

GUIDE

phn
MURRAY

An Australian Government Initiative

Establishing a general practice



Leadership



Collaboration



Respect



Accountability



Innovation

Acknowledgement of Country

Murray PHN acknowledges its catchment crosses over many unceded First Nations Countries following the Dhelkunya Yaluk (Healing River).

We pay our respects and give thanks to the Ancestors, Elders and Young People for their nurturing, protection and caregiving of these sacred lands and waterways, acknowledging their continuation of cultural, spiritual and educational practices.

We are grateful for the sharing of Country and the renewal that Country gives us. We acknowledge and express our sorrow that this sharing has come at a personal, spiritual and cultural cost to the wellbeing of First Nations Peoples.

We commit to addressing the injustices of colonisation across our catchment, and to listening to the wisdom of First Nations communities who hold the knowledge to enable healing.

We extend that respect to all Aboriginal and Torres Strait Islander Peoples.

Our commitment to being an anti-racist company

Murray PHN aspires to be an anti-racist organisation, embedding cultural humility as a daily practice to improve health outcomes and health equity in our communities.

We recognise cultural humility as a lifelong commitment to self reflection, personal growth and redressing power imbalances in our society.





Introduction

Building a general practice is a gradual process, that typically takes years. And while starting a new general practice in rural and remote Victoria may seem overwhelming, this guide aims to help. It highlights fundamental yet often overlooked steps for launching and expanding general practices in these regions.

With changing patient needs, digital advancements, new health reforms such as [MyMedicare](#) and the [General Practice in Aged Care Incentives](#) and in some circumstances increasing competition, it's crucial for new medical practices to stay ahead of the curve. By implementing strategic and innovative practice management approaches from the start, general practice providers can increase efficiency, streamline operations, and drive growth effectively.

The timeline is flexible to suit individual circumstances, with established practices needing less time compared to new ventures. Use the following steps as a roadmap, adjusting as needed to align with the specific requirements of your practice in rural and remote Victoria.

Before opening

12-24 months before opening

Running a business shares similarities with embarking on any venture, albeit with distinct nuances. Every successful business starts with a meticulously crafted business plan, and the realm of general practice is no different. A successful general practice requires a strategic approach and key considerations include:

- determining appropriate billing structures, growth projections, and ensuring financial stability
- assessing staffing needs and developing a plan for attracting and retaining qualified professionals
- understanding and adhering to relevant laws and regulations
- tailoring services to meet the specific needs of your target population
- designing a functional and welcoming physical environment
- implementing necessary technology to enhance efficiency and patient care.

General practice vision

To begin, envision your desired practice outcome as a starting point.

- What is your vision for the practice?
- Explore the local community to ensure it can support a new practice
- Consider whether your billing profile is for mixed billing or a bulk-billed service
- Reflect on the growth path of your planned practice and the scale you envisage it reaching in the long run.

Business plan

A business plan is essential for the success of any practice. It outlines your goals, strategies, and operational plans. While other factors like team, stakeholders and finances are important, detailed planning is crucial to avoid missed opportunities. Neglecting careful planning can lead to setbacks, including time-consuming administrative tasks like obtaining credentials and licenses. Each task should be fully factored into your timeline to avoid delays. To help get you started, the outline of a good **business plan** should include the following:

- market analysis (i.e. desired location, patient cohorts, local competition, complimentary services such as radiology, pathology, pharmacy, allied health service and any service offering gaps)
- building and managing a strong practice team
- financial plan to consider budgets for start-up costs such as rent, equipment, and supplies, as well as ongoing expenses such as salaries and operational costs
- research funding opportunities to support establishment (i.e. State and Federal Government grants)
- risk management plan to identify potential risks and how they will be mitigated.

<p>Key stakeholders</p>	<p>When establishing a general practice, it is pivotal to engage with key stakeholders within the clinic’s locality. These stakeholders may include Murray PHN (Primary Health Network), residential care homes, hospitals, community health services, Aboriginal community controlled health services (ACCHOs), radiology centres, pathology labs, pharmacies and various allied health professionals.</p> <p>Building connections with these entities can help introduce the new practice, its doctors, and key staff members effectively, fostering collaborative relationships within the healthcare community.</p>
<p>Financial considerations</p>	<p>The next phase involves developing a financial strategy. Seeking accounting advice at this point is crucial. Creating a budget that encompasses all potential expenses is essential. At this stage, it serves as a guiding principle.</p> <ul style="list-style-type: none"> • Have decisions been made regarding renting or building? • Consider any necessary renovations for the clinic’s suitability. Incorporate these expenses. • If capital is needed, have you secured a lender willing to provide startup funds? <ul style="list-style-type: none"> – This could cover operational costs like overdrafts and finances for building acquisition, rental, or renovations. <p>The RACGP guide on starting a new practice provides valuable insights for those beginning this journey.</p>
<p>Legal structures</p>	<p>If your practice involves multiple owners, carefully consider the most suitable legal structure. Formalise ownership agreements to establish clear guidelines for addressing potential future issues. This proactive step will promote transparency, alignment, and a harmonious working environment, contributing to the long-term success of your practice.</p> <p>It is advisable to seek legal advice on employment matters, such as determining whether doctors should be classified as contractors or employees.</p> <p>Note: Make sure to have draft contracts ready for any doctors you plan to engage, as well as draft employment contracts for nurses and administrative staff you intend to hire.</p>

