

MULTI-PURPOSE SERVICES PROGRAM EVALUATION (VICTORIA)

Prepared for:
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Prepared by:
Sach & Associates
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Centre for Applied Gerontology

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Executive Summary

The joint Commonwealth/State Multi-Purpose Services Program, which commenced as a pilot in 1992/93, aims to provide a flexible approach to health and community service delivery to small, isolated rural communities. The defining features of the Multi-Purpose Services (MPS) model includes the amalgamation of all or most services (ranging from acute hospital care to residential/community health/Home and Community Care [HACC]/community services and others), governance by a single Board, the cashing out of former Program funds into a single budget and the development of services according to identified community needs.

There are 36 MPSs in Australia, including seven in Victoria, five of which have been established for more than three years and are examined in this project.

The primary objective of the project was to evaluate effectiveness the Multi-Purpose Services Program as a whole. It was not a site specific financial evaluation and no conclusions are made on this issue.

Multi-Purpose Service Highlights

- **Otway Health and Community Services**

Otway MPS, located at Apollo Bay, supports a population catchment of 3,225 persons. From a small, disparate set of separately managed and delivered services, Otway Health and Community Services has expanded its base to include over 37 services which are provided in a coordinated, client centred manner. A population health philosophy guides the model. Otway MPS demonstrates how service breadth and depth can be introduced into small rural communities without loss of traditional services. A particularly strong aspect of the Otway model is the integrated approach to service planning and management.

- **Mallee Track Health & Community Service**

Mallee Track Health & Community Service is a multi site MPS with the main facilities based at Ouyen (population 1400) and service centres at Patchewollock (population 200), Underbool (population 450) and Murrayville (population 350). Located in a wheat/sheep farming community and extending over a 110 kilometre catchment, this MPS has established a secure base for health services that were formerly at risk of survival due to their isolated and uncoordinated service models. The service range has also been extended, with a greater emphasis on health promotion. More appropriate use is made of bed based services through the flexible management of acute and residential care places. The Mallee Track MPS also demonstrates the links that can be developed between health and community development objectives, with the MPS being a contributor to small community survival.

- **Alpine Health**

Alpine Health is an instructive contrasting case study. It is a multi-site service based at Myrtleford, Bright and Mt Beauty in north east Victoria. Many of its features differ significantly to other MPSs including its larger population base (13,046), its quasi-rural status (it being one of the most significant recreational destinations for over 1 million visitors each year), the presence of three towns each with its own hospital and service systems, its significant general practitioner numbers (13, compared to two or three in most other MPSs), its geographic discontinuity (with distinct communities in separate river valleys) and its relationship to a complex arrangement of regional and local government services.

Alpine Health has experienced significant difficulties from the outset. Only the hospitals and their associated residential aged care service joined the MPS and significant viability issues impacted on two of the three hospitals. Management instability and continuing financial issues encumbered MPS progress, although acceptance of the changes has now been achieved and a base is developing for a more optimistic future. The Alpine Health case study demonstrates that it is difficult to implement an MPS model unless certain pre-conditions are met.

- **Upper Murray Health & Community Services**

The Upper Murray MPS is based at Corryong in an isolated rural community of 3,264 people on the Victorian/New South Wales border. This MPS is a clear representation of many of the principles inherent in the MPS model. It demonstrates that whilst the MPS model provides the conditions for flexible service provision manner, it requires sound management, vision and entrepreneurial vision to fulfill its potential. (Similar, observations also apply to Otway and Far East Gippsland MPSs). Upper Murray Health & Community Services has developed a sophisticated approach to service planning and development. It uses evidence-based needs assessment, combined with epidemiological and socio demographic profiling to present health issues to its community. A significant community democracy approach is then applied to empower the community to set its service priorities. These in turn are linked into an integrated Corporate Plan which guides service delivery and development. Many service innovations have also been developed and these provide instructive examples of the outcomes that can be achieved from the MPS model when management fully understands its potential.

