration Studies held a feedback workshop with the Demonstration Divisions (key divisions with significant experience in supporting general practice with nursing initatives) and DoHA representatives who were presented with key issues, barriers and enablers to supporting nursing in general practice in the short, medium and long term. The feedback workshop also showcased the excellent work being done by Divisions to support nursing in general practice, and explored implications for collaboration.

ADGP released the Nursing in General Practice Demonstration Divisions National Resource Kit during the year. The kit documents the experience and knowledge of the demonstration Divisions in establishing and maintaining a practice nurse support program.

A position statement on nursing in general practice was published, promoting the role of nurses in general practice and demonstrating to other organisations ADGP's support for this important program.

An addendum developed for the business case package reflected specific changes impacting on nursing in general practice, since the development of the original package in 2003. These changes included the introduction of Medicare Benefits Schedule item numbers for nurses to undertake wound management, immunisation, and cervical screening (rural, remote and regional areas only) on behalf of the general practitioner, and the extension of the Practice Incentive Program practice nurse incentive to selected urban areas of workforce shortage.

In partnership with Australian National University, ADGP obtained a research grant from the Australian Primary Health Care Institute to undertake a three year study to develop models to support advanced nurse practice in general practice, and examine the role of the practice nurse in quality and safety within general practice.

ADGP was contracted by DoHA to handle national coordination of the Support for Nursing in General Practice Program. The program has been funded to December 2005 to build the capacity of the Divisions Network to deliver support services for practice nursing, and to coordinate and fund training opportunities for practice nurses across each state/territory.

Other achievements include:

- participating in the national project to develop competency standards for registered and enrolled nurses in general practice
- preparing a discussion paper to inform the possible expansion of Medicare Benefits Schedule item numbers for practice nurses
- planning for the 2nd National Practice Nurse Conference in conjunction with Royal College of Nursing Australia
- participating in a joint project with Australian Practice Nurses Association to support educational opportunities for general practice nurses in the areas of immunisation and wound care.

Future directions

Over the next six months ADGP will continue to work closely with the state-based organisations to support and expand the Nursing in General Practice Program through divisions. Funding for the Principal Advisor position ends in December 2005. ADGP will discuss the future of this key role with DoHA and other stakeholders.

National programs

Primary mental health care

For the last five years, ADGP has coordinated and led the National Primary Mental Health Care Network, which supports the implementation of Australia's primary mental health care priorities. A focal point has been the Better Outcomes in Mental Health Care initiative.

Key achievements

In 2004–05, ADGP support for youth mental health and for managing mental health and substance use in general practice were consolidated into ADGP's mental health program. The program now comprises three mains areas:

- National Primary Mental Health Care Network
- Managing the Mix: Your Mental Health and Alcohol project
- MindMatters Plus GP.

National Primary Mental Health Network

ADGP's National Primary Mental Health Network informed mental health policy through the Better Outcomes Implementation Advisory Group and other key national committees. A highlight was the substantial submission to the Senate Select Committee Inquiry into Mental Health.

Through regular workshops and teleconferences, the National Primary Mental Health Network served as an information conduit between the general practice sector and government.

The National Primary Mental Health Network continued to build capacity for mental health care in general practice by

- delivering an updated suite of familiarisation training resources
- brokering access to mental health education and training
- supporting the operation of allied health services in divisions
- supporting the uptake of related developments such as new Medicare Benefits Schedule item numbers for GP–Psychiatry liaison.

ADGP continued to build and maintain strategic partnerships and plan joint activities, such as community service announcements and an inaugural primary mental health care conference, with agencies including beyondblue: the national depression initiative, the Mental Health Council of Australia, the Australian Psychological Society and Lifeline.

Managing the Mix

Managing the Mix is funded by the Alcohol Education and Rehabilitation Foundation and the Australian Departments of Health and Ageing and Veterans' Affairs. This project involves 33 Divisions in training and local initiatives to better link primary care, mental health and drug and alcohol services. The training will boost the number of GPs eligible to participate in the Better Outcomes in Mental Health Care initiative. Funding from the Rural Health and Palliative Care branch of DoHA enabled participation of five remote divisions.

MindMatters Plus GP

A total of 23 divisions have built effective referral pathways between schools and general practice to support young people with high mental health support needs. An online resource kit has been produced and has been in high demand.

Future directions

ADGP will continue working with other national mental health stakeholders to support Australian Government priorities in primary mental health care, by contributing to national mental health policy, the work of the recently announced National Youth Mental Health Foundation, and further development of *MindMatters Plus GP*.

ADGP will play a lead role in the expansion of Better Outcomes in Mental Health Care by:

- supporting the expansion of allied health services in child and adolescent service delivery
- working with the Royal Australian and New Zealand College of Physicians (RANZCP) and the Royal Australian College of General Practitioners (RACGP) to promote GP-Psychiatry liaison through local networks
- continuing to broker solutions to mental health training access and availability
- linking Better Outcomes in Mental Health Care with drug and alcohol, suicide prevention and chronic disease initiatives in the general practice setting.

Strengthening Medicare Aged Care Initiative

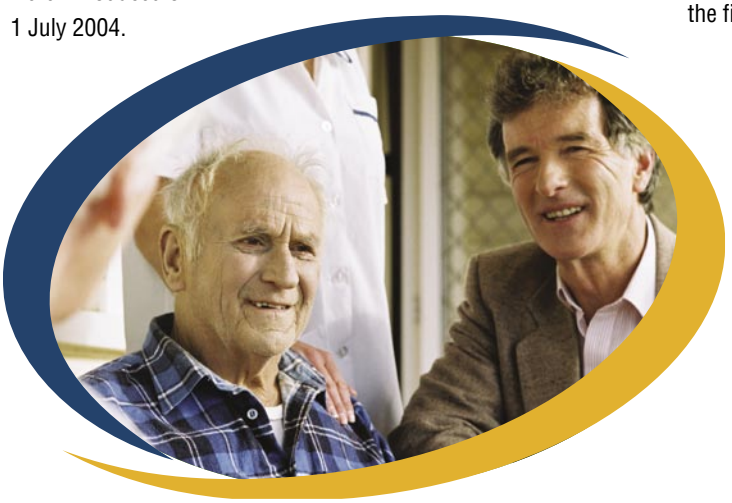
One component of the Strengthening Medicare Aged Care Initiative is the Aged Care GP Panels Initiative, implemented by DoHA as part of the $2.85 billion Strengthening Medicare Package. The initiative provides much needed support for GPs working in the aged care sector and aged care homes. Its three key aims are:

- improved access to appropriate medical care for all aged care residents
- increased participation of GPs in aged care initiatives aimed at improving quality of care
- GPs and divisions working more effectively with aged care homes.

The Strengthening Medicare Aged Care Initiative also includes a new Medicare Benefits Schedule item number for a comprehensive medical assessment of new and existing residents (if required) of aged care homes.