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Risk management

In the management of a medical clinic, addressing risks is crucial for ensuring the safety and well-being of both staff and patients. Occupational Health and Safety guidelines, such as those provided by [WorkSafe Victoria](#), play a key role in maintaining a secure environment within the clinic premises. Additionally, adhering to the [National Privacy Principles](#) outlined by the Office of the Australian Information Commissioner is essential for safeguarding patient data and upholding confidentiality standards.

When it comes to IT systems, prioritising data security measures is paramount to protect sensitive information from potential breaches. Understanding startup risks and establishing robust governance structures, involving owners and corporate stakeholders, are fundamental for the sustainable operation of the clinic.

Furthermore, implementing a [Clinical Governance Framework](#), as recommended by the [Australian Commission on Safety and Quality in Health Care](#), can enhance the quality of care provided at the clinic. Managing risks associated with contractors and employees, as well as having comprehensive business insurance coverage for various aspects like buildings, loss of revenue, and public liability, is vital for mitigating potential financial liabilities.

Moreover, ensuring that medical practitioners have appropriate Medical Indemnity coverage, including individual [Professional Indemnity policies](#), is essential for protecting both the healthcare professionals and the practice itself. By proactively addressing these risks and establishing comprehensive safety and security protocols, medical clinics can operate efficiently and uphold the highest standards of patient care.



9-12 months before opening

Now is the perfect moment to ramp up the administrative legwork. Alongside managing the required paperwork, it is crucial to delve into research concerning the range of services that will be offered at your practice.

Like any enterprise, there needs to be a level of financial, accounting and administrative know-how, along with forecasting, marketing and the hiring of clinical and support staff. Obtain as much professional advice as you can across the appropriate medical networks and associations in the beginning, to ensure your plan is well-defined, transparent, and aligned with your ultimate vision for your new practice.

Leveraging agile principles in a medical practice requires a foundation of streamlined, adaptable, and scalable systems and processes. An intuitive system that is easy to comprehend, train on, and operate not only enhances the setup efficiency but also facilitates practice expansion, staff training, and scaling with ease.

Service offerings	Tailoring your services to your special interests and identified market opportunities; it is necessary to consider the ability for patients to pay for non-Medicare rebateable services, such as <u>Botox treatments</u> , industry medicals, occupational health etc.
Operational steps	<p>Managing a practice requires a commitment to providing good patient care while maintaining a flexible structure that can adapt to the ever-changing legal, regulatory, and technological landscapes.</p> <p>When starting your own practice, you also need to be familiar with <u>digital transformation</u>, relevant legislation, tax regulations, <u>data privacy laws</u> including <u>protecting your patient records</u>, <u>medical compliance standards</u> and administrative requirements.</p> <ul style="list-style-type: none">• Establish a company (i.e. ACN, ABN, GST etc)• Establish trade name• Setup banking• Lease or purchase a location• Design optimal practice configuration and fit out• Apply for Medicare registration (i.e. IHIO and IHII, PRODA, HPOS, MyMedicare etc)• Consider the model of care and technology your practice needs to deliver good patient care.
Models of care	<p>Models of care encompass a wide array of approaches and strategies meticulously crafted to deliver thorough and efficient general practice services to individuals from all walks of life. These multifaceted models frequently entail close collaboration among healthcare professionals, patients, and various stakeholders, fostering a comprehensive and patient-centric approach to meeting the diverse needs of patients.</p> <p>By embracing and implementing a diverse range of models of care, healthcare organisations can significantly elevate patient outcomes, elevate the standard of care provided, and foster a culture of enhanced well-being and health within the community at large.</p>



Models of care cont.