- **Far East Gippsland Support Service**

Far East Gippsland MPS is based at Orbost on the eastern Victoria coast and services a extensive farming and timber production area of approximately 4,500 people. It has developed a service response that directly reflects the culture and needs of its community. It maintains a wide range of services including specialist services (such as family violence counselling and youth programs) and maintains a workforce of 125 people in 71 EFT positions, thereby serving a significant employment and community development role in its own right. Through service developments and opportunistic management, Far East Gippsland MPS has expanded its budget from \$2.2 mil. to \$4.8 mil. since 1994/95. The Far East Gippsland MPS has also resolved issues associated with health professional recruitment to small rural communities. Considerable attention has also been given to the enhancement of acute hospital services and supporting the general practitioner base.

Multi-Purpose Services Program Evaluation Findings

The evaluation of the Multi-Purpose Services Program has identified significantly improved health and primary care service gains to small rural communities in Victoria. It has established that the application of a single, flexible funds pool for each Multi-Purpose Service is a significant contributing factor to the success achieved in delivering coordinated and client centred health, residential aged care, primary health and community care service provision. Whilst the Program is producing effective outcomes in an innovative manner, it has also been established that existing procedures are inadequate for whole of program accountability, although most Multi-Purpose Services have developed appropriate management information processes in their own right.

Overall, the Program is meeting its objectives. It serves as an exceptional demonstration of a flexible care service model for small rural communities. The flexibility inherent in the model

provides the foundation for that success, but it has also been established that experienced management, vision and an entrepreneurial perspective is required to realise its potential.

The key findings related to the Project Objectives include the following:

Issue 1: Nature and extent of change due to the Multi-Purpose Services model

What actually changed in communities that adopted the Multi-Purpose Service model?

Four significant themes have been identified;

- Management and service delivery structures changed through the introduction of a single governance model. This change of itself was a significant contributor to service development given that pre-MPS Boards and committees often lacked the expertise to effectively manage program developmental and accountability requirements, even though service delivery volumes were relatively low.
- Service integration occurred. Service integration provided the basis for service expansion and reform. In particular it permitted existing services to expand and new services to be introduced.
- Services expanded. All MPSs have demonstrated post-MPS service expansion, often of significant proportions. Communities that previously had narrow, traditional service regimes can now demonstrate a range of community services comparable to those of provincial cities.
- Service viability has improved. In all pre-MPS communities the financial viability of key services had been at risk. In most cases this applied to the hospital but it also included residential aged care facilities. Whilst not expanding the budget, the Multi-Purpose Services Program permitted service substitution and rationalisation which contributed to improved cost effectiveness. In several instances (but not all), under utilised acute beds have been reduced and community services expanded, without reductions in occupied bed days. In other instances, some residential aged care beds have not been required to achieve financial viability, thereby releasing funds to support previous service gaps. This has been achieved without loss of acute or residential aged care services.

Finding 1: Nature and extent of change due to Multi-Purpose Service model

Management and service delivery structures were enhanced; service integration occurred; services expanded and service viability improved. The Multi-Purpose Service Program has delivered significant benefits to small rural communities in Victoria including improved governance, service integration, service expansion and overall service viability. The future success of the model is dependent on the size and mix of the funds pool.

Issue 2: Effectiveness of the Multi-Purpose Service Program

A related inquiry is to determine the extent to which effectiveness improvements are due to the Multi-Purpose Services model.

Issue 2a) Targeting community needs

Cultural fit demonstrated: The Multi-Purpose Service Program has clearly demonstrated improved targeting to meet identified community needs. Most Multi-Purpose Services in Victoria demonstrate advanced "cultural fit" between identified community needs and the

service profiles. Basic support services have been retained and improved and a health prevention dimension provided to address community well-being issues. Small, traditional health and community services have been replaced with integrated systems encompassing treatment, prevention, health promotion, rehabilitation and community development.

Community needs identified

Community needs were comprehensively identified in the initial phases of Multi-Purpose Service formation and several services are in the process of completing second round surveys. The Multi-Purpose Services Program provides an effective framework for integrated service delivery and the service providers have demonstrated how health service structures can directly reflect identified community need and evidence based interventions.

