

Victorian Ambulatory Classification System (VACS)

Frequently asked Questions

Section 1: The VACS schedule

1. What is the purpose of the VACS schedule?

The VACS schedule has several purposes:

- it is used as an identification tool for individual clinics within VACS
- it is used to monitor services that are being provided within the VACS system
- it provides accountability for public VACS outpatient services
- it provides details of the variety and scope of outpatient services
- it details the clinics that have been approved by the VACS Clinical Panel
- it is used for planning purposes, for the Department of Human Services programs and services (i.e. cancer, maternity enhancement)

2. Does the department need to know the frequency of clinic encounters per month for every clinic?

The VACS Clinical Panel requires that details of estimated monthly encounters (for every new clinic) be submitted on the Clinic Notification form

(see: <http://www.health.vic.gov.au/vacs/forms.htm>). The Panel assesses whether the number of encounters submitted on the form is reasonable for each VACS Clinic.

During the year hospitals are expected to open and close clinics while operating within their targets. Hospitals are also expected to notify the Department of Human Services of new clinics opened and these are in turn presented to the Clinical Panel for approval as clinics.

3. Is there a limit to the number of clinics we can open and close in a single year?

VACS is a capped system, thus hospitals are required to operate their VACS clinics within, hospital specific, designated VACS targets. Management of clinics to target is the responsibility of individual hospitals and health services. Where additional funding is requested for new clinics, hospitals must also submit for this separately as part of the budget process cycle (see **Section 7: VACS Funding & Target Setting**).

Section 2: Approval for new clinics

1. How often do I need to notify the department of a new clinic opening or one closing?

All VACS hospitals are required to notify the Department of Human Services, Funding Models Unit, of new clinics opening and/or closing as soon as possible. The VACS schedule should be kept up to date at all times. Up to date communication is important to maintain consistency between the hospital and Department of Human Services VACS clinic records. The information in clinic schedules also assists new hospital staff when managing VACS. A copy of the schedule can be requested from the Department of Human Services at any time. **The closing date for submission of notification of new clinics for approval, to be considered for the 2009-10 funding year, is Friday 27th March 2009.**

2. What form do I use when notifying the department of new or closed clinics?

All new clinics, closed clinics and clinic changes are required to be sent to the Department on the VACS Notification of Clinic Changes form. This form can be emailed, faxed, or posted to the Department as they occur. For further details on clinic change notifications, see Section 3: Clinic changes.

New clinics pending approval are identified on hospital VACS schedules with an asterisk. If approved, the asterisk is removed, however, if not approved, they are removed from the schedule.

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LINK TO NOTIFICATION FORM: <http://www.health.vic.gov.au/vacs/forms.htm/>

Section 3: Clinic changes

1. How do I notify the department of changes to clinics?

Details of clinic changes are submitted on the VACS Clinic Notification form ([see http://www.health.vic.gov.au/vacs/](http://www.health.vic.gov.au/vacs/)) and sent to the Department. Clinic details are then amended on the respective hospital's VACS schedule.

2. How detailed does the department want these changes to be (eg. do I have to notify the department on a Clinic Notification form even if I'm just changing a clinic name)?

Yes, notification of name changes and any additional changes, are important for consistency and clinic identification, especially for managing schedules if clinics cease. The Department of Human Services VACS clinic schedule should reflect the clinics approved for operation within each VACS hospital. Changes are required (e.g. name changes) for identification and accuracy. This assists, both the department and the hospital to maintain a consistent up-to-date schedule, for instance if a clinic is opened on multiple days (and this is identified on the schedule) and the hospital requests closure of only one day.

3. When do we receive a copy of our VACS schedule and who does it get sent to?

VACS schedules are sent formally to Health Services, hospital CEOs, VACS contacts and Department of Human Services Regional Managers, on an annual basis, with a letter requesting the schedule be scrutinised and updated if necessary. Schedules are also provided on request at any time.

Since the 2006-07 financial year, the department has emailed VACS schedules to corresponding VACS hospital contacts, on a quarterly basis. Hospitals are required to continue to notify the Department on a regular basis of new clinics, closed clinics and clinic name changes. It remains the hospitals responsibility to keep the VACS schedule up-to-date at all times.

Section 4: The VACS Panel

1. How often does the VACS Panel meet?

The VACS Clinical Panel meets annually, usually in late April, pre the budget process

2. Who attends the VACS panel meetings?

The VACS Clinical Panel is comprised of eminent senior clinicians from a range of specialties and representatives from the field and the Department of Human Services.

