



Australian Government

Medicare Australia

Practice Incentives Program

Rural Loading Guidelines - August 2011

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Introduction

The Practice Incentives Program (PIP) aims to encourage continuing improvements in general practice through financial incentives to support quality care, and improve access and health outcomes for patients. To be eligible to participate in the PIP, a practice must be accredited, or registered for accreditation, against the Royal Australian College of General Practitioners (RACGP) *Standards for general practices*. Practices must achieve full accreditation within 12 months of joining the PIP and maintain full accreditation thereafter.

Payments are made through the PIP:

- to encourage use of electronic health systems
- to ensure patients have access to after hours care
- to support rural practices
- to encourage rural general practitioners (GPs) to provide procedural services
- to support practices to employ practice nurses
- to encourage practices to teach medical students
- for participating in educational activities to improve prescribing behaviour
- to encourage cervical screening
- for best practice management of patients with asthma and diabetes
- to encourage GPs to provide increased and continuing services in Commonwealth-funded Residential Aged Care Facilities
- to support best practice management of Aboriginal and Torres Strait Islander patients with chronic disease.

The PIP is administered by Medicare Australia on behalf of the Australian Government Department of Health and Ageing (DoHA).

Definition of a GP

For the purposes of the PIP, GPs include general practitioners and/or non-specialist medical practitioners, known as other medical practitioners, who provide non-referred services and are not GPs. General practitioners include Fellows of the RACGP and the Australian College of Rural and Remote Medicine (ACRRM), vocationally registered general practitioners and medical practitioners undertaking approved training.

The Practice Incentives Program Rural Loading

Practices participating in the PIP with a main practice location situated outside capital cities and other major metropolitan centres are automatically paid a rural loading. The rural loading recognises the difficulties of providing care, often with little professional support, in rural and remote areas. The PIP rural loading is higher for practices in more remote areas, in recognition of the added difficulties of providing medical care.

The PIP rural loading is applied to PIP practice payments. Service Incentive Payments (SIPs) and payments made through the General Practice Immunisation Incentive (GPII) do not attract a rural loading.

The rural loading varies with the remoteness of the practice, and is based on the classification of the practice using the *Rural, Remote and Metropolitan Areas (RRMA) Classification, 1991 Census Edition* (Department of Primary Industries and Energy and Department of Human Services and Health, November 1994). Where a practice with multiple locations is eligible for a rural loading, the loading will be calculated based on the RRMA classification of the main practice location.

Is our practice eligible for the Practice Incentives Program Rural Loading?

To be eligible for the PIP rural loading, the main practice location must:

- participate in the PIP
- be located in RRMA 3-7.

Calculating the Practice Incentives Program Rural Loading

The rural loading is calculated by multiplying the practice's PIP payments by a percentage loading. The loading is automatically applied to the payments of practices in rural and remote areas. The rural loading is not applied to SIPs.

The following table shows the PIP rural loading applied for each RRMA classification and category.

Table 1: Practice Incentives Program Rural Loading for each RRMA category

RRMA classification and category	Examples of locations	Rural Loading
1. Capital City	Brisbane, Canberra	0%
2. Other metropolitan centre (pop ≥ 100 000)	Townsville, Newcastle, Geelong	0%
3. Large rural centre (pop 25 000-99 999)	Cairns, Mackay, Launceston	15%
4. Small rural centre (pop 10 000-24 999)	Gympie, Maryborough (Qld), Port Pirie	20%
5. Other rural area (pop < 10 000)	Ingham, Atherton, Byron Bay	40%
6. Remote centre (pop ≥ 5000)	Mt Isa, Roma, Alice Springs	25%
7. Other remote area (pop < 5000)	Normanton, Weipa, Yulara	50%

Medicare Australia can provide the RRMA classification of your main practice location.

Rural, Remote and Metropolitan Areas Classification queries

For any RRMA classification queries, email pip@medicareaustralia.gov.au or call **1800 222 032** (call charges may apply).

How does the practice apply for the Practice Incentives Program Rural Loading?

Practices registered for the PIP do not need to apply for this incentive. If your practice is not currently in the PIP, you can apply by completing the Practice Incentives Program and General Practice Immunisation Incentive application form. The rural loading is automatically applied by Medicare Australia to the PIP payments of practices in rural and remote areas.

What are the obligations of the practice?

The practice must:

- provide information to Medicare Australia as part of its ongoing audit program to verify that the practice meets the PIP eligibility requirements
- make sure information provided to Medicare Australia is accurate
- advise Medicare Australia in writing, of any changes to practice arrangements by the relevant 'point in time' date or within 14 calendar days, whichever date is earliest. Refer to the *Practice Incentives Program Guidelines* for more information.

On joining the PIP, the practice must nominate an authorised contact person(s), who will be required to verify on the practice's behalf, any changes to information submitted for PIP claims and payments.

Is there an appeals process?

The PIP has an established appeals process. To request a review of a decision, the authorised contact person or the owners of the practice must write to Medicare Australia within 28 calendar days of the date on the notice of the decision they would like reviewed. Medicare Australia will review its decision and advise the practice in writing of the outcome.

Advice on more avenues of appeal is available from Medicare Australia.

More information

For more information about the PIP Rural Loading email pip@medicareaustralia.gov.au or go to www.medicareaustralia.gov.au/pip or call **1800 222 032** (call charges may apply) between 8.30 am to 5.00 pm Australian Central Standard Time (ACST), Monday to Friday.

These Guidelines are for information purposes only. While it is presently intended that the Commonwealth will make payments as set out in these Guidelines, the making of payments is at the sole discretion of the Commonwealth. The Commonwealth may alter arrangements for the Practice Incentives Program at any time and without notice.

The Commonwealth 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.