**Practice Incentives Program guidelines**

Effective September 2019

Encourages general practices to continue providing quality care, enhance capacity and improve access and health outcomes for patients.

**1. Eligibility**

To be eligible to participate in the PIP, a general practice, Aboriginal Medical Service or an Aboriginal Community Controlled Health Service must:

* be a general practice as defined by the Royal Australian College of General Practitioners (RACGP)
* be an open practice as defined by the PIP
* be accredited, or registered for accreditation, as a general practice against the RACGP *Standards for general practices* (the Standards). Accreditation must:
  + cover the entire quarter the practice is applying in; and
  + continue to be maintained
  + if registered for accreditation, be accredited against the RACGP Standards within 12 months of joining the PIP. This is irrespective of any extensions given on the registered for accreditation certificate
* maintain at least $10 million in public liability insurance cover for the main location and each additional practice locations. Legal liability is not public liability.
* make sure all general practitioners and nurse practitioners have the required professional indemnity insurance cover as set out by their respective National Board’s Registration standard: Professional indemnity insurance arrangements.

**Practice accreditation**

Your practice must be accredited, or registered for accreditation, as a general practice against the RACGP Standards to participate in the PIP.

Your practice must be accredited by an accrediting agency approved under the National General Practice Accreditation (NGPA) Scheme. The RACGP Standards must be referenced on the certificate provided by the accrediting agency.

A list of approved accrediting agencies is on the [Australian Commission on Safety and Quality in Health Care](https://www.safetyandquality.gov.au/) (ACSQHC) website.

Your practice must maintain ongoing and continuous accreditation against the RACGP Standards. This means:

* accreditation must be renewed before it expires
* accreditation start dates can’t be backdated. The date that an accrediting agency awards accreditation must be on or before the accreditation expiry date
* extensions to accreditation must meet the [NGPA Scheme](https://www.safetyandquality.gov.au/our-work/general-practice-accreditation/) requirements including any advisories issued by the [ACSQHC](https://www.safetyandquality.gov.au/our-work/general-practice-accreditation/#Approved-accrediting-agencies) under the NGPA Scheme.

Read more about accreditation advisories for the NGPA Scheme on the ACSQHC website www.safetyandquality.gov.au/our-work/primary-care/national-general-practice-accreditation-scheme#Advisories-for-the-National-General-Practice-Accreditation.

You should consult your accrediting agency early to renew your accreditation before it expires. You’ll need time to schedule an assessment and fix any non-compliance before the expiry date of your accreditation.

If your practice isn’t accredited within 12 months of joining the PIP, or doesn’t maintain accreditation, your practice won’t be eligible for PIP payments for the time your practice hasn’t been accredited. Your practice will get payments once it’s been accredited for an entire quarter.

**Transfer of accreditation**

There are 2 scenarios where you can transfer your accreditation:

* relocation
* sale of a practice

**Permanent relocation**

If an accredited PIP practice relocates permanently, it’ll need a new accreditation certificate. You’ll need to provide us with a copy within 6 months of relocating.

Be aware of your accreditation cycle so you can work with your accrediting agency to ensure sufficient time is allowed to finalise new accreditation before it expires. Your practice payments will be withheld until you’ve provided us with a copy of your practices accreditation certificate with your new location address. To be eligible for any withheld payments, you must ensure the new accreditation certificate begins from the date of relocation.

Read more about accreditation advisories for the NGPA Scheme on the ACSQHC website www.safetyandquality.gov.au/our-work/general-practice-accreditation/#Advisories-for-the-National-General-Practice-Accreditation

**Temporary relocation**

A practice can relocate temporarily and maintain accreditation, in compliance with the RACGP standards, if:

* there’s no change to your practice’s compliance with the RACGP standards
* your practice keeps meeting the RACGP’s definition of a general practice for accreditation, and
* you’ve undertaken a risk assessment of changes to the practice, the likelihood of patient harm, and put in place mitigating strategies.

You must notify your accrediting agency of the address and dates of the temporary relocation. The accrediting agency will work with you during the transition to ensure the practice is meeting accreditation requirements at the temporary location.