3. What is the role of the VACS Panel?

Formal establishment of clinic schedules for funding purposes is undertaken by the VACS Clinical Panel. Hospitals advise the department of proposed new clinics which are submitted annually to the VACS Clinical Panel for approval. The Panel reviews new clinic requests to assess whether they appropriately meet the criteria for inclusion in VACS. The Panel also considers specified grant applications in the context of the criteria for inclusion in VACS and whether they are appropriate as grants or clinics. The Panel does not have a brief for approving funding for clinics, only their inclusion. The Panel may also consider policy changes to the VACS model (for instance midwives requesting to be counted the same as medical specialists under the VACS category 402).

4. What happens if I open a new clinic after the Panel has met? Can I still run it even if it hasn't been approved?

Yes, as long as new clinics are operating within hospital VACS targets set at the beginning of the financial year (as published in the *Victoria - Public hospitals and mental health services Policy and Funding Guidelines*: <http://www.health.vic.gov.au/pfg/>) - see Section 7: VACS Funding & Target Setting. However, should the VACS Clinical Panel not approve a clinic which has already commenced reporting activity to AIMS (on the S9_111 form), this activity should be retracted from AIMS for the current financial year. The clinic will also be removed from the VACS schedule and will no longer be funded under the VACS system.

Section 5: Counting rules

1. Can I count visits with an interpreter on AIMS? If not, how are these funded?

NO. Funding is provided to all Victorian public acute hospitals to assist hospitals to develop planned and integrated approaches to service delivery for culturally and linguistically diverse background (CALD) patients. The interpreter services grant is provided to hospitals to cover both inpatient and outpatient services to be delivered where and when need is identified, not as targets (see <http://www.health.vic.gov.au/cald/>).

2. What happens if I have VACS data that needs to be entered into AIMS – after our hospital system has closed off transmission for that period?

Hospitals are required to notify the department (AIMS) that data has been submitted after the cut-off period for each month. However, data may only be submitted for the current financial year.

For queries on transmission of data issues, please refer to the Agency Information Management System (AIMS) website: <http://www.health.vic.gov.au/aims/index.htm>, or contact Robyn Bailey (Health Information Management Advisor) on: (03) 9096- 8513

3. I have a clinic with more than one Allied Health professional, can they each count their occasions of service within the same clinic?

At present VACS only pays for the occasion of service with one allied health professional in a clinic. VACS assumes one 'encounter', or 'occasion of service' per patient clinic visit. So, although the patient may see more than one clinician in a clinic, it is counted only once.

4. If a clinic has a Dr, nurse and allied health professional in attendance and they all see the patient, can they each count their encounters with a patient within that clinic?

No, each clinic attendance is only counted once. Patients are counted once regardless of whether they see the Dr only, or whether they see the Dr and the Nurse or the Allied Health professional in that clinic during their visit. The additional resources in these clinics are represented in the VACS weights.

5. What about if there are 2 Doctors in the same clinic, can they each count their encounters with a patient within that clinic?

As above, VACS only pays for the one encounter in a clinic. The additional resources are reflected in the VACS weights. For example, a pre-admission clinic that usually has a doctor, anaesthetist, nurse and allied health professional has a higher weight than an obstetrics clinic. The weights are derived from cost data collected from hospitals.

6. What if I have a clinic that's off-site – does it still fall under the VACS program (ie. for Koori outpatients would otherwise not be treated)?

VACS funding is for acute services that generally have to be conducted within the hospital. The only exception would be an out-spoke clinic of a hospital where everything within the clinic is provided by the hospital (including the staff), but for certain reasons the patients are unable to attend their clinic visit on the hospital campus (for example, community run clinics for special needs groups of high risk patients, who have been poor attendees of the traditional clinic services and basically, who wouldn't be treated

unless the service was provided by the hospital staff in the community). These clinics are still evaluated and considered on a case-by-case basis by the VACS Clinical Panel.

7. How do I count clinics that are run in a group format?

Under current VACS policy [and for reporting purposes under AHCA and in the National Health Data Dictionary (NHDD)] - groups and classes are reported as one occasion of service, irrespective of the number of participants, or number of providers. In VACS, the Allied Health occasions of service rate is a derived average payment and the Department of Human Services payment is linked to the provider. Thus, each group session should only be counted as 1 occasions of service in the AIMS S9_111 form (see: <http://www.health.vic.gov.au/aims/>).

This issue will be addressed in the context of the outpatient services review currently being undertaken in the Department.

8. Can I start a clinic under VACS that involves completing questionnaires in the hospital (in a situation where they are not being posted to the patients)?

