# Practice Incentives Program Guidelines

Effective 31 July 2023

The Practice Incentives Program (PIP) is designed to encourage general practices and practitioners to continue providing quality care, enhance capacity and improve access and health outcomes to patients.

The PIP Guidelines (the Guidelines) set out how the PIP operates including eligibility, how to apply, how payments are calculated and the obligations of participants within the program.

The Australian Government Department of Health and Aged Care (the Department) has policy responsibility for the PIP. Services Australia delivers the program and provision of PIP payments. Together the Department and Services Australia coordinate and manage the PIP (referred to as ‘we’ in the Guidelines).

The PIP will be subject to ongoing review and evaluation that may result in future changes to the program. The Guidelines may be amended at any time by the Department of Health and Aged Care. The current version of the guidelines state the ‘effective date’.

It is the responsibility of eligible medical practitioners and general practices to ensure they are operating under the current version of the Guidelines. Any loss of payment or any other loss as a result of failing to operate under the current version of the Guidelines is the responsibility of the medical practitioner or practice.

## 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 in this guideline
* be accredited, or registered for accreditation, as a general practice against the current edition of the RACGP *Standards for general practices* (the RACGP Standards). Accreditation must:
  + be current on the last day of the month before the next payment quarter
  + if registered for accreditation, be accredited against the current edition of the RACGP Standards within 12 months of being approved for the PIP 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 location. 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

General practices must be accredited as a general practice against the RACGP Standards to participate in the PIP. Practices applying for the PIP for the first time must achieve accreditation within 12 months of joining the PIP.

If your practice is not accredited within 12 months of joining the PIP, or does not maintain accreditation, your practice will not be eligible for payment for the time your practice has not been accredited.

Your practice must be accredited by an accrediting agency approved by the Australian Commission on Safety and Quality in Health Care (the Commission). The Commission administers the [National General Practice Accreditation (NGPA) Scheme](https://www.safetyandquality.gov.au/our-work/accreditation/national-general-practice-accreditation-scheme). RACGP Standards must be referenced on the certificate provided by the accrediting agency.

Your practice must be accredited at the point in time date of each payment quarter to be eligible for payment. To maintain your eligibility for PIP payments, you should:

* consult an accrediting agency early to renew your accreditation before it expires. Your assessment should commence well before the expiry date of your current accreditation certificate to allow time to remediate non-compliant indicators.
* accreditation start dates cannot be backdated. The date that an accrediting agency awards accreditation must be on, or before the next point in time date following accreditation expiry.
* in exceptional circumstances you may be able to request an extension to your accreditation. Applications for extensions to accreditation submitted to the Commission must meet the criteria set out in National General Practice Accreditation (NGPA) Scheme.

Practices that are not accredited at the point in time date will not be eligible for the quarterly payment.

You can find out more about the NGPA Scheme, contact details for approved accrediting agencies and links to application forms on the Commission’s [[website](https://www.safetyandquality.gov.au/our-work/accreditation/national-general-practice-accreditation-scheme)](https://www.safetyandquality.gov.au/our-work/accreditation/national-general-practice-accreditation-scheme).

## Transfer of accreditation

A Practice may transfer its accreditation and maintain access to PIP payments when:

* the practice permanently relocates, or
* the practice temporarily relocates, or
* when the practice is sold.

You will need to talk to your accrediting agency about your individual circumstances to determine whether a review or realignment survey is required.

## Permanent relocation

If your practice relocates permanently, you will need an updated accreditation certificate, with your new location address specified. You will need to provide Services Australia with a copy within 6 months of relocating. This can be done by completing Form IP005 on Services Australia’s website.

## Temporary relocation

You must notify your accrediting agency of the address and dates of the temporary relocation. Your 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 Services Australia of the address and the dates of the temporary location by submitting Form IP005 on the Services Australia website.

## Sale of a practice

When a practice is sold, accreditation must be part of the sale for accreditation to transfer and to use historical practice data, including the Standardised Whole Patient Equivalent (SWPE) value.