The comprehensive medical assessment was introduced to complement other Medicare Benefits Schedule items, including the enhanced primary care items of care planning and case conferencing. The comprehensive medical assessment is a full systems review of the resident, including assessment of the resident's health and physical and psychological function.

Combined, the two measures are worth $47.9 million over three years. The initiatives were introduced on 1 July 2004.



Key achievements

ADGP has undertaken significant work in support of these initiatives, such as:

- consultation with the Divisions Network, including conducting an aged care questionnaire specific to divisions
- consultation in the development of guidelines for the Strengthening Medicare Aged Care Initiative
- organisation and coordination of a national workshop
- attendance at and input to all state and territory aged care workshops
- development of an ADGP Aged Care Coordinator Communication Plan
- instigation of a national aged care network inviting participation from the Divisions Network and the aged care sector
- development of an aged care specific web page on the ADGP website
- development of draft contracts for divisions for the engagement of GPs to the GP Panels
- development of a business plan for using the comprehensive medical assessment and enhanced primary care item numbers in residential aged care homes
- preparation and dissemination of media releases into mainstream and medical media.

There have been some significant achievements in the first 12 months of implementing the initiative and divisions are to be commended for their hard work and commitment.

Future directions

The generally sceptical attitude of the general practice and aged care sectors prior to implementation has been replaced with a more positive attitude as a direct result of work undertaken through this initiative. Most divisions are now quietly optimistic about their ability to prevent a decline in the number of GPs practising in aged care homes and to address significant barriers to GP and aged care home engagement.

This initiative has not only improved communications between the general practice and aged care home sectors but also within the Divisions Network. Sharing resources is now common place with divisions actively helping each other to succeed.

There are many bridges to build and work to be done in ensuring that the Strengthening Medicare Aged Care Initiative continues to bring about closer, tighter partnerships between the GP community and aged care sector. From ADGP's experience to date, it is clear that Divisions of General Practice are looking forward to working closely with the aged care sector, relevant stakeholders and DoHA on this initiative over the next two years.

National programs

Rural palliative care program

The Rural Palliative Care Program aims to deliver palliative care services through a truly integrated approach providing care for patients, their carers and families across Divisions of General Practice nationally.

The Rural Palliative Care Program began in 2003 to support several rural Divisions develop and implement collaborative models that, over three years, will significantly improve rural community access to quality, coordinated palliative care.

This followed the release of the Australian Government's National Framework for Palliative Care Service Development in 2000, which highlighted the challenge facing Australia to secure palliative care as an integral part of health care, routinely available to those who need it within local communities.

The objectives of the program are to:

- deliver high quality and responsive service to patients and carers
- ensure appropriate care and expertise are accessible when required
- use existing services more effectively
- use multidisciplinary care planning to coordinate services and to respond to patients needs.

ADGP sought expressions of interest from rural divisions that were prepared to collaborate with other key service providers to develop and implement rural sustainable models of palliative care.

DoHA has contracted ADGP to implement services that address the project's objectives.

Key achievements

The following Divisions have been awarded funding for the Rural Palliative Care Program:

- Adelaide Hills DGP
- Eastern Goldfields Medical DGP
- Mid North Coast (NSW) DGP
- North West Tasmania DGP
- Pilbara DGP
- South East NSW DGP
- Southern Queensland Rural DGP
- West Victoria DGP.

The Centre for Health Services Development, University of Wollongong, has been contracted to conduct an external evaluation of the program.

A website for the Rural Palliative Care Program has been established, and is hosted on the ADGP website. The site provides information about the program and links to other palliative care related websites and documents.

Future directions

ADGP will continue assisting rural Divisions that are implementing the program, including participating in an external evaluation of the program.

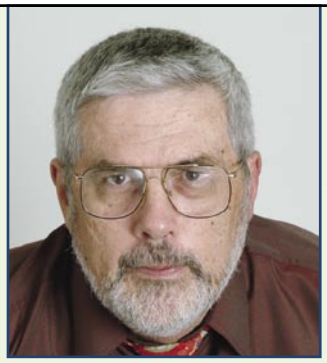
A priority will be to market the program to Divisions and support the program through enhancing existing networks in local communities.

The aim is to demonstrate that improved access to an integrated palliative care service for terminally ill people, their carers and families is achievable and sustainable in a rural context.

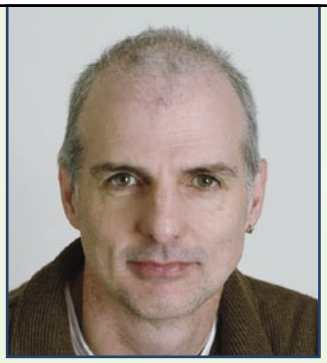
ADGP directors

Directors as at 30 June 2005

Dr Rob Walters *Chair*



Dr Ken Conolly



Dr Chris Pearce

Dr Tony Hobbs

Dr Penny Roberts-Thompson

Dr Michael Taylor

Dr Jenny Thomson

Dr Willie Walker

Mr Russel McGowan *Consumer observer*

Financial report

Directors' report

The directors submit their report for the financial year ended 30 June 2004.

Directors

The names and details of the directors in office during the financial year and up to the date of this report are as follows.

Director	Experience
Dr Rob Walters B. Med Sc.; MBBS Chairman	Chairman since November 2002; Colonel Australian Army and consultant to the Surgeon General in General Practice for the Army, Navy and Air Force; Medical Director Tasmanian Work Cover; Secretary Medical Protection Society of Tasmania; immediate past Chair of the Cancer Council of Tasmania; GP for 24 years (solo and group Practice Principal).
Dr Ken Conolly MBBS; FACRRM	Rural GP for 33 years; Significant experience in medical issues relating to Indigenous people. Director of QDGP and FNQ Rural Division
Dr Hilary Fine MBBS (Lond); B. Sc (Hons); AKC; MRCGP; DRCOG; Dip Acupuncture	20 years GP experience (12 as Principal), Divisions Medical Director 8 years and Chairperson since 2003.
Dr Tony Hobbs MBBS (1st Hons), DRANCOG (Advanced), Dip.Child Health, Dip.Tropical Medicine & Hygiene, FACRRM.	Rural GP/Obstetrician for 16 years; 6 years as a Director of Rural Divisions General Practice & Primary Health.
Mr Russell McGowan BA Psychology and Politics	Vice Chair of the Consumers' Health Forum of Australia; Member of Australian Screening Advisory Committee; Board Member, National Blood Authority; Director, Australian Council on Healthcare Standards; Board Member, the Cancer Council of Australia (to March 2005).
Dr Chris Pearce MBBS; FRACGP; FACRRM; MFM, MAICD.	Board Member ADGP since November 2002; Previously Board Member and Chair of North East Victoria Division; Previously Rural Director of GPDV; Current Director of Whitehorse Division.
Dr Penny Roberts-Thomson MBBS, FRACGP (DGO, Dip Anaes)	31 years in medical practice; 17 years as a GP Principal; 4 years with remote Aboriginal Health Service.
Dr Michael Taylor MBBS; Dip Child and Community Health; FRACGP	Rural GP Principal 18 years; Adelaide Hills Division of General Practice Medical Director 4 years; SA Divisions of General Practice Director for 3 years.
Dr Jennifer Thomson MBBS FRACGP MBA	26 years in general practice; past Chair and CEO of ACT Division of General Practice; 15 years in GP education and training; adjunct Associate Professor ANU Medical School.
Dr Willie Walker MBCHB; MRCGP; FRACGP; FACRRM	GP Obstetrician 27 years in Practice; 17+ years in Rural Western Australia

Company Secretary

Liesel Wett
(Deputy Chief Executive Officer)
BSc, MPH, MBA

Held the position of Deputy Chief Executive at ADGP for two years. In addition, experience includes over six years in business management positions, including working in two Divisions of General Practice; health promotion; health planning and primary health care change management. Most recently, Executive Director International Centre for Eyecare Education (ICEE), a global charity, a partner of Vision 2020 Australia (WHO initiative).