Client satisfaction

Whilst all Multi-Purpose Services undertake individual service assessments (often as a component of their quality accreditation processes), there is limited evidence of a consistent assessment of client satisfaction across all services within a Multi-Purpose Service. Each Multi-Purpose Service can demonstrate high levels of client satisfaction for individual services, but Boards of Management and Executives generally have no overall measure of community satisfaction and they are unable to quantitatively demonstrate changes to community attitudes to the service performance over time, other than through anecdotal feedback and service specific surveys. However, focus group sessions undertaken as part of this project suggest the likelihood of a high degree of acceptance of the Multi-Purpose Service does exist.

Health outcomes

In common with other health and community service providers, all Multi-Purpose Services use process indicators or output indicators as indirect measures of health outcomes. Both the range and volume of service has been found to have measurably increased.

Finding 2a: Targeting community needs

The Multi-Purpose Service Program in Victoria has demonstrated a high level of responsiveness to the identified needs of small rural communities. Improved time series measures of client and community satisfaction would assist in monitoring future service responses.

Issue 2b Access

Improved access to services has occurred in all Multi-Purpose Services since their introduction and this is demonstrated in the following dimensions:

Increased range of available services

Most Multi-Purpose Services have increased the range of services available to the community, including significant service additions and developments.

Increased individual service utilisation

A significant increase has occurred in the use of community health, community and home based services. A more appropriate use of services has also occurred, with bed-based services managed according to need. Acute, aged residential high and low care beds are being managed as a continuum, with a flexible transition at the inter-service boundaries. Whilst all services maintain a core of beds in each service type, flexibility exists to modify use

according to need. There is no program-wide evidence of reduced access to acute beds as a result of the Multi-Purpose Services Program, with acute services offered to the community being similar in the pre and post MPS periods.

Finding 2b: Access

The Multi-Purpose Service Program has significantly expanded the range of services available to small rural communities in Victoria, particularly community and primary health services. New service relationships have been developed without detriment to previously existing services.

Issue 2c Coordination, flexibility and innovation

Coordination and flexibility are the hallmarks of the Multi-Purpose Service model. Specific service approaches are also occurring but such methods are only innovative relative to traditional programmatic responses.

Innovation is not an objective of Multi-Purpose Services but it is a common outcome. Most services demonstrate unconventional approaches in all dimensions of the service including management, staff and service development. A marked feature of the Program is the high level of staff satisfaction, relatively flat organisational structures, program management delegations, flexibility of staff to respond to client needs, inter-disciplinary work practices, opportunities to influence the service system and expanded opportunities for professional development.

Finding 2c: Coordination, flexibility and innovation

The Multi-Purpose Services model provides a flexible structure for the coordinating and facilitating services that are responsive to the needs of people living in small rural communities in Victoria. The combination of continuity of care best practice and funding flexibility raises service responsiveness to a high level. The introduction of improved client information systems would facilitate an improved understanding of processes and support service accountability measures.

Issue 2d Cost effectiveness

"Cost effectiveness" may be defined as the attainment of beneficial outcomes with the funds available for that purpose, and contrasts to "cost efficiency" which seeks to maximise productivity within a given budget. For most Multi-Purpose Services cost effectiveness is a process outcome rather than a targeted and measured objective. Many examples exist to support cost effective objectives but there is a need for a consistent data set to support whole-of-program assessment.

Cost effectiveness surrogates have been identified in the following areas:

- service delivery indicators
- budget efficiency indicators
- economy of scale indicators
- workforce indicators
- cost saving indicators

Details on each item are included in the main report

Finding 2d: Cost effectiveness

The Multi-Purpose Service Program has provided the conditions for a more cost effective service structure. Cost effectiveness indicators are being developed in service delivery, budget efficiency, economies of scale, workforce development and service cost savings. Evidence based analysis has found that a high prevention, high support based model of service delivery has the highest utility for small rural communities.

