



Australian Government

Professional Services Review

**Professional
Services
Review**
**Corporate Plan
2022-26**

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Introduction

Message from the Director

As the Director and accountable authority for the listed entity I present the Professional Services Review Corporate Plan for 2022–26 (the Plan). The Plan outlines the direction and vision for our agency for four years, as required under the *Public Governance, Performance and Accountability Act 2013*. We aim to achieve this direction and vision by conducting the Professional Services Review (PSR) Scheme effectively and efficiently. PSR is an important part of the framework established to safeguard the Australian public and the health system from the risk and cost of inappropriate practice within the Australian Government's Medicare Benefits, Dental Benefits, and Pharmaceutical Benefits Schemes.

The Corporate Plan 2022–26 is founded on the *Health Insurance Act 1973*, and Ministerial and Portfolio expectations. It outlines our purpose, our vision and our values which will continue to guide the agency. The Plan provides an overview of PSR's priorities and five key areas that will drive the agency's activities for the next four years. It provides a commitment to our stakeholders that we will operate with professionalism, transparency, and accountability. The Plan should be read in conjunction with the strategic direction laid out in the Portfolio Budget Statements, and with the values and performance frameworks set out in the *Public Service Act 1999*.

As an Australian Government statutory agency, PSR acknowledges the need to continually monitor, review, and improve the way our entity operates. This Plan draws together the activities we will be undertaking in 2022–26 to enhance the PSR Scheme and to meet the Government's expectations of effectiveness and efficiency.

PSR will continue to adapt its processes and will continue its important role of contributing to the integrity of the Medicare Benefits, Dental Benefits and Pharmaceutical Benefits schemes.

Fundamental to this Plan is PSR's commitment to work closely with the Commonwealth Department of Health and Aged Care, Services Australia, the Australian Medical Association, the Professional Colleges and organisations, the allied health professions, and other relevant representative groups. Through these partnerships, PSR will ensure the Australian health system continues to realise high levels of integrity.

As Director I would like to acknowledge the support of professional organisations and individual professionals who contribute to delivering the PSR Scheme, the outstanding contribution of my predecessor Professor Julie Quinlivan in this role, and the professionalism and dedication of PSR staff.



Dr Antonio Di Dio

Acting Director

Professional Services Review

29 August 2022

PSR Corporate Plan 2022-26

Introduction

This document is a four-year plan outlining the purpose, vision, values, strategic drivers, strategic goals, actions and key performance indicators for the Professional Services Review Agency.

Our Purpose

Our purpose is to protect the integrity of the Commonwealth Medicare Benefits, Dental Benefits and Pharmaceutical Benefits programs and to safeguard the Australian public from the cost and risk of inappropriate practice. PSR investigates suspected inappropriate practice by health practitioners, on request from the Chief Executive Medicare.

Our Vision

Our vision represents the overarching goal of PSR as a contributing agency to Australia's health system:

Excellence in supporting Australia's health system to meet the expectations of the Government and community

PSR Corporate Plan 2022-26

Our Values

PSR recognises its responsibilities as a part of the broader Australian Public Service (APS). As a statutory agency, PSR is committed to the APS Values and the Code of Conduct outlined in the *Public Service Act 1999*. To help guide our performance we have defined our own values and behaviours which are underpinned by the APS Values. Our values and behaviours of Fair, Transparent and Professional address the unique aspects of our business and environment and guide us in how we conduct ourselves in performing our role.

Fair, Transparent & Professional

To PSR, being **fair** means:

- providing procedural fairness in the operation of the PSR Scheme
- using a consistent approach to arrive at timely, justifiable decisions
- delivering an effective and impartial PSR Scheme
- explaining the process to stakeholders

To PSR, being **transparent** means:

- accurately informing persons under review of their rights and responsibilities
- accurately informing persons under review of PSR's powers, responsibilities and intentions
- proactively sharing information about the scheme, our outcomes and activities
- providing defensible reasons for outcomes

To PSR, being **professional** means:

- complying with Commonwealth legislative requirements and expectations
- being accountable for our actions and decisions
- protecting the privacy and confidentiality of the information we receive, use and create
- operating with integrity and honesty
- treating all people with courtesy and respect
- using time and resources effectively

Background

Why the Professional Services Review Agency exists

The high quality and integrity of Australia's health system is recognised internationally. Preventing inappropriate practice is crucial to maintaining the high quality and integrity of the health system and in maintaining the confidence of the Australian public and the health practitioners operating within the system, and minimising financial loss to the community as a result of inappropriate practices.