If accreditation is not part of the sale the historical practice data and the SWPE value cannot be transferred. The new practice owner(s) will need to apply as a new practice for the PIP and achieve accreditation with their chosen accrediting agency.

## Practices with multiple locations

Practices with multiple locations can apply for the PIP as a single practice.

You must nominate a main practice location. The main practice location will be the location that provides the most Medicare Benefits Schedule (MBS) services per annum.

Additional practice locations beyond your main practice location are practice branches.

To be eligible, your practice 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.
* gain and maintain current professional indemnity cover for all general practitioners working in the practice branch.

## Accreditation of practice branches

* Practice branches do not need to be independently accredited if they provide less than 3,000 MBS services per annum. Your quarterly payment advice from Services Australia will show how many services are provided by each location. MBS services for practice branches will automatically be included in the calculation of quarterly PIP payments.
* Once a practice branch reaches 3,000 MBS services per annum, it must register for separate accreditation to participate in the PIP. The practice branch will have 12 months to be assessed and achieve accreditation from an approved accrediting agency. After 12 months, the practice must be accredited to remain eligible.

## Ineligible services

Some services are not 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 incentive payments

Practice incentive payments made through PIP are made directly to practices. Practice payments contribute to quality care.

We will pay you if you meet the eligibility requirements of the incentives, including remaining accredited on the last day of the month before the next PIP quarterly payment.

## Service incentive payments

Service incentive payments (SIPs) 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 will be included in your PIP payments.

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

# How PIP payments are calculated

## 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 add or update their provider number on your practice profile using Health Professional Online Services (HPOS). 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 servicesaustralia.gov.au/pip.

#### 3. Add the SWPE values for each patient

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

#### Practices without a historical SWPE value

The SWPE value is calculated using the historical MBS services provided by general practitioners from their registered start date in PIP. Payments to practices without an established SWPE value, for example a newly established practice, will not reflect the current patient load of the practice.

The SWPE value is used to calculate some of the PIP incentive payments including After Hours, eHealth and PIP QI. These incentives will have Nil payments calculated until the practice has MBS items relevant to the SWPE calculation process in the SWPE reference period. It can take up to 18 months (approximately 6 payment quarters) to establish a true SWPE value.

Not all PIP incentives use the SWPE to calculate payments. Eligible practices will receive payments for incentives that do not use the SWPE value to calculate. These incentives include the Procedural GP Payment, Indigenous Health Incentive and the teaching payment.

#### Transferring a SWPE value

A SWPE value can only be transferred if a practice:

* changes ownership, and accreditation is included in the sale of the practice,
* relocates and the original and new location is in the same local area or
* amalgamates with 1 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 is not 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, the practice remains open in the same location, and the accreditation is included in the sale of the practice, the SWPE value will transfer to the new owners. The new practice owners can then use the historical SWPE value.

The SWPE value transfer happens even if the original owners establish a new practice in the same local area.

#### Relocation of a practice

If your practice is not sold but relocates in the same local area, and there is not 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 is not operating from the original location; and
* the patients and all patient records stay with the relocated practice.

If the relocated practice does not meet these requirements, you will 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 does not meet this requirement, you will need to apply for the PIP as a new practice and establish a SWPE value.

We will not 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 PIP payments are made

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, and be accredited at 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 are not participating in PIP at the point in time date are not eligible to get the quarterly payment in that reference period.

#### How PIP payments are made

Services Australia makes payment electronically to your nominated bank account. Payments do not 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

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

#### Annual confirmation statements

In May each year Services Australia will send an annual confirmation statement to your practice through HPOS or by mail, based on your communication preference. You should get it by the end of May each year. Please call the Incentive Programs enquiry line if you have not 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.

Services Australia may withhold payments if your annual confirmation statement is not returned by the due date. We will assess your eligibility for withheld payments once we receive your completed annual confirmation statement.