Issue 2 Cultural appropriateness

Otway, Mallee Track, Upper Murray and Far East Gippsland MPSs all support rural catchments predominated by people of English speaking backgrounds and cultures. The Alpine Health catchment includes a long standing community of Italian heritage who relate to the generic services. Given the small numbers of people from other cultures no Multi-Purpose Service was found to take particular approaches for people from diverse linguistic and cultural backgrounds.

Far East Gippsland also includes an Aboriginal and Torres Strait Islander community. A positive working relationship exists between the MPS and the Moogji Cooperative was identified.

Finding 2: Overall finding on program effectiveness

Detailed comparative program indicators have not been developed to quantify effectiveness measures. However, there is site related evidence of effective targeting of community needs, high levels of service satisfaction, increased service access (particularly to community health, community care and well-being services) without loss of acute services, exemplary levels of service coordination and individual client focused service development. These service developments have been achieved without budget supplementation, other than that derived from additional contracts competitively attracted by Multi-Purpose Services. Evidence has been established to support the finding that high prevention, high support based models of service delivery produce the highest utility (effectiveness and cost effectiveness) for rural communities.

Issue 3: Impact of the Multi-Purpose Service model on clients

The evaluation also considered the following question: "What impact has the Multi-Purpose Services model had on clients and have community needs been appropriately met?"

There is clear evidence that the client service choice, appropriateness of care and continuity of care have improved in communities supported by Multi-Purpose Services and, in several instances "best practice" case studies have been identified.

Links between Multi-Purpose Services and sub regional services have also been well established and all Multi-Purpose Services incorporate regional services (such as mental health counselling) into their services. Further consideration needs to be given to effectiveness of these arrangements.

The single identified weakness of the Multi-Purpose Service Program for clients relates to issues of client rights and safeguards. Although all services accord a high priority to client rights there is no consistent program-wide approach or access to an independent complaints resolution system.

Finding 3: Impact of Multi-Purpose Services model on clients

The Multi-Purpose Services model has increased choice, care coordination and client centred care for small rural communities in Victoria. The range of services has expanded and is responsive to identified community needs. Available indicators, including community feedback, suggest that the Multi-Purpose Service has produced significant benefits for rural clients.

Issue 4: Key factors for MPS success

It has been possible to identify pre-conditions that should be met to implement a successful Multi-Purpose Service. They are:

- *Small communities*

All successful Multi-Purpose Services examined in this project have small catchments, commonly populations of 3,000 to 4,000.

- *Contiguous service boundaries*

It can be demonstrated that successful MPS implementation occurs when amalgamating core services have contiguous service boundaries. Instances of multiple catchments within a single service area creates complexities for funds pooling and service amalgamations.

- *Single set of pre-MPS services*

Services that include multiples of the same service type (such as hospitals) may create barriers for the successful implementation of a Multi-Purpose Service. However, it is possible to establish a multi-site Multi-Purpose Services where several services of the same type exist, provided that the proposed changes do not threaten existing structures.

- *Common community*

Areas with a common community have greater success in forming a Multi-Purpose Service than those with several towns of similar size and structures. Ideally the community should also be supportive of the proposed change.

- *General practitioner support*

The attainment of general practitioner support for the change is also important. Far East Gippsland MPS clearly understood this issue and worked closely to ensure that they provided the infrastructure, skilled professional staff and support services to enable doctors to provide a medical service to the community. Other Multi-Purpose Services which experienced conflictual relationships with general practitioners who felt threatened by loss of control and perceived reduced service access, had difficult gestations.

- *Capital incentives*

Although facility redevelopment grants are independent of Multi-Purpose Service Agreements, all Multi-Purpose Services examined in this project came with the undertaking of capital funding. All Boards indicated that the promise of redevelopment grants was foundational in achieving community acceptance for the change to a Multi-Purpose Service.

- *Management expertise*

The attainment of appropriate management expertise is fundamental to Multi-Purpose Service success. Successful Multi-Purpose Services are those that have a Chief Executive Officer

with the following skills: program knowledge, management expertise, vision and entrepreneurial skills.