Directors' meetings

The following directors were in office during the financial year. Directors were in office for the entire period unless otherwise stated.

			Directors' meetings		Meetings of Committees					
					Rural		Finance & Audit[1]		Governance[2]	
	Appointed	Term expired or resigned	2004–2005	2003–2004	2004–2005	2003-2004	2004–2005	2003–2004	2004–2005	2003–2004
Meetings held			**7**	**14**		**2**		**8**		**3**
Meetings attended:										
Dr Rob Walters *Chair*	23/11/2003		7	14	-	-	-	1[3]	-	1[3]
Dr Ken Conolly *Chair Gov. Comm.*	21/11/2003		6	7	1	-	-	-	6	3
Dr Hilary Fine	13/10/2004		7	5	-	-		-	-	-
Dr Tony Hobbs	15/01/2004		7	6	2	-	8	-	-	-
Mr Russell McGowan[5]	01/07/2004		6	12	-	-	-	-	-	-
Dr Chris Pearce *Chair F & A Comm.*	08/11/2002		6	14	-	-	8	8	-	-
Dr Penny Roberts-Thomson	21/04/2003	30/06/2005	7	12	2	1	-	-	-	-
Dr Michael Taylor *Chair Rural Comm.*	08/11/2002		7	14	2	2	-	-	-	-
Dr Jennifer Thomson	01/06/2004		7	2	-	-	-	-	5	1
Dr Willie Walker	01/12/2003	30/07/2004	-	6	-	-	-	-	-	-

[1] The Finance & Audit Committee was established in November 2002. Prior to that Dr Furio Virant held the office of Treasurer.

[2] In 2002-2003 the board established a Governance taskforce which was reformed in 2003-2004 as the Governance Committee.

[3] Dr Rob Walters attended 1 Finance & Audit Committee meeting and 1 Governance Committee meeting, ex-officio.

[4] Dr Vlad Matic attended 1 Finance & Audit Committee meeting at the invitation of the Committee.

[5] Russell McGowan attended directors' meetings until 31 May 2004 as the nominated consumer representative. He was renominated and appointed as a director on 1 July 2004 in accord with the requirements of the new constitution approved at the Annual General Meeting in November 2003.

Financial report

Corporate information

Corporate structure

Australian Divisions of General Practice Limited is a not for profit public company limited by guarantee that is incorporated and domiciled in Australia. No shares have been issued and at balance date there were 118 member divisions and eight member SBOs guaranteeing to contribute up to $10 each to the property of the company in the event of it being wound up.

At report date one Division of General Practice who was eligible to be a member division had elected not to be a member of the Australian Divisions of General Practice Limited.

Australian Divisions of General Practice Limited is the sole member of Australian Divisions Member Services Limited.

Principal place of business

The registered office and principal place of business of the Australian Divisions of General Practice Limited is:

Ground Floor, Minter Ellison Building
25 National Circuit, Forrest ACT 2603

Nature of operations and principal activities

The Australian Divisions of General Practice Limited promotes the health and well-being of Australians through Divisions of General Practice, including by:

- strengthening the effectiveness and vitality of the general practice sector through support to member divisions and Member SBOs and advocacy and representation of member divisions and member SBOs to the Australian Government, to other national organisations and to the Australian public
- contributing to the development of national health policy in collaboration with member divisions and member SBOs
- promoting cooperation and communication with other national organisations in Australia with objects similar to these objects of the company
- providing national leadership in health system development.

Employees

The Australian Divisions of General Practice Limited employed 31 full time equivalent employees at 30 June 2005 (24 full time equivalent employees at 30 June 2004).

Review and results of operations

Overview

In addition to ADGP core activities outlined under the nature of operations and principal activities, separately funded programs were undertaken in the following areas during the financial year:

Aged care

Provide national leadership, assistance and support for SBOs and principally through SBOs, the Divisions of General Practice Network in achieving the aims and objectives of the Aged Care GP Panels Initiative.

Medication Management Review

Coordinate facilitator program in divisions which assist GPs and pharmacists in the adoption and quality delivery of the Home Medicine Review service.

Enhanced Divisions Quality use of Medicines

Coordinate the program in 21 divisions to improve quality prescribing practices in target drug groups.

Interim Western Australian Divisions' State Office

Development and implementation of the WA Divisions' state office to provide support and coordination to WA Divisions of General Practice.

Interim Western Sydney Divisional Office

Manage the interim provision of support and services to Western Sydney GPs and their practices and facilitate the consultancy to develop a permanent model of service delivery.

Immunisation

Provide national representation, policy, advocacy and program support to further objectives of the National immunisation program and GPII scheme.

Information management and IT coordination

Provide and coordinate with relevant stakeholder's matters that support capacity building, communication and policy advice to support the e-health agenda as it pertains to the Divisions Network.

Lifestyle prescriptions

Provide national leadership, assistance and support to the Divisions Network in implementing the Lifestyle Prescriptions Initiative.

Managing alcohol and mental health co-morbidity in primary care

Funding, principally from Alcohol Education & Rehabilitation Foundation Ltd, coordinates GP education and training and linkages between general practice, mental health and drug and alcohol services.

Mental health

National policy advisor supporting the implementation of primary mental health care initiatives including the Better Outcomes in Mental Health Care Initiative as well as development of better links between mental health, drug and alcohol, suicide prevention and chronic disease management in primary care.

Mind Matters Plus GP

Coordinate links between secondary schools and 23 demonstration divisions to provide referral pathways and networks of care for young people with mental health needs.

National forum

Overall coordination and management of the National Divisions of General Practice Forum.

Nursing in general practice

Develop networks, expertise and resources and provide input to policy at the national level to build capacity of divisions to support nursing in general practice.

Review Implementation Committee

Strategies to ensure the implementation of the Review of the role of Divisions of General Practice via the government response to the review.

Rural palliative care

Coordinate implementation of integrated, multi-disciplinary, high quality and responsive palliative services through divisions to patients and carers in rural areas.