Here is a selection of resources to help you create the best care model for your practice:

- [Murray PHN General Practice support](#)
- [RACGP innovative models of care](#)
- [Nurse practitioner](#) and [nurse led clinics](#)
- [ACCHO models](#)
- [Mental health clinics.](#)

Building and fit out

When establishing a new medical practice within a building, it is vital to ensure compliance with local government planning regulations concerning not only the location but also the parking provisions. Accessibility plays a crucial role, especially for patients with physical limitations, making it necessary to consider both parking availability and ease of movement within the building.

Moreover, the construction and fit-out of the practice must be purpose-built to meet the **required standards**. The Royal Australian College of General Practitioners (RACGP) offers guidance on the **optimal layout** for a doctor's clinical room, while their standards of general practice specify the minimum criteria for a consulting room. Specifically, **RACGP 5th Standards** delineates the mandatory requirements for '**The medical practice**'.

In a modern healthcare setting, electronic communication is indispensable. However, it is worth noting that while **NBN access** is crucial for efficient operations, it may not be universally accessible in all locations. Therefore, it is advisable to verify the availability of NBN services with NBN Co in advance to ensure seamless connectivity for your medical practice.



3-9 months before opening

In addition to hospital privileges, consider if you will need a hospitalist group to round on patients from your practice who are admitted. When purchasing equipment, including lab equipment, ultrasounds and other clinical necessities, also consider computers, tablets, phones etc.

Building and managing a strong practice team is fundamental to your practice's success. However, this can be a complex undertaking that is subject to many legislative requirements that can change. The structure of your workforce, as well as the processes you put in place to manage your staff, can significantly affect your workplace culture, the workflows in your business, and your finances.

In determining the best strategy, it is advisable to seek a technology partner who can guarantee the security of your data and compliance with the Australian Privacy Principles. This collaboration ensures that your practice operates smoothly and securely.

- Hospital admitting right (i.e. Visiting Medical Officer, credentialing)
- Determine medical equipment needs
- Human resource management
 - Employment contracts, contractor agreements, position description templates, awards for nurses and administration etc
- RACGP 5th Standards - General practice accreditation policies and procedures
- Determine outsource any functions (i.e. IT support, accounting and payroll, legal, initial accreditation preparation etc)
- Select a clinical and management systems (CMS) (i.e. Best Practice Software, Medical Director, PracticeHub)
- Advertise positions for clinical staff (GPs, NPs, AHWs)
- Purchase IT hardware (computers, phones, videoconference, printers, scanner and other equipment)
- Health technologies and digital health.



1-3 months before opening

This is the point at which you will **start hiring key staff** that you need on board in advance to help the practice prepare for opening. Your **practice manager** should not start the same day your practice opens.

Having previously determined the size of your practice, whether it be a small clinic or a large healthcare facility, the next vital step is the recruitment of essential personnel such as nurses, administrative staff and a proficient practice manager. These key roles are crucial for the smooth functioning and success of your healthcare operation. To ensure compliance with employment laws and regulations, which offer guidance on navigating the legal intricacies associated with employment matters.

Considering the complexity of contemporary employment issues, seeking advice from a seasoned human resource specialist can be an advisable step. The current regulatory environment demands a thorough understanding of employment laws to avoid potential penalties and risks associated with non-compliance. Therefore, investing in professional advice can help safeguard your practice and mitigate legal challenges effectively.

- Job postings for clinical, administrative and support positions
- Hire practice manager
- **Advertise the general practice** and start date
 - [AHPRA guidelines](#)
- Order clinical and office supplies (i.e. prescription paper, pathology and imaging referral papers etc)
- Publish website and online booking systems.

30 days before opening

As opening day gets closer, most staff should be hired, and training should take place. This is also when you will start scheduling appointments for the first days and weeks the practice is open.

- Complete general practice insurances individually or collectively (building, contents, loss of revenue, cyber security, public liability etc)
- Medical indemnity for practice and doctors (i.e. [Avant](#), [Tego](#), [MDA National](#) etc)
- All staff and contractor onboarding
 - CMS training
 - Administration and reception training (i.e. billing procedures, online claiming, reconciliations etc)
 - Clinical training (i.e. CPR and treatment room etc)
- Set weekly/monthly reporting needs
 - Inform all patients scheduled the first week to arrive early.

After opening

Day one and ongoing

Depending on marketing and scheduling, the first day may be quiet. A well-prepared practice will have a reasonably quiet first day. Start looking for what is not working in your practice, whether it is related to scheduling, a process or even the physical placement of equipment.

- Have IT support available
- Observe all processes
- Provide additional training as needed
- Monitor workflow for opportunities to improve
- Verify all staff training and orientation was completed.



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