Finding 4: Key factors for MPS success

The key factors for success (KFS) of a Multi-Purpose Service occur in two broad groupings. Group 1 may be termed "pre-MPS conditions" and include a small population, contiguous service boundaries for core existing services, a single set of services and a common community. Group 2 KFSs may be termed "developed conditions" and include general practitioner support, capital incentives and management expertise.

Issue 5: Barriers to successful MPS implementation

a) Development phase

Barriers during the development phase were the most challenging for Multi-Purpose Services. Four of the five Multi-Purpose Services experienced considerable problems over a long period (up to four years) before a stable, successfully operating service was established.

The Development Phase barriers may be broadly grouped into the following categories:

- *Uncertainty and suspicion*

Most Multi-Purpose Services considered that the proposed model was being imposed upon them. There were two related agendas which included the establishment of viability for small rural hospitals around the time of case mix funding introduction and the introduction of a new Commonwealth/State initiative (the Multi-Purpose Services Program) which offered the potential for improved health services but came without additional funding.

- *Chief Executive Officer selection.*

Most communities felt that they had neither the control, the expertise nor the resources to effectively negotiate the change process with Government. There were multiple expectations from Government Departments (amalgamations, needs identification, legal negotiations and maintenance of existing services in an environment of uncertainty) but not the resources nor initially the expertise, to address these expectations.

- *General practitioners and staff participation*

Existing service providers often considered that they were peripheral to the decision making process and placed in defensive positions.

b) First triennium

Many of the issues that existed during the development period had not been fully resolved at the time of the signing of the MPS Tripartite Agreements and this created implementation complexities whilst Boards and management sought to resolve establishment challenges and commence service redevelopment.

The identified barriers during this phase may be broadly grouped into the following categories:

- *Continuing uncertainty.*

- *Multiple expectations.* During the initial years of operation there was a pressure to meet multiple expectations and this occurred in a climate of uncertainty and major change.

- *Facility redevelopment delays.* Facility redevelopment delays lead to loss of community confidence in the model.

c) **On-going**

Four main themes have been identified as on-going issues for Multi-Purpose Services in Victoria. They are:

- *Program guidelines.* The development of comprehensive program guidelines would assist many of the identified barriers to Multi-Purpose Service implementation.
- *Program management responsibility.* It is not clear to whom MPSs are responsible in Government Departments.
- *Program accountability.* The existing MPS Program Accountability arrangements are also similarly have been found to be inconsistent, unreliable, overlapping and incorporating elements of both program and pooled funding models.
- *Testing the limits of the Multi-Purpose Service model.* Some Multi-Purpose Services have extended the service model to its current limits and have few options for further budget expansion or financial leverage.

Finding 5: Barriers to successful MPS implementation

Significant barriers occurred for most Multi-Purpose Services during their development and initial operational phases, and it took several years to establish stable, successful services. These barriers can be addressed through the introduction of program guidelines, affording priority to the development of MPS Boards, the early recruitment of skilled Chief Executive Officers, the development of an appropriate sequence of developmental activities and the introduction of reporting arrangements and accountability systems designed to relate to MPS Program objectives.

Issue 6: Multi site versus single site implementation issues

"Under what conditions are multi-site Multi-Purpose Service models successful?"

Finding 6: Multi-site versus single site implementation issues

Multi-site Multi-Purpose Service arrangements are of benefit and best suited to communities where services in small outlying centres are maintained and reinforced by their association with a larger service centre. Multi-site models incorporating several towns with similar size each with a hospital and similar service structures are likely to have significant barriers to effective implementation.

Issue 7: Likely impact of current initiatives

The enquiry relates to the future of the MPS model relative to the emerging flexible and coordinated health service initiatives.

Whilst being a major success, Multi-Purpose Services may not be appropriate for all rural communities and the Program represents one option for coordinated and enhanced rural health service delivery. The recently introduced Regional Health Services (RHS) Program provides an added option, as does the State funded Rural Healthstreams Program.

