

Private practice arrangements for senior medical officers (SMOs)

MOCA 4 Fact sheet

Background

Arrangements for Queensland Health employed medical officers to participate in private practice have been in operation since 1986. Private practice in the Queensland public health sector facilitates patient choice, helps to attract and retain a highly skilled medical workforce and enhances the overall sustainability of the public health system.

Accounting for approximately 35 per cent of Queensland Health's annual outpatient activity and approximately 10 per cent of acute inpatient activity, private practice arrangements generate in excess of \$500 million annually in gross revenue for the public health sector. Approximately 3,000 Queensland Health employed medical officers currently participate in private practice arrangements provided under their terms and conditions of employment.

Private practice arrangements have historically aimed to address five key objectives:

- Remunerate SMOs at a level commensurate with other states and territories
- Provide a means to address public sector workforce shortages, particularly in diagnostic specialties by allowing individuals to retain a portion of their billings
- Facilitate private patient choice in the public health sector, consistent with the Australian Healthcare Agreement and successive National Healthcare Agreement obligations
- Optimise third party funding sources (Medicare benefits, private health insurance etc.) for reinvestment into improving healthcare services
- Optimise the use of public health sector infrastructure

What is changing?

The current granted private practice revenue assignment and revenue retention arrangements will continue as the private practice options available to SMOs during employed time. However, with employment contracts coming to an end, SMOs will need to enter into new Granted Private Practice Agreements within three months of certification of Medical Officer Certification Agreement 4 (MOCA 4).

MOCA4 private practice is honest to the fact that historical private practice allowances have been, and still are, fundamental to recruiting and retaining a skilled medical workforce.

Rather than linking components of remuneration to key performance indicators, MOCA 4 respectfully establishes obligations for SMOs to support private patient choice and participate in private practice during hours of work.

While MOCA 4 provides clear accountabilities for SMOs in regard to private practice, a number of key obligations will apply to employers, for example the employer will be required to:

- provide reasonable support (e.g. administration & clinical support staff) to ensure the effective delivery of private patient care at the hospital/facility

- provide SMOs with monthly reports of billing activities (detailing billings, fees paid, GST and service retention amounts) against the SMO's Medicare provider number, within 14 days of the month ending to assist the senior medical officer with reporting obligations (e.g. taxation reporting)
- provide clear and prompt communication to the SMO when informed financial consent has been provided by a patient wishing to be treated privately under their care.

Key points

- Clear obligations will be established in the certified agreement for both employees and employers
- At the time of commencement of employment, all senior medical officers will be offered a granted private practice arrangement, under agreement with their employer
- The standard granted private practice agreement template is to be used. This defines the private practice option agreed between the senior medical officer and the employer i.e. assignment or retention
- The life of the Granted Private Practice Agreement will be commensurate with the life of the Certified Agreement. However, SMOs can nominate to change options on a financial year basis, or at another time upon mutual agreement with their employer. This will significantly reduce the administrative burden of having to sign annual contracts or variations
- Upon meeting location requirements, all SMOs will be entitled to regional and rural attraction allowances regardless of their private practice option (previously, these amounts were only paid to SMOs participating in former "Option A" arrangements)
- Temporary SMOs will be entitled to participate in private practice arrangements and will receive full access to general, emergency, regional and rural attraction allowances in accordance with the relevant MOCA 4 clauses
- A Practice Management Advisory Network (PMAN) will be established to collaboratively develop resources and tools (e.g. protocols, procedures, guides, reports) that support SMO's in delivering private patient services in the public health sector
- The 25 per cent recruitment and retention allowance (Tier 3) provided to SMO's participating in the granted private practice – retained arrangement under individual contracts will be continued under MOCA 4 "general attraction and retention allowances" where they participate in the new granted private practice – revenue retention arrangement

Service fees

Service fees will remain at their current level for the 2015/16 financial year. Service fees will continue to be set through the Queensland Health Fees and Charges Register and will be reviewed annually, consistent with the whole of government annual review cycle for fees and charges.

A review is due to commence in late 2015, which will inform the setting of service fees from 1 July 2016. Consultation with doctors' representatives throughout this process will be fundamental to ensuring collaboration, fairness and transparency. Recruitment and retention implications will be a key consideration in this review.

Medical superintendents and medical officers with private practice

Private practice arrangements for medical superintendents and medical officers with private practice are to be negotiated and agreed in writing at the local level. The MOCA 4 certification process is not intended to change these arrangements.

Further Information

Full copies of the proposed Medical Officers' (Queensland Health) Certified Agreement (No.4) 2015 and the granted private practice agreement are available from:

- Speaking to or emailing your Medical Officer Information/Ballot Contact Officer
- Attending an information session at your local health service
- Visiting the enterprise bargaining website to view various supporting documents: <https://www.health.qld.gov.au/employment/conditions/awards-agreements/senior-doctors/default.asp>
- Contacting your union representative.