Operating results for the year

This financial year Australian Divisions of General Practice Limited experienced a decrease in revenues of 4% and reduced its core operational expenditures by 15% compared to the previous financial year.

The combined effect of these changes has resulted in a surplus from ordinary activities of $115,415. This represents a positive turnaround from the $72,300 deficit from ordinary activities result in the previous financial year.

A continued focus on operational cost controls in all areas, whilst continuing to deliver services, has been the prime factor contributing to the improvement in the result.

Review of financial condition

Capital structure

There was no change in the capital structure of the company during the financial year.

Cash from operations

Net cash flows from operating activities of $138,674 were achieved, compared to cash flow of $233,558 in the previous financial year.

Liquidity and funding

Australian Divisions of General Practice Limited has sufficient funds to maintain operations assuming appropriate core and program funding from the Australian Government continues in future years.

Financial report

Significant events after balance date

In the opinion of directors, there has not been any activity, transaction or event of a material or unusual nature, between 30 June 2005 and the date of this report, which significantly affects the operations of the company, the results of those operations, or the state of affairs of the company.

Likely developments and expected results

The directors foresee that the 2005–2006 financial year will be a period of ongoing focus on the delivery of benefits to Members and stakeholders of the Australian Divisions of General Practice Limited.

The company will continue to reinforce with the Department of Health & Ageing that the Divisions Network and general practice is the best vehicle for the roll out of primary health care initiatives and changes. The delivery of good communication, coordination and support to strengthen the Divisions Network will be a priority as will national leadership and policy direction.

The company will also continue to deliver a number of separately funded national programs such as practice nursing, mental health, aged care, and pursue new funding opportunities associated with emerging primary health care priorities.

In terms of governance the company will continue its progress of business improvement, including the implementation of quality assured systems leading to accreditation during the year.

The Australian Divisions of General Practice has budgeted for a small surplus from ordinary activities in the 2005–2006 financial year.

Indemnification and insurance of directors and officers

During the financial year, the company has paid premiums in respect of a contract insuring Directors and officers of the Australian Divisions of General Practice Limited against costs incurred in defending proceedings for conduct involving:

(a) a wilful breach of duty; or

(b) a contravention of sections 182 or 183 of the *Corporations Act 2001*,

as permitted by section 199B of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid was $14,206 ($10,048 in 2004). This amount is not included as part of directors remuneration at Note 12.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out after the independent audit report.

Signed in accordance with a resolution of directors.

Dr Rob Walters
Director

Canberra,
25 September 2004

Dr Chris Pearce
Director

Canberra,
25 September 2004

Statement of Financial Performance

year ended 30 June 2005

	Notes	2005 $	2004 $
REVENUES FROM ORDINARY ACTIVITIES	2	7,316,616	7,606,243
LESS EXPENSES FROM ORDINARY ACTIVITIES			
Program expenditure		4,471,475	4,459,472
Core expenditure		2,729,726	3,219,071
TOTAL EXPENSES FROM ORDINARY ACTIVITIES	3	7,201,201	7,678,543
SURPLUS/DEFICIT FROM ORDINARY ACTIVITIES		115,415	(72,300)
NET INCREASE/ (DECREASE) IN ACCUMULATED FUNDS	8	115,415	(72,300)

Financial report

Statement of Financial Position

as at 30 June 2005

	Notes	2005 $	2004 $
CURRENT ASSETS			
Cash assets	9(b)	1,732,279	1,494,869
Prepayments		33,249	96,220
Receivables	4	2,254,089	977,654
TOTAL CURRENT ASSETS		4,019,617	2,568,743
NON-CURRENT ASSETS			
Property, plant and equipment	5(a)	79,492	140,244
TOTAL NON-CURRENT ASSETS		79,492	140,244
TOTAL ASSETS		4,099,109	2,708,987
CURRENT LIABILITIES			
Revenue in advance		2,718,695	1,803,485
Payables	6	635,967	370,256
Employee leave entitlements provision	7	89,272	112,849
TOTAL CURRENT LIABILITIES		3,469,104	2,286,590
NON-CURRENT LIABILITIES			
Interest bearing liabilities		77,116	
Employee leave entitlements provision	7	25,796	10,719
TOTAL NON-CURRENT LIABILITIES		102,912	10,719
TOTAL LIABILITIES		3,572,016	2,297,309
NET ASSETS		527,093	411,678
EQUITY			
Retained Surplus	8	527,093	411,678
TOTAL EQUITY		527,093	411,678

Statement of Cash Flows

year ended 30 June 2005

	Notes	2005 $	2004 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Grants and fees for services		6,143,989	8,242,065
Other		663,171	720,568
Interest		88,232	63,214
Grants held in trust disbursed		–	(2,229,933)
Payments to suppliers and employees		(6,756,718)	(6,562,356)
NET CASH FLOWS FROM OPERATING ACTIVITIES	9(a)	138,674	233,558
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(14,590)	(15,933)
Proceeds from disposal of property, plant and equipment		11,040	1,450
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(3,550)	(14,483)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		113,830	–
Repayment of borrowings		(11,544)	–
NET CASH FLOWS FROM FINANCING ACTIVITIES		102,286	
NET INCREASE IN CASH HELD		237,410	219,075
Cash at beginning of the financial year		1,494,869	1,275,794
CASH AT END OF THE FINANCIAL YEAR	9(b)	1,732,279	1,494,869

Financial report

Notes to the Financial Statements 30 June 2005

1. Summary of significant accounting policies

(a) Basis of accounting

The financial report is a general purpose report which has been prepared in accordance with the requirements of the *Corporations Act 2001* which includes applicable accounting ztandards.

Other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group Consensus Views have also been complied with.

The financial report covers the Australian Divisions of General Practice Limited as an individual entity. The financial report has been prepared in accordance with the historical cost convention.

(b) Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

(c) Cash and cash equivalents

Cash on hand and in banks are stated at nominal value.

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks.

(d) Receivables

Receivables are recognised and carried at the nominal amount due.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(e) Property, plant and equipment

All classes of property, plant and equipment are measured at cost.

Depreciation is provided on a straight line basis.

The major depreciable asset lives for both 2004 and 2005 are:

Furniture and equipment	6.7 years
Computer equipment	3 years

(f) Recoverable amount

Non-current assets measured using the cost basis are not carried at an amount above their recoverable amount, and where carrying values exceed the recoverable amount, assets are written down.

(g) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense in the period in which they are incurred.

Finance leases

Leases which effectively transfer all of the risks and benefits of ownership of the leased item to Australian Divisions of General Practice Limited are classified as finance leases.

Australian Divisions of General Practice Limited had no property, plant and equipment under finance lease during the financial year.

(h) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received, whether or not billed to Australian Divisions of General Practice Limited.

(i) Provisions

Provisions are recognised when the economic entity has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(j) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Grants for core activities

Revenue is recognised over the period to which the grant relates.

Grants for program activities

Revenue is recognised only to the extent that recoverable direct and indirect costs have been incurred. Revenue received where recoverable costs have not yet been incurred are disclosed as revenue in advance under current liabilities in the Statement of Financial Position.