The Victorian Primary Care Partnerships (PCP) strategy may also be considered as a complementary development. It seeks to develop primary care systems across both urban and rural communities and is based on voluntary alliances between existing service providers. The two programs have been found to be potentially mutually supporting, the main benefits for Multi-Purpose Services being improved linkages to regional and specialist medical services and access to larger scale health promotion programs and the associated funding. It

also offers the opportunity to localise health promotion services which would be otherwise unavailable to small rural communities. PCPs can also benefit from the experience of Multi-Purpose Services.

Finding 7: Likely impact of current initiatives

The range of programs encouraging flexibility and integration available to rural communities are complementary to each other.

Issue 8: Program accountability

The most significant issue to emerge from the evaluation of the Multi-Purpose Services Program has been the need for improved program accountability and the question to be addressed in this concluding section is "What actions are necessary to develop a Multi-Purpose Services Program Performance Accountability Framework?"

The following problems have been identified:

Program Guidelines

There are no detailed guidelines to provide a baseline for program development and operation.

Funds pool

There is a lack of clarity in the relationship between the formation of the MPS funds pool and Program financial accountability.

Relationship between performance indicators and reporting systems.

Multi-Purpose Service Tripartite Agreements specify performance indicators but there is no relationship between these indicators and the current MPS reporting system, and hence it is not possible to quantitatively or consistently assess performance against specified objectives.

Data recording definitions.

There is no standardised framework for data reporting and this creates problems for both intra-MPS and inter-MPS comparisons.

Incomplete records. Several instances exist of incomplete data. This may be due to changes in recording systems within a Multi-Purpose Service and be reflective of the developmental nature of the services. Most Multi-Purpose Services have sound information collection systems and have demonstrated the application of the data in monitoring program performance at their sites.

Finding 8: Program accountability

The Multi-Purpose Services Program requires the further development of guidelines and an accountability framework. Whilst significant benefits can be demonstrated at each service site, the current reporting arrangements are inadequate to quantify program performance on a consistent basis across sites and time periods.

Towards an MPS Performance Framework

There is a need to develop an MPS Performance Framework that clearly addresses the identified problems. The main report includes an outline for a MPS Performance framework.

RECOMMENDATIONS

The Multi-Purpose Service Program has demonstrated the effective application of a population model of health service delivery, expanded services in small rural communities, client centred continuum of care, service innovations, integrated service systems, community development, efficiencies without loss of services and exemplary service management and leadership. The only significant issue identified for priority consideration relates to the formalisation and improvement of program wide accountability.

It is recommended that:

1. Clear points of contact be established for the Multi-Purpose Service Program within the Department of Human Services and Department of Health and Aged Care for:
 - a) program policy, program development, program-wide accountability and liaison within and between Departments, and
 - b) monitoring of each Multi-Purpose Service's service plans and accountability.
2. Multi-Purpose Service Program Guidelines be prepared to assist the development, implementation and monitoring of MPS services.
3. Commonwealth and State Departments develop a Multi-Purpose Services Quality Framework that ensures the achievement of comparable outcomes to mainstream programs.
4. An MPS Performance Framework be developed by 30 June 2001.
5. All Multi-Purpose Services be required to prepare an agreed MPS Performance Plan by 31 December 2001 in accordance with a framework that includes common core MPS indicators plus MPS site-specific indicators.
6. The Department of Human Services and Department of Health and Aged Care produce a Victorian Multi-Purpose Services Program Annual Report incorporating the proposed core MPS data and highlights of program performance.
7. All Multi-Purpose Services be requested to demonstrate appropriate Complaints Resolution structures encompassing all aspects of their services.
8. Consideration be given to the enhancement of the Multi-Purpose Services program as an exemplar model of health service delivery for small rural communities, and that specific consideration be given to expanding the range and linkage of services, including the pooling of that proportion of regional service program funds delivered to an MPS catchment in instances where the MPS has the capacity and expertise to deliver those services to its community.¹

¹ Examples include Hospital in The Home, Post Acute Care Program, regional mental health services and others.