About PSR

PSR operates as an independent agency within the Australian Government's Health portfolio, and reports directly to the Minister for Health and Aged Care. Together, the Director and staff form a statutory agency under the *Public Service Act 1999*.

Agency and Scheme Objectives

PSR is established under Part VAA of the *Health Insurance Act 1973 (the Act)* which sets out the role and powers of the agency, as well as the process it must follow when conducting its work.

Section 79A of the Act states that:

The object of this Part is to protect the integrity of the Commonwealth medicare benefits, dental benefits and pharmaceutical benefits programs and, in doing so:

- (a) protect patients and the community in general from the risks associated with inappropriate practice; and
- (b) protect the Commonwealth from having to meet the cost of services provided as a result of inappropriate practice.

Section 81 of the Act and the Health Insurance (*Professional Services Review – Allied Health and Others*) *Determination 2012* list the medical and allied practitioner groups subject to review under Part VAA.

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Agency Outcomes

Outcomes are the Government's intended results, benefits or consequences for the Australian community. The Government requires agencies such as PSR to use outcomes as a basis for budgeting, measuring performance and reporting. Annual funding is appropriated on an outcomes basis.

Within the Commonwealth Health Portfolio, PSR is accountable for delivering one of the outcomes allocated to the Portfolio.

The outcome belonging to PSR is:

A reduction of the risks to patients and costs to the Australian Government of inappropriate practice, including through investigating health services claimed under the Medicare, Dental and Pharmaceutical Benefits schemes.

Delivery of Outcomes

The PSR Scheme delivers on this outcome by protecting the public from:

1. Inappropriate practice by investigating whether, in providing Commonwealth funded services, the conduct of practitioners would be unacceptable to the general body of their profession or specialty, including whether the services provided were clinically relevant.
2. The consequences of inappropriate practice by investigating whether payments to claimants are made in accordance with the regulations for the Medicare, Dental and Pharmaceutical Benefit schemes.

The PSR Scheme has continued to evolve since its inception. Legislative amendments were made in 1997, 1999, 2002, 2006, 2012, 2018, 2019 and 2020 to strengthen the Scheme's review and investigation process.

Comprehensive reviews conducted in 1999 and 2006 by government and key stakeholders, and a Senate Inquiry in 2011 also made recommendations to refine the administration of the Scheme and improve its effectiveness and transparency.

Through the annual report, PSR provides the Minister, the Parliament, and the public with a detailed description of PSR's activities, reporting against its planned outcome and performance targets identified in the Health Portfolio Budget Statements, and the Health Portfolio Additional Estimates Statements.

Present Day

An Australian Government Agency

PSR is part of the APS and is an independent agency within the Health portfolio.

To help guide our performance we have defined our own values and behaviours which are underpinned by the APS Values. Our values and behaviours of Fair, Transparent, and Professional address the unique aspects of our business and environment and guide us in performing our role.

Increased Compliance

A review of the Medicare Benefits Schedule (MBS) coincided with the Australian Government's decision to enhance Medicare compliance processes. One major outcome from the review was to expand compliance to include employers and/or companies that employ or otherwise engage practitioners, to ensure they act as good corporate citizens and provide services appropriately. Since late June 2018, PSR has received a number of referrals under this category.

As the context in which services are being provided becomes more complex, and the MBS adapts to changing circumstances and technology, PSR is being asked to review and investigate a wider range of health professions, specialties, and corporate entities who provide services. Increased scope and complexity will consequently have an impact on outcomes, and will inevitably involve court challenges. PSR must retain the confidence of the professions and the community while maintaining the organisational agility required to meet these changes and future challenges.