Revenue from the national Divisions Forum registrations, sponsorships and trade displays

Registration, sponsorship and trade display revenues received during the financial year relating to a forum held in that year are disclosed as revenue from ordinary activities in the Statement of Financial Performance. Registration, sponsorship and trade display revenues received during the financial year relating to a forum not held in that financial year are disclosed as revenue in advance under current liabilities in the Statement of Financial Position.

(k) Taxes

Income tax

No provision has been made for income tax at balance date.

Under Item 1.1 in Subdivision 50-5 of the *Income Tax Assessment Act 1997*, as amended, the Australian Taxation Office has endorsed Australian Divisions of General Practice Limited as an income tax exempt charitable entity.

Goods and Services Tax (GST)

Revenues, expenses, assets and liabilities are recognised net of the amount of GST except for receivables and payables which are stated with the amount of GST included.

(l) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to balance date. These benefits include wages and salaries, annual leave and long service leave.

Liabilities arising in respect of wages and salaries, and annual leave expected to be settled within twelve months of report date are measured at their nominal amounts based on remuneration rates expected to be paid when the liability is settled.

Liabilities arising in respect of long service leave expected to be settled more than twelve months from report date are estimated based on remuneration rates current at the report date for all employees with more than three years of service. This measurement technique has been used because from experience this liability is not materially different from the estimate determined by using the present value basis of measurement.

Employee benefit expenses arising in respect of wages and salaries, non-monetary benefits, annual leave and long service leave are recognised against profits on a net basis in their respective categories.

(m) Comparatives

Where necessary, comparatives have been reclassified to ensure consistency with current financial year disclosures.

Financial report

Notes to the Financial Statements 30 June 2005

2. Revenue from ordinary activities

	Notes	2005 $	2004 $
Revenues from operating activities			
Grants and fees for service		6,565,213	6,964,995
Non-grant forum revenue		551,316	408,188
Other		111,855	169,846
Total revenues from operating activities		7,228,384	7,543,029
Revenues from non-operating activities			
Interest		88,232	63,214
Total revenues from ordinary activities		7,316,616	7,606,243

3. Expenses

Total expenses from ordinary activities include:			
Bad or doubtful debts expense		60,000	36,598
Depreciation		52,322	71,831
Net loss on sale of property, plant and equipment		11,979	167
Operating lease rentals – minimum lease payments			
Computer equipment		57,451	48,385
Office accommodation		289,439	276,402

4. Receivables

Current			
Trade debtors		2,254,089	917,654
Loan – controlled entity	13	–	60,000
Total current		2,254,089	977,654

5. Property, plant and equipment

	Notes	2005 $	2004 $
(a) Property, plant and equipment			
At cost		208,695	339,183
Accumulated depreciation		(129,203)	(198,939)
Total written down amount		79,492	140,244
(b) Reconciliation of the carrying amount of property, plant and equipment:			
Carrying amount at beginning of financial year		140,244	197,758
Additions		14,590	15,933
Disposals		(23,020)	(1,616)
Depreciation expense		(52,322)	(71,831)
Carrying amount at end of financial year		79,492	140,244

6. Payables

Current			
Trade creditors	(a)	210,478	73,270
Employee benefits payable	7	212,345	122,747
Net Goods and Services Tax payable		213,144	174,239
Total current		635,967	370,256

(a) Trade creditors are unsecured.

7. Employee benefits The aggregate employee benefit liability is comprised of:

Current	**Payables**		
	Accrued wages, salaries and on-costs	25,276	35,297
	Superannuation payable	94,868	13,870
	Pay As You Go withholding tax	69,308	52,905
	Fringe Benefits Tax	22,893	20,675
	Total Payables	212,345	122,747
	Employee leave entitlements provision		
	Annual Leave provision	89,272	112,849
Total current		301,617	235,596
Non current	**Employee leave entitlements provision**		
	Long Service Leave provision	25,796	10,719
Aggregate employee benefits liability		327,413	246,315

Financial report

Notes to the Financial Statements 30 June 2005

8. Retained surplus

	Notes	2005 $	2004 $
Balance at beginning of the financial year		411,678	483,978
Net decrease in accumulated funds		115,415	(72,300)
Balance at end of the financial year		527,093	411,678
Accumulated funds attributable to the Australian Government	(a)	479,015	265,599

(a) Accumulated funds attributable to the Australian Government represent the accumulated surpluses under contracts for core activities with the Australian Government.

9. Statement of cash flows

(a) Reconciliation of the operating deficit to the cash flows from operations

Surplus/(deficit) from ordinary activities	115,415	(72,300)
Non-Cash Items		
Depreciation of non-current assets	52,322	71,831
Loss on sale of assets	11,979	167
Write down of receivables	60,000	36,598
Changes in assets and liabilities		
Prepayments	62,972	(63,553)
Receivables	(1,336,435)	870,611
Payables	265,711	(365,535)
Revenue in advance	915,210	(237,863)
Employee leave entitlements provision	(8,500)	(6,398)
Net cash flow from operating activities	138,674	233,558

(b) Reconciliation of cash

Cash balance comprises:		
Cash at bank – National Australia Bank	1,644,912	1,423,062
Cash held by Conference Manager	87,105	71,533
Petty cash	262	274
Closing cash balance	1,732,279	1,494,869

(c) Unused credit facilities

Australian Divisions of General Practice Limited has a Visa facility with the National Australia Bank with a limit of $50,000 of which $27,215 was unused at 30 June 2004.

10. Lease expenditure commitments

	Notes	2005 $	2004 $
Operating leases (non-cancellable)			
Minimum lease payments (exclusive of GST)			
Not later than one year		309,456	323,385
Later than one year and not later than five years		1,146,052	1,184,673
Later than five years		652,878	962,500
Aggregate lease expenditure contracted for at balance date		2,108,386	2,470,558

At report date operating lease commitments disclosed above consist of the following two leases:

Computer equipment (48 month term/42 months remaining)

Office accommodation (120 month term/90 months remaining)

The lease for office accommodation is subject to annual inflation adjustments which are not included in the amounts disclosed.

The lease for office accommodation has a termination clause available to Australian Divisions of General Practice which if exercised within the initial term of the lease requires payment of a pro-rata proportion of the costs of the fit out supplied by the Lessor. If the Australian Divisions of General Practice Limited had exercised this clause on 30 June 2005 the maximum liability applicable under this clause would have been $225,000.

11. Economic dependency

Australian Divisions of General Practice Limited relies on the Australian Government, through the Department of Health and Ageing, for a significant proportion of its revenue. Revenue received from the Australian Government is in the form of grants and service contracts for core and program activities.

Financial report

Notes to the Financial Statements 30 June 2005

12. Directors' disclosures

(a) Names of directors

The names of the directors who held office at any time during the financial year are as follows:

Dr Rob Walters, Dr Ken Conolly, Dr Hilary Fine, Dr Tony Hobbs, Mr Russel McGowan, Dr Chris Pearce, Dr Penny Roberts-Thomson, Dr Michael Taylor, Dr Jennifer Thomson, Dr Willie Walker.