You must also notify us of the address and the dates of the temporary location.

**Sale of a practice**

When a practice is sold, and accreditation is transferred as part of the sale to ensure historical practice data, including the Standardised Whole Patient Equivalent (SWPE), can also be transferred.

If accreditation isn’t part of the sale, historical practice data and the SWPE can’t be transferred. The new practice owner will need to apply as a new practice for the PIP and achieve new accreditation.

**Practices with multiple locations**

Practices with multiple locations can apply for the PIP as a single practice if they meet the PIP eligibility requirements.

You need to nominate your main practice location. The main practice location should be the one that provides the most Medicare Benefits Schedule (MBS) services per annum. Additional practice locations are practice branches. If eligible, a rural loading will be calculated and applied to the main practice location only.

To be eligible, your practice branch must:

* provide MBS services
* have 1 or more general practitioners (GPs) providing MBS services at both the main practice location and the practice branch
* maintain at least $10 million in public liability insurance cover. Legal liability isn’t public liability
* gain and maintain current professional indemnity cover for all practitioners working in the practice branch.

**Accreditation of practice branches**

* Practice branches don’t need to be accredited if they provide less than 3,000 MBS services per annum. Your quarterly payment advice will show how many services are provided by each location. MBS services for practice branches will automatically be included in the calculation of payments.
* Once a practice branch reaches 3,000 MBS services per annum, it must register for accreditation in their own right to participate in the PIP. You’ll have 12 months to be assessed and gain accreditation from an approved accrediting agency.

**Ineligible services**

Some services aren’t eligible for PIP payments:

* Medical Deputising Services that directly arrange for medical practitioners to provide after hours services to patients of practice principals. This is during the absence of, and at the request of, the practice principals.
* After hours services providing care outside normal opening hours of a general practice. This applies whether or not:
* the service deputises for other general practices
* they provide care in or outside the practice.

**PIP payment types**

**Practice payments**

Most payments made through PIP are to practices. Practice payments contribute to quality care. You may use the payment for new equipment, to upgrade facilities or increase pay for practitioners.

We’ll pay you if you meet eligibility requirements of the incentives for the entire quarter. This includes the point in time date – the last day of the month before the next PIP quarterly payment.

**Service incentive payments**

Service incentive payments (SIPs) recognise and encourage GPs to provide specific services to patients. We pay SIPs directly to GPs, into their nominated bank account.

The Aged Care Access Incentive is a SIP only PIP incentive.

**Rural loading payments**

To get the rural loading payment your practice must be participating in the PIP, with the main practice located outside a capital city or major metropolitan centre.

We base the loading on the location of your main practice using the Rural, Remote and Metropolitan Areas (RRMA) Classification on the Australian Institute of Health and Welfare website.

If your practice is eligible for the rural loading, it’ll be included in your PIP payments.

More information on the rural loading is provided in the PIP Rural Loading guidelines available online at humanservices.gov.au/pip

**How we calculate PIP payments**

**Standardised Whole Patient Equivalent (SWPE)**

**Calculating the SWPE value**

The SWPE is a calculation of a practice size, independent of PIP eligibility.

We work out the SWPE using both Medicare and the Department of Veterans’ Affairs (DVA) services provided to your patients during the reference period. The reference period is a rolling, historical 12 month period. The reference period starts 16 months before the payment quarter. A weighting for the age and gender of each patient is applied in the calculation.

Services provided by both GPs and nurse practitioners are included in the SWPE value of a practice.

If a practitioner uses the provider number of another practitioner when they bill a service, this is known as a payee provider arrangement.

For the service to be included in the SWPE value, the payee provider’s details must be registered in PIP at the practice location the service is provided.

When a practitioner joins, leaves, or extends their provider number at a location, you must notify us. We’ll add or update their provider number on your practice profile. The start and end dates of the practitioners who work in your practice determine the services we include in the SWPE calculation.

There are 3 steps to work out the SWPE value:

**1. Calculate the Whole Patient Equivalent (WPE) for each patient**

We calculate the fraction of care provided by your practice to each patient.