#### Withheld payments

Services Australia may withhold your payments if:

* you do not meet the PIP eligibility requirements
* your practice did not achieve accreditation within 12 months of being approved for the PIP
* your practice has relocated and we need your accreditation certificate for the new location
* your practice does not employ a GP
* there has been a change of practice ownership and we were not provided with the details to finalise the change
* your accreditation has expired
* there are significant changes in practice details
* your practice or providers do not have the required insurance
* you have provided incomplete or inaccurate practice details
* you did not return your practice’s annual confirmation statement in time

When Services Australia withholds a payment, they will write to you to let you know what details are needed to release your payment.

If we withhold payments for 3 consecutive payment quarters, your incentive payments will stop. We will withdraw your practice from the PIP and you will 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 been approved for the PIP.

#### Recovery of payments

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

Services Australia or the Department may take action to recover PIP payments if:

* an administrative error has caused incorrect payments
* your practice has made false or misleading claims, or
* you do not 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 Application (IP001) form](https://www.humanservices.gov.au/organisations/health-professionals/forms/ip001).

Ensure 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 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. The contact person will advise us of any changes and 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

Services Australia will assess your application and let your practice know in writing if it is eligible.

If we ask for further information you need to provide it within 28 calendar 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 as part of audit programs. 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 Services Australia 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 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 will need to complete the relevant form:

* [Practice Incentive change of practice details form](https://www.servicesaustralia.gov.au/ip005)
* [Practice Incentives Individual general practitioner or nurse practitioner details form](https://www.servicesaustralia.gov.au/ip003)
* [Practice Incentives Change of practice ownership form](https://www.servicesaustralia.gov.au/ip010)
* [Practice Incentives additional practice branch form](https://www.servicesaustralia.gov.au/ip025)
* [Practice Incentives Practice closure or withdrawal form](https://www.servicesaustralia.gov.au/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 are not entitled to withheld payments. Your practice will need to reapply if you want to rejoin the program. We will assess these as new applicants. They will 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 Services Australia for the purposes of the Practice Incentives Program (PIP).

Your personal information will be disclosed to the Australian Government Department of Health and Aged Care to enable the 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 Services Australia 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 Services Australia manages your personal information, including our privacy policy, at servicesaustralia.gov.au/privacy.

#### Rights of review

The PIP has a review of decision process for program decisions.

To ask for a review of a decision, the authorised contact person or owner/s of the practice must complete the Practice Incentives Review of decision form (IP027). The completed form must be submitted within 28 days of the decision.

The Australian Government will review the decision and let you know the outcome in writing.

Decisions are based on the published guidelines at the time of the original decision.

#### Audits

The Department conducts audits of PIP practices each year to ensure practices are meeting the requirements outlined in these Guidelines. This may include a review of practice documentation. If requested, practices must provide evidence to support their eligibility for payments.

For the purpose of the audits, practices must retain practice documentation for 6 years. Payments may be recovered if a practice is unable to provide evidence to verify that it meets the eligibility requirements or substantiate claims.

#### Glossary of Terms

**Accreditation** is the independent recognition that a practice has been assessed and met the requirements the Royal Australian College of General Practitioner (RACGP) Standards for general practices by an accrediting agency approved by the Australian Commission on Safety and Quality in Health Care.

**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 does not matter if that service deputises for other general practices, or if it provides the care within or outside of the clinic. After hours services are not 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. The authorised contact person is responsible for:

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

We will 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 the Department of Health and Aged Care or Services Australia to administer the program.

**General practice** is defined by the RACGP Standards for general practices and must be an accredited service. For the purposes of accreditation as a general practice a site must:

* + provide comprehensive, patient centered, whole-person and continuous care; and
  + its services must be predominantly\* of a general practice nature.

\*More than 50 per cent of the practice’s general practitioners’ clinical time (i.e. collectively), and more than 50 per cent of services for which Medicare benefits are claimed or could be claimed (from the practice) are in general practice.

**General practitioner** is a general practitioner or non-specialist medical practitioner – other medical practitioner - who provides non-referred services but is not 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 is 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 the Department of Health and Aged Care manage and Services Australia 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 are not 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 is 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 one 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. The SWPE is 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 is intended that the Australian Government will make payments as set out in these Guidelines, the making of payments is 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.