(b) Directors' remuneration

	Notes	2005 $	2004 $
The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all directors of the company.		277,098	320,772

The number of directors whose income (including superannuation contributions) falls within the following bands is:

	2005	2004
$0–$9,999	1	13
$10,000–$19,999	7	7
$20,000–$29,999	1	–
$150,000–$159,999	1	1

(c) Additional disclosures

Included in directors' income above is the following annual directors fees paid to each director for their respective responsibilities as a director of the company :

Director	13,000	12,500
Finance and Audit Committee member	13,000	16,000
Finance and Audit Committee Chair	18,500	18,000
Rural Committee Chair	13,000	12,500
Governance Committee Chair	16,500	–
Chairman	154,000	150,000

Annual directors' fees for the current financial year were approved by members at the Annual General Meeting in September 2004.

Directors may also be paid fees for services as a representative of ADGP on committees. These amounts are included in the aggregate amounts disclosed above.

13. Related party disclosures

	Notes	2005 $	2004 $
Receivables			
At report date the following amount to related parties formed part of trade debtors:			
Australian Divisions Member Services Limited		7,203	1,655
Loan—controlled entity			
During the financial year the interest free loan that Australian Divisions of General Practice Limited had provided to Australian Divisions Member Services Limited (ADMS), totalling $60,000, was written off. This decision is consistent with ADMS's inability to repay the loan and the Board's decision to place the company into liquidation.			
Further disclosures in relation to Australian Divisions Member Services Limited can be found at Note 14.			
Australian Divisions Member Services Limited		–	60,000

Revenues

Australian Divisions of General Practice Limited has included in its revenues the recovery of those costs incurred on behalf of Australian Divisions Member Services Limited.

Expenses

Australian Divisions of General Practice Limited has included in its expenses an amount of $60,000 that pertains to the write-off the loan to ADMS.

14. Controlled entity

The financial results of Australian Divisions Member Services Limited since its formation are not material to the activities of the Australian Divisions of General Practice Limited and have therefore not been consolidated.

During the financial year it was decided that ADMS would be placed into liquidation

15. Auditors' remuneration

Amounts received by Ascent during the financial year for:

— audit of financial report	11,400	14,320
— audit of programs	10,664	16,397
— accounting and other services	2,250	7,709
	24,314	38,426

The difference in amounts received by Ascent in each financial year disclosed above is predominantly due to the timing of work performed and payment of relevant invoices.

Financial report

Notes to the Financial Statements 30 June 2005

16. Financial instruments

(a) Interest rate risk

Interest rate risk is the risk that the value of a financial asset or liability will change due to interest rate fluctuations. The interest rate applicable to each class of financial asset and liability subject to interest rate risk are as follows:

Variable rate cash deposits totalling $1,732,017 at an average rate of 4.2%
($1,494,595 at an average rate of 4% in 2004).

(b) Credit risk

The company's maximum exposure to credit risk at reporting date in relation to each class of recognised financial asset is the carrying amount of those assets in the Statement of Financial Position. Credit risk in trade receivables is managed by implementing payment terms no greater than 30 days and ensuring that a risk assessment process is used prior to granting credit facilities.

(c) Fair values

All financial assets and liabilities have been recognised at the balance date at their fair value. The following methods and assumptions are used to determine the fair values of financial assets and liabilities:

(i) Cash and cash equivalents: the carrying amount approximates fair value due to their liquidity.

(ii) Trade receivables and trade creditors: the carrying amount approximates fair value.

17. Impact of adopting AASB to IASB standards

Australian Divisions of General Practice has undertaken an analysis of the impact on its accounting policies and financial reporting as a result of the change from Australian Standards to Australian equivalents of International Financial Reporting Standards (IFRS). The company has allocated internal resources and undertaken specialised training in order to be able to isolate key areas that will be impacted by the transition to IFRS. Set out below are the key areas where accounting policies will change and may have an impact on the financial report of the Australian Divisions of General Practice Limited. The nature of the changes detailed below does not impact on the company's operating result or net assets.

Revenue recognition

Grant income that is non-reciprocal in nature, e.g. operational grants, must be recognised when received or when due and receivable. The financial impact of the change will only become known when grants of this nature are received.

Employee benefits

Annual leave must be assessed to determine that amount expected to be paid twelve months from the reporting date. Any such amount must be discounted and disclosed as a non-current liability. This is inconsistent with previous practice for the disclosure of annual leave, but is consistent with the current treatment for long service leave. The financial impact of this policy is expected to be minimal.

Directors' declaration

In accordance with a resolution of the directors of the Australian Divisions of General Practice Limited, we state that:

In the opinion of the directors

(a) the financial statements and notes of the company are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2004 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards and Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed on behalf of the board

Dr Rob Walters
Director

Canberra, 21 August 2004

Dr Chris Pearce
Director

Canberra, 21 August 2004

Independent audit report

INDEPENDENT AUDIT REPORT

To the Members
Australian Divisions of General Practice Limited
(ABN: 95 082 812 146)

ascent
1st Floor, 2 Napier Close
Deakin ACT 2600

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for the Australian Divisions of General Practice Limited (the company), for the year ended 30 June 2005.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's financial position, and of its performance as represented by the results of its operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Ascent Audit - ABN 16 131 538 621

ascent

1st Floor, 2 Napier Close
Deakin ACT 2600

Audit Opinion

In our opinion, the financial report of the Australian Divisions of General Practice Limited is in accordance with:

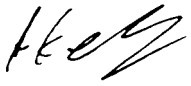
(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company 's financial position as at 30 June 2005 and of its performance for the year ended on that date, and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory financial reporting requirements in Australia.

ASCENT AUDIT
Chartered Accountants



Adrian Kelly
Partner

Dated: 26 September 2005

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

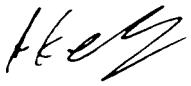
To the Directors
Australian Divisions of General Practice Limited
(ABN: 95 082 812 146)

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2005 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