For example, in a 12 month period, a patient gets $100 in MBS benefits at Practice A and $400 at Practice B, a total of $500:

Practice A is assigned with $100 ÷ $500 or 0.2 of the patient’s care

Practice B is assigned with $400 ÷ $500 or 0.8 of the patient’s care

The total care for each patient equals one (1.0) and is known as the WPE. The WPE is based on GP and other non-referred consultation items in the MBS and uses the value of the MBS benefits, not how many consultations a patient received.

**2. Weighting the WPE**

The WPE is weighted for the age and gender of each patient to become the SWPE. The weighting recognises people have different care needs at different stages in their life. The amount of care differs for males and females. The weighting amounts are revised each quarter and updated on humanservices.gov.au/pip

**3. Add the SWPE vales for each patient**

The individual SWPE values for each patient are added together to total the SWPE value of the practice.

**Practices without an historical SWPE**

Payments to practices who don’t have a historical SWPE, for example a newly established practice, won’t reflect the current patient load of the practice.

As your practice establishes a SWPE value, your PIP payments will increase.

It takes about 18 months, i.e. 6 PIP payment quarters, from when your practice joins the PIP, to establish a full SWPE value.

* Not having a historical SWPE value won’t affect some incentive payments, such as the Procedural GP Payment, Indigenous Health, and Teaching Payment.

**Transferring a SWPE value**

A SWPE value can only be transferred if a practice:

* changes ownership
* relocates and the original and new location is in the same local area, or
* amalgamates with 2 or more practices

In all other situations practices need to apply for the PIP as a new practice and establish a new SWPE value.

Practices must continue to meet all PIP requirements, including accreditation, to get payments.

When SWPE values are transferred to another practice, the practice isn’t eligible for any sign-on payments that have been paid.

**Change of ownership**

If a practice has changed ownership i.e. is sold to a new owner, and remains open in the same location, the SWPE value will transfer to the new owners. This happens if the accreditation is included in the sale of the practice. The new practice owners can then use the historical SWPE value.

This happens even if the original owners establish a new practice in the same local area.

**Relocation of a practice**

If your practice isn’t sold but relocates in the same local area, and there isn’t another practice operating in the original location, the SWPE value will transfer to your new location. You can only transfer the SWPE value to the new location if:

* the original and final new location are within the local area;
* another practice isn’t operating from the original location; and
* the patients and all patient records stay with the relocated practice

If the relocated practice doesn’t meet these requirements, you’ll need to apply for the PIP as a new practice and establish a SWPE value.

**Amalgamation of a practice**

If 2 or more practices in the same local area amalgamate, the SWPE of the amalgamated practice will be the sum of the SWPE values for each original practice.

If the amalgamated practice doesn’t meet this requirement, you’ll need to apply for the PIP as a new practice and establish a SWPE value.

We won’t pay the closed locations for the quarter in which the practices amalgamate.

If 1 or more of the amalgamating practices is outside the local area, the practice originally on site at the final location will maintain its SWPE value.

**When we make PIP payments**

Your application must be submitted at least 7 days before the relevant point in time date. You need to meet all eligibility requirements for the entire quarter, including the point in time date.

The point in time date is the last day of the month before the next PIP quarterly payment.

| **Quarterly payment month** | **Point in time assessment of eligibility** | **Reference period** |
| --- | --- | --- |
| February | 31 January | 1 November to 31 January |
| May | 30 April | 1 February to 30 April |
| August | 31 July | 1 May to 31 July |
| November | 31 October | 1 August to 31 October |

Practices who aren’t participating in PIP at the point in time date aren’t eligible to get the quarterly payment in that reference period.

**How we make PIP payments**

**Payments**

We make payments electronically to your nominated account. Payments don’t attract goods and services tax (GST).

To qualify for payments, your practice must:

* have your application approved
* be eligible for the PIP
* meet the eligibility requirements of the incentives for the entire quarter, including the point in time dates

Your practice is eligible from the date of approval, not the date you submit your application.