PSR's Goals

Ensuring the effective operation of the PSR Scheme is the focus of the agency. PSR's purpose is to protect the integrity of the Commonwealth Medicare Benefits, Dental Benefits and Pharmaceutical Benefits programs.

PSR aims to achieve its purpose with the following main goals:

1. Investigate whether practitioners have engaged in inappropriate practice through peer review
2. Actively engage with professional bodies through consultation

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Where are we now?

PSR continues to work collaboratively with the Department of Health and Aged Care to improve data analytics relating to practitioners and corporate practices.

PSR has maintained and enhanced its legal expertise and capability to ensure competent and effective assistance is provided to the Director, PSR Committees, and the Determining Authority and to ensure that PSR's processes are fair to persons under review.

PSR recognises the importance of maintaining its capability to undertake its core functions by managing risks and ensuring it minimises its regulatory impact while still ensuring the integrity of the scheme.

In the last financial year (2021-22) and the preceding year (2020-21), PSR ordered repayments of nearly \$19 and \$25 million respectively, and over \$27 million in 2019-20 in repayments to Medicare¹. PSR does not focus on the amount of repayments ordered and does not receive those repayments, which are returned to the Commonwealth for the benefit of the Australian community.

Where do we want to be

In previous years, PSR has undergone significant transformation in response to a range of factors. Since our inception as a statutory agency within the Health portfolio in 1994, we have been an adaptive organisation that responds to challenges and continues to evolve to improve our business processes. We aim to enhance our efficiency and effectiveness to deliver excellence to the Government and Australian community.

¹ Ordered repayments represent repayments to the Commonwealth from final determinations and ratified section 92 agreements. PSR only has a role in raising debts to the Commonwealth while the Department of Health is responsible for collecting debts owed to the Commonwealth.

PSR Corporate Plan 2022-26

Where have we come from?

Introduced in 1994, the objectives of the PSR Scheme were to:

- Safeguard the public against the risks and costs of inappropriate practice by health practitioners
- Protect the integrity of the Commonwealth Medicare benefits, dental benefits and pharmaceutical benefits programs
- PSR has undergone reform through legislative amendments in 1997, 2002, 2006, 2012, 2018, 2019 and 2020 to strengthen the PSR process
- A senate inquiry in 2011 made a number of recommendations to refine the administration of the Scheme and improve its effectiveness and transparency



Where are we now?

- A case management capability structure management by qualified legal staff and structured with adequate administrative support
- Effectively undertaking reviews and investigations in respect of corporate entities
- Investigating a wider range of specialists and professions



Where are we going?

- Greater focus on data matching between MBS/PBS and DVA services
- Working closely with stakeholders to help ensure the integrity of the PSR Scheme
- Continuing to investigate a broader range of practitioners, including other allied health practitioners, specialists and general practitioners
- Improving PSR's technology and digital capabilities to effectively support projected case load increases and legislative amendments

Measuring Performance

How will PSR measure its performance?

The table below outlines how PSR will measure its performance in 2022-26 against its strategic objectives:

Investigate whether practitioners have engaged in inappropriate practice through peer review

- The Director will conduct reviews of practitioners referred by the Chief Executive Medicare and in appropriate cases enter into agreements
- Where appropriate, the Director of PSR will refer the practitioner to a PSR Peer Review Committee
- The Determining Authority (DA) will consider ratification of agreements and make appropriate determinations

Key Performance Indicators – Strategic Goal 1

- | | |
|---|---|
| 1 | PSR will provide support to assist Committees to complete 80% of their investigations within 24 ² months of the commencement of a Committee hearing. |
| 2 | The Director has made a decision under s91, s92 or s93 within the statutory timeframe in all cases |
| 3 | The Director will submit 100% of s92 agreements with sufficient notice to the DA, to enable the DA to ratify or not ratify agreements entered into between the Director and the PUR |
| 4 | PSR will assist the DA to issue its final determination within 9 months of receiving a final report in 80% of cases |