ASCENT AUDIT
Chartered Accountants



Adrian Kelly
Partner

Dated: 26 September 2005

Ascent Audit - ABN 16 131 538 621

Strategic Plan

Key result area	1: Representation and advocacy	2: National policy	3: Communications
Goals	ADGP and the Divisions Network are recognised by GPs and other stakeholders as leaders in the integration of primary health care	The Divisions Network acts on a unified vision of the future for general practice and the primary health care system	DGP communications systems are used effectively to strategically position ADGP and the Divisions Network within the health sector and the wider community
Outcomes	Effective participation of grass roots general practitioners and Divisional representatives in policy forums, councils and committees	The Divisions Network is recognised as a key driver of health care reform by all stakeholders	The Divisions Network is united by an effective communications system
	ADGP and the Divisions Network are influential in the development and implementation of national general practice and primary health care policy	The Divisions Network is supported by a rigorous, evidence based policy framework	Active involvement by a majority of Divisions in information and resource management and exchange
		The Divisions Network provides sustainable population health and primary health care solutions	Positive health sector and community awareness of the role of the Divisions Network in driving and guiding reform of primary health care in Australia
Strategies	Inform and solicit the views of Divisions, GPs, consumers and other stakeholders on national primary health care policy issues	Develop solutions to issues identified by the Divisions Network, general practice and other stakeholders and consult on and promote discussion of these solutions in the wider community	Facilitate accessible, up-to-date on-line information and resource exchange within the Divisions Network including dissemination of information on ADGP managed programs
	Facilitate links among the Divisions Network, governments and primary health care organisations	Prepare policy discussion papers based on the available Australian and international evidence, on issues identified by the Divisions Network, general practice and key stakeholders	Prepare and distribute information materials on Divisions and their policies and programs through the primary health care sector, the broader health care system and the wider community
	Effect general practice representation on strategic national policy forums, councils and committees	Support Divisions, Divisional consortia and SBOs in the preparation of evidence based papers	Form and maintain information links with health and community organizations and health and mainstream media to provide information on the policies and programs of the Divisions Network
			Engage in public discussion on issues relevant to general practice and the Divisions Network

4: Partnerships	5: Capacity building	6: Program management
ADGP's partnerships with key players and organisations support the integration of general practice and the Divisions Network with the health care system in general and the primary health care sector in particular	The Divisions Network has the capacity and capability to support the integration of primary health care through general practice	ADGP managed national programs support and inform the vision and goals of the organisation
Effective collaboration among general practice, the Divisions Network and other sections of the primary health care sector at local, state/territory and national levels	Divisions are engaged in the development of systems and mechanisms for integrating primary health care	Governance of national programs reflects benchmarked management standards and continuous quality improvement (CQI)
The activities and policies of the Divisions Network are informed by consumer and other stakeholder input		ADGP programs inform policy and vice versa
The Divisions Network is a key source of information and feedback to consumer and other stakeholder groups on general practice and primary health care solutions		Programs lead to positive incremental change in general practice and primary health care
Form and maintain constructive alliances with health and community organisations	Encourage best practice in the management of Divisions through continued development of leadership programs and a quality framework	Programs and policy teams engage in regular information exchange and sharing of ideas
Engage consumer, allied health, nursing and Indigenous health organizations in discussions related to general practice, Divisions and the primary health care system	Develop alliances that assist in the support of general practice and Divisions	Implement CQI processes into all program areas
Promote best practice models of collaboration	Diversify ADGP's financial resources	Adopt mechanisms to ensure effective dissemination of program results throughout the Divisions Network
In cooperation with Divisions and SBOs,maximise the efficiency and effectiveness of the Divisions Network		

ADGP Members at June 2005

State Based Organisations (SBOs)
ACT Division of General Practice
Alliance of NSW Divisions
General Practice & Primary Health Care Northern Territory
Queensland Divisions of General Practice
SA Divisions of General Practice
Tasmanian General Practice Divisions Limited
General Practice Divisions Victoria

Divisions
ACT Division of General Practice
Adelaide Central and Eastern Division of General Practice
Adelaide Hills Division of General Practice
Adelaide North East Division of General Practice
Adelaide Northern Division of General Practice
Adelaide Western Division of General Practice
Ballarat and District Division of General Practice
Bankstown General Practice Division
Barossa Division of General Practice
Barrier Division of General Practice
Barwon Division of General Practice
Bayside General Practice Division
Bendigo and District Division of General Practice
Blue Mountains Division of General Practice
Border GP Division
Brisbane Inner South Division of General Practice
Brisbane North Division of General Practice Association Incorporated
Brisbane South Division of General Practice
Cairns Division of General Practice
Canning Division of General Practice
Canterbury Division of General Practice
Capricornia Division of General Practice
Central Australian Division of Primary Health Care
Central Bayside Division of General Practice
Central Coast Division of General Practice (NSW)
Central Highlands Division of General Practice

Divisions
Central QLD Rural Division of General Practice
Central Sydney Division of General Practice
Central West Gippsland Division of General Practice
Central Wheatbelt Division of General Practice
Dandenong District Division of General Practice
Dubbo/Plains Division of General Practice
East Gippsland Division of General Practice
Eastern Goldfields Medical Division of General Practice
Eastern Ranges GP Association
Eastern Sydney Division of General Practice
Eyre Peninsula Division of General Practice
Fairfield Division of General Practice
Far North Queensland Rural Division of General Practice
Flinders and Far North Division of General Practice
Fremantle Regional GP Network
General Practitioners Association of Geelong
Gold Coast Division of General Practice
Goulburn Valley Division of General Practice
GP Connections
GP Down South
GP North Division of General Practice
Great Southern Division of General Practice
Greater Bunbury Division of General Practice
Greater South Eastern Division of General Practice
Hastings Macleay Division of General Practice
Hawkesbury Division of General Practice
Hornsby Ku-ring-gai Ryde Division of General Practice
Hunter Rural Division of General Practice
Hunter Urban Division of General Practice
Illawarra Division of General Practice
Inner Eastern Melbourne Division of General Practice
Ipswich and West Moreton Division of General Practice
Kimberley Division of General Practice
Knox Division of General Practice
Limestone Coast Division of General Practice
Liverpool Division of General Practice

Divisions
Logan Area Division of General Practice
Macarthur Division of General Practice
Mackay Division of General Practice
Mallee Division of General Practice
Melbourne Division of General Practice
Mid North Coast (NSW) Division of General Practice
Mid North Division of Rural Medicine
Mid West Division of General Practice
Monash Division of General Practice
Mornington Peninsula Division of General Practice
Murray Mallee Division of General Practice
Murray Plains Division of General Practice
Murrumbidgee Division of General Practice
Nepean Division of General Practice
New England Division of General Practice
North & West Qld Primary Health Care
North East Valley Division of General Practice
North East Victorian Division of General Practice
North West Melbourne Division of General Practice
North West Slopes (NSW) Division of General Practice
North West Tasmania Division of General Practice
Northern Division of General Practice
Northern Rivers Division of General Practice
Northern Sydney Division of General Practice
NSW Central West Division of General Practice
NSW Outback Division of General Practice
Osborne Division of General Practice
Otway Division of General Practice
Perth and Hills Division of General Practice
Perth Central Coastal Division of General Practice
Pilbara Division of General Practice
Redcliffe Bribie Caboolture Division of General Practice
Riverina Division of General Practice and Primary Health
Riverland Division of General Practice
Rockingham Kwinana Division of General Practice
Shoalhaven Division of General Practice