**Annual confirmation statements**

In May each year we’ll send an annual confirmation statement to your practice.

We send the confirmation statement through HPOS or mail, based on your communication preference for PIP correspondence. You should get it by the end of May each year. Please call the Incentive Programs enquiry line if you haven’t got your statement by the end of May.

An authorised contact person or practice owner must complete and submit the annual confirmation statement.

There are 2 ways to confirm your practices details:

* through HPOS by 31 July
* fax the completed annual confirmation statement and appropriate forms advising of changes to practice arrangements to Incentive Programs by 24 July.

We’ll withhold payments if we don’t receive a completed annual confirmation statement in time. We’ll assess your eligibility for withheld payments once we receive your completed annual confirmation statement.

**Withheld payments**

We may withhold your payments if:

* you don’t meet the PIP eligibility requirements
* your practice didn’t achieve accreditation within 12 months of joining the PIP
* your practice has relocated and we need your accreditation certificate for the new location
* your practice doesn’t employ a GP
* there’s been a change of practice ownership and we weren’t provided with the details to finalise the change
* your accreditation has expired
* there are significant changes in practice details
* your practice or providers don’t have the required insurance
* we have incomplete or inaccurate practice details, and / or
* we didn’t get a completed annual confirmation statement in time

If we’ve withheld a payment we’ll let you know what details we need to release your payment.

If we’ve withheld payments for 3 consecutive payment quarters, your incentive payments will stop. We’ll withdraw your practice from the PIP and you’ll need to reapply. The withheld payments will be forfeited.

If your practice reapplies, payments will start from the payment quarter following the date your practice has met all eligibility requirements and approved for the PIP.

**Recovery of payments**

After each PIP payment, we’ll send you a payment advice which outlines the practice and payment details. You should check your PIP payment advice is correct.

We or the Department of Health may seek to recover PIP payments if:

* an administrative error has caused incorrect payments
* your practice has made false or misleading claims, or
* you don’t tell us about changes that affect your eligibility for PIP payments

**Applying**

Practice owners can apply for their practice to join the PIP at any time:

* through [HPOS](https://www.humanservices.gov.au/organisations/health-professionals/services/medicare/hpos) or
* by completing the [Practice Incentives Program Application form](https://www.humanservices.gov.au/organisations/health-professionals/forms/ip001) and [faxing](https://www.humanservices.gov.au/organisations/health-professionals/health-professionals-contact-information#incentiveprogrammes) it to us with supporting documents.

Please make sure you read the incentive guidelines and you meet the relevant eligibility requirements.

If your application form is incomplete, your approval to join the PIP may be delayed.

**Supporting documents**

We ask you to provide supporting documents with your PIP application.

For the main location of your practice, and each practice branch that provides 3,000 or more services per annum, you must provide a copy of your current accreditation, or you’re registered for accreditation certificate.

#### Authorised contact person

The practice’s application must include the name and contact details of an authorised contact person. The contact person must be authorised by the owner of the practice. They’ll advise us of any changes and they’ll be the person we send all correspondence or enquiries to. We can only contact the current owner or authorised contact person.

Practices must keep a copy of the application documents for at least 6 years.

### Application outcome

We’ll assess your application and let your practice know in writing if it’s eligible.

If we ask for further information you need to provide it within 7 days of getting the request

**Your obligations**

**Keep practice information up to date**

Your practice must:

* be able to prove the claims for payment
* provide accurate information to the Department of Health as part of their audit program. This demonstrates your practice meets eligibility requirements
* keep a copy of all documents relating to the PIP requirements for a minimum of 6 years
* confirm all details in the annual confirmation statements are correct
* tell us about changes to practice arrangements within 7 days of the change, or at least 7 days before the point in time date.

