



**SPECIAL COUNCIL MEETING
(MEDICAL CENTRE INCOME)**

FRIDAY 2 MARCH 2012

MINUTES

SHIRE OF WONGAN-BALLIDU



SHIRE OF WONGAN-BALLIDU SPECIAL COUNCIL MEETING

Held in the Council Chambers,
Cnr Elphin Crescent & Quinlan Street, Wongan Hills,
On Friday 2nd March 2012, commencing at 9.00 am

1. OFFICIAL OPENING

The Shire President Councillor Michael Brennan declared the meeting opened at 9.03am

2. PUBLIC QUESTION TIME

Nil

3. ATTENDANCE, APOLOGIES, LEAVE OF ABSENCE PREVIOUSLY GRANTED

Cr Michael Brennan
Cr Hugh Barrett-Lennard
Cr Tracey deGrussa
Cr David Brown
Cr Norma Walton
Cr David Armstrong

STAFF:

Mr Stuart Taylor Chief Executive Officer

APOLOGIES:

Cr Bradley West

4. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil

5. STAFF REPORTS

5.1 WONGAN HILLS MEDICAL CENTRE PRACTICE INCOME

FILE REFERENCE:	H1.4
REPORT DATE:	28 th February 2012
APPLICANT/PROPONENT:	Dr Richard Walkey
OFFICER DISCLOSURE OF INTEREST	Nil
PREVIOUS MEETING REFERENCES:	Nil
AUTHOR:	Stuart Taylor Chief Executive Officer
ATTACHMENTS:	Nil

PURPOSE OF REPORT:

To discuss the immediate future of the operation of the Wongan Hills Medical Centre and the tenure of Dr Richard Walkey

BACKGROUND:

As you may recall, over the last couple of months we have been trying to overcome an issue with regard to Practice Incentive Payments that are made to the doctor by the Commonwealth. Yesterday we heard that our appeal was mostly unsuccessful, there are a few reasons for this, none are any particular persons fault.

COMMENT:

The combination of the steady loss of patients while Dr Ikealumba ran the surgery, to being unable to attract sufficient locums between Doctors and the change over from the locum situation to a permanent doctor has resulted in reduced payments to the doctor.

The payments to the doctor can be as high as \$25,000 per quarter depending on the work ethic of the Dr, it would appear that Dr Burger and Dr Lochner's incentive payments were up around that work while Dr Ikealumba's went down to \$15,000 then as low as \$6000

The events above meant that the first PIP payment for Dr Walkey was around \$3000 and the latest at around \$6000, though this is to be reviewed it is unlikely to go up substantially.

The outcome is that this will reflect on the surgery for the next six to nine months resulting a significant financial loss to the surgery income

The long and the short of this is that the surgery will not generate the income required to retain Dr Walkey.

Dr Walkey has requested that Council consider underwriting of the Practice Income up to \$100,000 until the basis of the PIP system is corrected, this amount would reduce by whatever the PIP is received up to the agreed date of underwriting.

It is requested that this be resolved by the end of this week

I have spoken to Medicare on Tuesday 27th February following a meeting with Dr Richard Walkey, Mr Sean Byron, Cr Michael Brennan Shire President, and the Chief Executive Officer regarding the PIP payment for the Wongan Hills Medical Centre with the following information provided and listed in point form.

1. There were no payments for practice nurses to any practice in Australia for the PIP prior to the February PIP payment (due to change in policy and or process)

2. The February payment includes payment for the nurse this is calculated on the Standardised Whole Patient equivalent the same as the doctor
3. Because of the information given by Dr Walkey's practice nurse they did not include the start date of Dr Walkey from the 1st June (locum) but from when he took over the practice permanently (August)
4. Point three will be reviewed and a recalculation will occur
5. The recalculation may not be undertaken/completed before the end of April 2012
6. This will not generate the income that the doctor believes it should, as it is not based on the cost of the nurse but on the number of patients and at this time the surgery was in caretaker mode with limited locum services and they will not include Dr Benjamin DeJudas time in the calculation due to the responses of the doctors practice manager at the time
7. PIP payments have been as low as \$6000 and as high as \$25000 per quarter in Wongan depending on what the Doctor has put through the Medicare system at any given time (I was given the figures of \$6000, \$15000, \$21000 and the \$25,000 as quarterly figures it was made clear that the Wongan Surgery has fluctuated greatly probably dependant on the dr at the time work ethic)
8. The surgery has the capacity to generate \$25k or more per quarter
9. Dr Victor did not appoint an EN or RN as his practice nurse which may impact on the PIP payment
10. Dr Victor and the reduction in patient numbers to the surgery are compounding the issue with current PIP payments
11. During the locum period a practice nurse who is still employed at the surgery is not considered in the future PIP if a Doctor is not registered as a provider for that surgery (in between locums) which will impact on the PIP
12. Medicare uses current data and then a 12 months reference period usually made up of a three month period to calculate surgery size and PIP payment
13. It is unlikely that the current situation will resolve itself for another two or more PIP payments
14. The Toodyay surgery has no bearing on the Wongan Hills surgery even though it is the same doctor
15. We can appeal the August PIP paid in September or whenever it was, to include the services of Dr DeJudas, but it will not generate the figures that the doctor is expecting that could be generated by the Wongan practice
16. It would appear this is all to do with providers, number of patients, patient care plans, e health, diabetes programs, teaching etc

POLICY REQUIREMENTS:

There are no policy requirements in relation to this item.

LEGISLATIVE REQUIREMENTS:

Function and General Provisions Local Government Act 1996

STRATEGIC IMPLICATIONS:

There are no known strategic requirements in relation to this item.

SUSTAINABILITY IMPLICATIONS:

➤ **Environment**

There are no known environmental implications associated with this item.

➤ **Economic**

There are no known economic implications associated with this proposal.

➤ **Social**

There are no known social implications associated with this item.