Divisions
South East NSW Division of General Practice
South Eastern Sydney Division of General Practice
South Gippsland Division of General Practice
Southcity GP Services
Southern Division of General Practice
Southern Highlands Division of General Practice
Southern QLD Rural Division of General Practice
Southern Tasmanian Division of General Practice
St George Division of General Practice
Sunshine Coast Division of General Practice
Sutherland Division of General Practice
Top End Division of General Practice
Townsville Division of General Practice
Tweed Valley Division of General Practice
West Vic Division of General Practice
Western Melbourne Division of General Practice
Westgate Division of General Practice
Whitehorse Division of General Practice
Wide Bay Division of General Practice
Yorke Peninsula Division of General Practice

ADGP National Representatives as at 30 June 2005

Ministerial appointments

Committee	Name	State
Australian Childhood Immunisation Register Management Committee	Dr Peter Eizenberg	VIC
Australian Pharmaceutical Advisory Council (APAC)	Dr Rob Walters	TAS
Australian Technical Advisory Group on Immunisation	Dr Simon Leslie	VIC
General Practice Education and Training Ltd (GPET) Board (Chair)	Ms Kate Carnel	ACT
Health Services Advisory Committee (ACCC)	Dr Rob Walters	TAS
National Advisory Council on Suicide Prevention	Dr Rob Walters	TAS

Representative Positions held by ADGP Chair

Committee	Name	State
Australian Medical Association Council of General Practice (observer)	Dr Rob Walters	TAS
DVA Local Medical Officer Advisory Committee	Dr Rob Walters	TAS
General Practice Representative Group (ADGP, AMA, RACGP and RDAA)	Dr Rob Walters	TAS

Representative Positions held by ADGP Board Members

Committee	Name	State
APAC Indigenous Medicines Issues Working Party	Dr Penny Roberts-Thomson	NT
General Practice Representative Group (ADGP, AMA, RACGP and RDAA)	Dr Michael Taylor	SA
HIC Doctors Communication Group	Dr Jennifer Thomson	ACT
Medicare Benefits Consultative Committee	Dr Michael Taylor	SA
National Chronic Diseases Strategy Reference Group	Dr Tony Hobbs	NSW
PIP & EPC Review Advisory Group	Dr Michael Taylor	SA
RACGP Cultural Safety Training Reference Group	Dr Penny Roberts-Thomson	NT
RACGP Quality in General Practice Committee	Dr Jennifer Thomson	ACT

Representative positions held by ADGP, Divisions of General Practice and SBO nominees

Committee	Name	State
ACRRM John Flynn Scholarship Scheme Management Committee	Ms Rachel Yates	ADGP
ACRRM National Advisory Committee for the Prevocational General Practice Placements Program	Ms Rachel Yates	ADGP
Allied Health and Dental Care Consultative Group	Dr Damian Flanagan	VIC
AMWAC General Practice Working Party	Ms Rachel Yates	ADGP
APAC Community Care Working Group	Mr Mark Elliott	ADGP
APAC Continuity of Care Working Group	Mr Mark Elliott	ADGP
Arthritis and Musculoskeletal Quality Improvement Program (AMQuIP) Advisory Committee	Mr Mark Elliott	ADGP
Australian Childhood Immunisation Register Management Committee	Dr Peter Eizenberg	VIC
Australian General Practice Accreditation Ltd Board	Dr Furio Virant Dr Suzanne George	NSW VIC
Australian Technical Advisory Group on Immunisation	Dr Simon Leslie	VIC
Better Outcomes Implementation Advisory Group (mental health)	Dr Chris McAuliffe	QLD
Continence Management Advisory Committee	Dr Susan Furphy	VIC
Enhanced Divisional Quality Use of Medicines (EDQUM) Steering Group	Dr Wayne Piez	VIC
EDQUM Data Reference Group	Dr Wayne Piez	VIC
Medicare Benefits Consultative Committee	Ms Kerry Ungerer	ADGP
Medication Management Review Facilitation Program National Management Group	Dr Trina Gregory Ms Liesel Wett	NSW ADGP
Medicines Australia Code of Conduct Complaints and Appeals Committees	Dr Ruth Ratner	NSW
National Aged Care Alliance	Ms Debbie Bampton	ADGP
National Arthritis and Musculoskeletal Conditions Advisory Group	Dr Niel Hearnden	QLD
National Consortium for Education in Primary Medical Care	Mr Mark Elliott	ADGP
National e-Health Transition Authority Clinical Reference Group	Dr Trish Baker	QLD
National Immunisation Committee	Dr Richard Heah	SA
National Integrated Diabetes Program Working Party	Dr Ralph Audehm	VIC
National Mental Health Promotion and Prevention Working Party	Dr Darcy Smith	WA
National Prescribing Service Board	Dr Peter Roush	QLD
National Primary Care Collaboratives Clinical Stakeholder Group	Ms Kate Carnell	ADGP
National Rural Health Alliance Council	Ms Brenda Tait	QLD
Primary Health Care Research and Information Service Steering Group	Dr Peter Del Fante	SA
Private Health Industry Quality and Safety Committee	Dr Michael Stobie	VIC
RACGP Indigenous Projects Advisory Group	Dr Philippa Binns	NT
RACGP Permanent Resident Overseas Trained Doctors Project Reference Group	Ms Rachel Yates	ADGP
Temporary Resident Overseas Trained Doctors Assessment Working Group	Ms Rachel Yates	ADGP

Acronyms

AASB	Australian Accounting Standards Board
ACCHS	Aboriginal Community Controlled Health Services
ADGP	Australian Divisions of General Practice
AHPMC	After Hours Primary Medical Care
APHCRI	Australian Primary Health Care Research Institute
ARRWAG	Australian Rural and Remote Workforce Agencies Group
CDM	Chronic Disease Management
CMA	Comprehensive Medical Assessment
COPMI	Children of Parents with a Mental Illness
CPC	Complete Primary Care
DoHA	Department of Health and Ageing (Australian)
DVA	Department of Veterans' Affairs
eDS	Electronic Decision Support
EPC	Enhanced Primary Care
GP	general practitioner
GPII	General Practice Immunisation Incentives
GPRG	General Practice Representative Group
HIC	Health Insurance Commission
HMR	Home Medicines Review
IASB	International Accounting Standards Board
ICP	Integrated Care Program
IM	Information Management
IT	Information Technology
JVA	Joint Venture Agreement
MBS	Medicare Benefits Schedule
MMR	Medication Management Review
MoU	Memorandum of Understanding
NACCHO	National Aboriginal Community Controlled Health Organisation
NDYA	National Divisions Youth Alliance
NPS	National Prescribing Service
PBS	Pharmaceutical Benefits Scheme
PGA	Pharmacy Guild of Australia
PHCRIS	Primary Health Care Research and Information Service
PHCRED	Primary Health Care Research, Evaluation and Development
PIP	Practice Incentives Program
QUM	Quality Use of Medicines
RACGP	Royal Australian College of General Practitioners
RANZCP	Royal Australian and New Zealand College of Psychiatrists
RCNA	Royal College of Nursing, Australia
SBO	State Based Organisation

Australian Divisions of **General Practice** | ACN 062 812 146

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Australian Divisions of **General Practice**

Annual Report 2003–**2004**