Changes to practice arrangements can include:

* practitioners leaving or joining the practice
* changes to the authorised contact person for the practice
* changes to the practice’s bank account
* changes to practitioner’s bank account
* changes in your accrediting agency or accreditation status. This includes achieving accreditation or accreditation lapsing
* changes to the practice location, ownership or amalgamations
* lapses in the practice’s public liability insurance or an individual practitioner’s professional indemnity cover
* changes that affect your eligibility for individual incentives
* changes in practitioner details
* extensions to provider numbers allocated by Medicare with an end date
* any other information that may affect your eligibility for the program

**How to tell us about changes**

You can use HPOS to let us know about changes up to, and on, the relevant point in time date. Most changes you make in HPOS are immediate.

If you fax us the changes, you need to do this at least 7 days before the relevant point in time date. You’ll need to complete the relevant form:

* [Practice Incentives Change of practice details form](https://www.humanservices.gov.au/organisations/health-professionals/forms/ip005)
* [Practice Incentives Individual general practitioner or nurse practitioner details form](https://www.humanservices.gov.au/organisations/health-professionals/forms/ip003)
* [Practice Incentives Change of practice ownership form](https://www.humanservices.gov.au/organisations/health-professionals/forms/ip010)
* [Practice Incentives additional practice branch form](https://www.humanservices.gov.au/organisations/health-professionals/forms/ip025)
* [Practice Incentives Practice closure or withdrawal form](https://www.humanservices.gov.au/organisations/health-professionals/forms/ip007)

You can also tell us about minor changes to practice arrangements in writing. We must get this no later than 7 days before the relevant point in time date.

**Withdrawing from the PIP**

You can withdraw from the PIP

* online through HPOS, or
* complete and fax us the Practice Incentives Practice closure or withdrawal form

You need to do this by the point in time date in the quarter you no longer want payments for.

Practices withdrawn from the PIP aren’t entitled to with held payments. Your practice will need to reapply if you want to rejoin the program. We’ll assess these as new applicants. They’ll need to be accredited to be eligible to participate.

**Privacy and consent**

Your personal information is protected by law (including the Privacy Act 1988) and is collected by the Australian Government Department of Human Services for the purposes of the Practice Incentives Program (PIP).

Your personal information will be disclosed to the Australian Government Department of Health to enable that department to administer aspects of PIP, including for program compliance purposes, for statistical and research purposes and to inform policy development.

Your personal information may be used by the Department of Human Services, or given to other parties where you have agreed to that, or where it is required or authorised by law (including for the purpose of research or conducting investigations).

You can get more information about the way in which the Department of Human Services will manage your personal information, including our privacy policy, at **humanservices.gov.au/privacy**

**Rights of review**

We base our decisions on the published guidelines as at the date of the event. You can ask us to review our decision.

To request a review, the authorised contact person or the practice owners must write to us using the Practice Incentives review of decision form.

You must do this within 28 days of when you get the decision you want reviewed.

We’ll review our decision against the PIP eligibility criteria as outlined in the guidelines, the payment formula, or both. We’ll write to your practice to let you know the outcome.

If you aren’t satisfied with the outcome of the review, you can ask our Formal Review Committee to reconsider it. The Formal Review Committee is the last avenue of appeal and its decision is final.

Contact us to find out more about the formal review process.

**Audits**

This may include practice visits or a review of practice documents.

If your practice can’t provide information to support your eligibility and claims, the Department of Health may recover your past PIP payments for up to 6 years.

Documents to support your eligibility and claims may include:

* copy of current accreditation certificate
* copies of public liability insurance including amount covered
* copies of professional indemnity insurance for all GPs and nurse practitioners
* confirming your details contained in the annual confirmation statements

If a practitioner leaves a practice and an audit is conducted for the time the practitioner was there, your practice will still need to provide evidence professional indemnity insurance for the practitioner was maintained during their employment.

You need to keep copies of documents related to your claims and eligibility on practice files for at least 6 years.

**PIP definitions**

**Accreditation** is the independent recognition that a practice is accredited or registered for accreditation as general practice against the Royal Australian College of General Practitioner (RACGP) Standards for general practices.

**After hours services** is defined by the current RACGP Standard for general practices as a service that provides care outside the normal opening hours of a general practice. It doesn’t matter if that service deputises for other general practices, or if it provides the care within or outside of the clinic. After hours services aren’t eligible for the Practice Incentives Program (PIP).