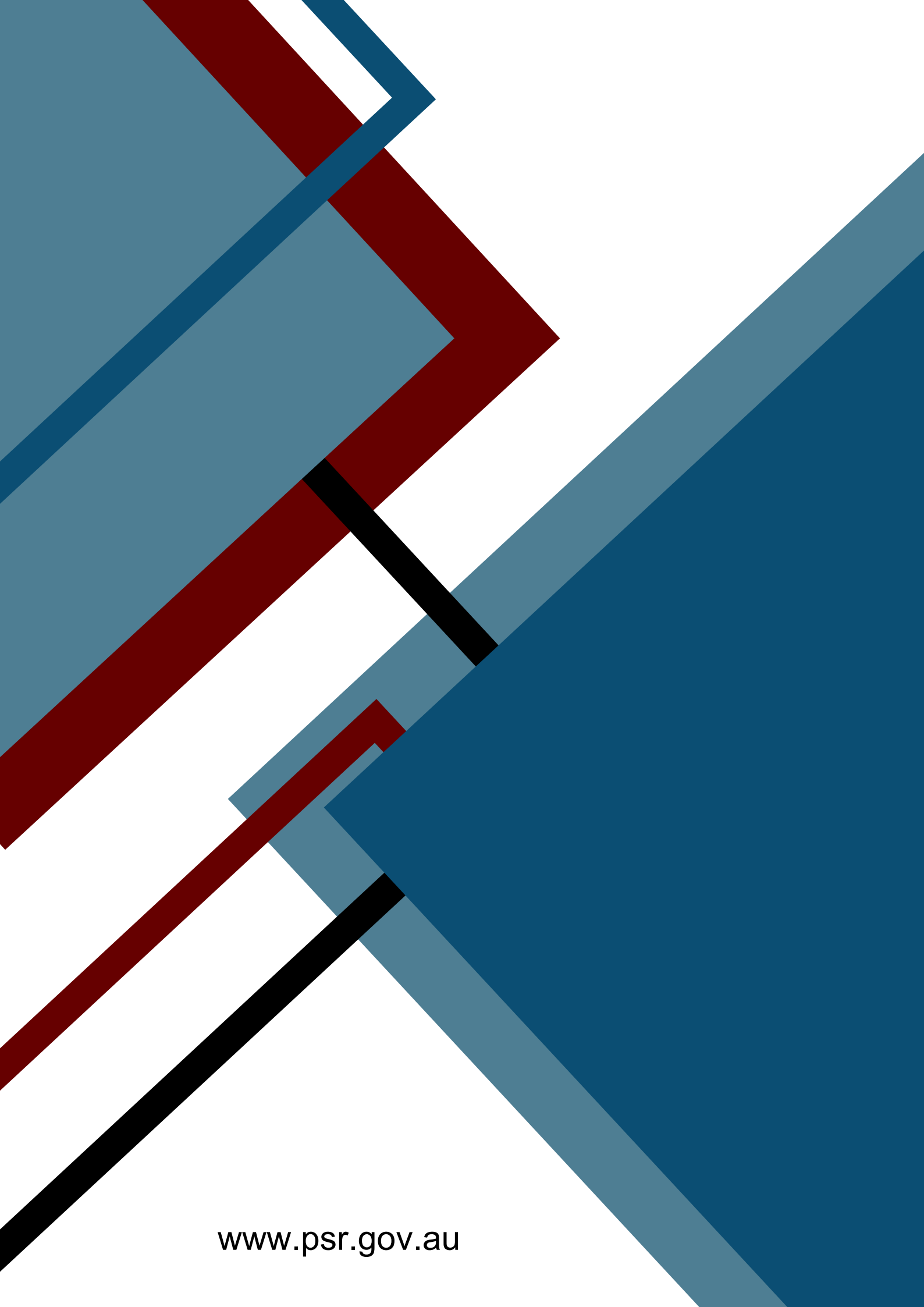
Actively engage with professional bodies through consultation

- Professional bodies are actively engaged in the process for appointments to the PSR Panel
- PSR receives the required number of nominees to ensure broad professional representation on the PSR Panel

Key Performance Indicators – Strategic Goal 2

- | | |
|---|---|
| 5 | PSR will consult with the relevant professional bodies on behalf of the Minister in respect of every proposed appointment |
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² KPI – timeframe extended in light of COVID-19.



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