**Amalgamation** means 2 or more practices coming together into 1 common location and sharing access to all patient records belonging to each of the previously individual practices. The remaining original locations will close.

**Applicant** is the practice applying for the PIP as named on the PIP application.

**Approved applicant** is an applicant approved by the delegate to be included in the program at an approved location.

**Approved location** is the practice site or sites where a delegate has granted approval to participate in the program.

**Authorised contact** **person** is a person the practice owner nominates to act on behalf of the practice in relation to the program. They’re responsible for:

* getting all communications related to the program
* advising us of any changes in participation, and
* updating practice information

We’ll consider all forms completed and information submitted by the authorised contact person to be authorised on behalf of the practice and the practice owner.

Only the owner of the practice can tell us of any changes to the authorised contact person, change in ownership, amalgamation, relocations or practice closures.

**Closed practice** is when all registered medical practitioners stop providing face to face medical or health services to patients at the main physical location registered in the PIP.

**Delegate** is a person authorised by us or the Department of Health (Health) to administer the program.

**General practice** is defined by the RACGP Standards for general practices as a practice providing patient-centered continuing, comprehensive, coordinated primary care to individuals, families and communities.

**General practitioner** is a general practitioner or non-specialist medical practitioner – other medical practitioner - who provides non-referred services but isn’t a GP. GPs include:

* Fellows of the Royal Australian College of General Practitioners and the Australian College of Rural and Remote Medicine, and
* vocationally registered general practitioners and medical practitioners undertaking approved training

**HPOS** is Health Professional Online Services. It’s an online system where practices can submit application details and correspond with us. Changes made to practice details are visible to the practice and most changes are effective immediately.

**Local Area** is defined by Health on a case by case basis according to factors such as physical distance, rurality and practice distribution.

The **Medicare Benefits Schedule (MBS)** is a listing of the Medicare services subsidised by the Australian Government. The schedule is part of a wider Medicare Benefits Scheme that Health manage and we administer.

**Medical deputising services** are defined in the RACGP Standards for general practice as organisations which directly arrange for medical practitioners to provide after hours medical services to patients of practice principals during the absence of, and at the request of, the practice principals. Medical deputising services aren’t eligible for the PIP.

**Medicare provider number** is a number given to a general practitioner or nurse practitioner to provide an easy way to identify where a medical service is provided.

**Normal business hours** are the advertised opening business hours of the general practice.

**Nurse practitioner** is someone who’s endorsed as a nurse practitioner by the Nursing and Midwifery Board of Australia. Go to the NMBA website for registration requirements for nurse practitioners.

**Open practice** is when 1 or more registered medical practitioners provide face to face medical or health services to patients at the main physical location. That location must be the practice location registered or used for the PIP. Practices can apply in writing for an exemption if exceptional circumstances, such as natural disasters, cause the practice to close for a period of time.

**Point in time** is the last day of the month before the next PIP payment quarter.

**Practice** is an approved medical practice taking part in the PIP. It may include patient records and access to a physical location.

**Practice branch** is an additional practice location.

**Practice location** is any location where a general practitioner or nurse practitioner has been providing medical services and billing Medicare.

**Practice requirements** are the requirement for a general practitioner to provide medical services as specified in the eligibility criteria for the program.

The **Royal Australian College of General Practitioners (RACGP) Standards for general practices** are the standards against which general practices are assessed for accreditation by an accrediting agency.

**Standardised Whole Patient Equivalent (SWPE)** is the basis for determining PIP payment amounts for some PIP incentives. It’s the sum of the fractions of care a practice provides to each of its patients weighted for the age and gender of each patient. As a guide, the average full time general practitioner has a SWPE value of around 1,000 SWPEs annually.

**Disclaimer**

While it’s intended that the Australian Government will make payments as set out in these guidelines, payments are made at its sole discretion.

The Australian Government may alter arrangements for the PIP at any time and without notice.

The Australian Government does not accept any legal liability or responsibility for any injury, loss or damage incurred by the use of, reliance on, or interpretation of the information provided in these guidelines.