Most questionnaires are sent to patients to complete prior to their admission. In the rare case that patients are required to complete questionnaires on site, the services required for this process are paid for out of the VACS Base grant. If the hospital believes they have a very rare clinic that sees a number of patients a year, a request for a specified grant may be sent to the Access & Metropolitan Performance Branch of the Department of Human Services with a copy to the Funding Models unit for presentation to the VACS Panel for approval (see Section 7: VACS Funding & Target Setting).

9. Are outpatients who arrive at a clinic, but leave without being seen, counted as a VACS attendance?

No, such patients would not be classified as a VACS encounter. The VACS system pays for the Doctor/Nursing/Allied Health person to have a one-on-one encounter with the patient. So if the person leaves, the hospital has not incurred the cost. If any administration costs have been incurred, these costs are covered in the VACS Base Grant.

10. Are CPAP and HEN programs still funded under VACS?

From 2001-02, Continuous Positive Airways Program (CPAP) and Home Enteral Nutrition (HEN) ceased as programs and the funding was incorporated into the VACS Outpatient Base Grant for Metropolitan Health Services/Major Rural Regional Hospitals, or the General Outpatient Grant for non-VACS funded hospitals.

As with the VACS Base Grant, activity for this funding is not counted towards VACS variable funding.

11. Can nurse run clinics be approved under a VACS category?

At present all nurse run clinics are approved under VACS Allied Health. The only exception to this is with midwife run clinics which the VACS Panel originally approved under the VACS 402 Obstetrics category.

Section 6: VACS base grant

1. What is funded under the base grant?

The VACS base grant provides for fixed or non-variable activities and services provided to patients outside defined clinical categories and represents a percentage of the total non-admitted grant budget. Some examples of non-variable activities funded under the base grant include VACS clinic administration costs, phone calls, preadmission questionnaires, clerking and programs such as HEN and CPAP that have been rolled into the base grant over time. Details of the amount of base grant provided to VACS hospitals can be found under 'Modelled Budgets' in the *Victoria – Public hospitals and mental health services Policy and Funding Guidelines*:

(see the major document at <http://www.health.vic.gov.au/pfg/>)

2. How can we find out what happens to our base grant funds within our hospital?

The Department of Human Services pays the VACS Base Grant as a non-equitable block grant to hospitals. Hospital Management are responsible for distribution of these funds.

Section 7: VACS funding and target setting

1. What happens if we have an insufficient VACS target to run the clinics we have opened?

Hospitals negotiate targets with the department's Access & Metropolitan Performance branch, or the Rural Health branch. For more details see the 'VACS New Clinic approval and funding submission process' flowchart on the following link <http://www.health.vic.gov.au/vacs/forms>

2. What is the process for requesting additional funding for a clinic?

Refer to the 'VACS New Clinic approval and funding submission process' flowchart on the VACS website: <http://www.health.vic.gov.au/vacs/forms.htm/>

3. Who is the contact for the VACS funding requests at the Department of Human Services?

The Funding Health & Information Policy Branch has responsibility for organising the VACS Clinical Panel approval process as part of VACS Policy function, while the Access & Metropolitan Performance Branch and Rural Health Branch have responsibility for target setting, consultation & co-ordination of budgets. The VACS contact for funding requests is outlined below:

Metropolitan Health Services - Contact: Felicity Benneker, Manager, Service Monitoring and Analysis, Metropolitan Health Service Performance, Tel: (03) 9096 9062, email: felicity.benneker@dhs.vic.gov.au

*Austin Health
Bayside Health
Eastern Health
Melbourne Health
Mercy Hospital for Women
Northern Health
Peninsula Health
Peter MacCallum Cancer Centre
Royal Children's Hospital
Royal Victorian Eye and Ear Hospital
The Royal Women's Hospital
Southern Health
St Vincents Health
Western Health*

Rural Health Services - Contact: Simon Moy, Manager, Funding Policy, Tel: (03) 9096-2010, email: simon.moy@dhs.vic.gov.au

*Ballarat Health Service
Barwon Health
Bendigo Health Care Group*

4. How often are the targets set?

Targets are negotiated and set once a year by the Access & Metropolitan Performance Branch and the Rural Health branch as part of the annual budget process. Targets are published in the annual *Victoria – Public hospitals and mental health services Policy and Funding Guidelines*: <http://www.health.vic.gov.au/pfg/>

5. Where can we find the VACS cost weights?

The VACS weights are published annually in the *Victoria Public Hospitals and mental Health Services Policy & Funding Guidelines*: <http://www.health.vic.gov.au/pfg/>

6. How are the weights calculated?

The VACS weights are derived from the cost weight data supplied by hospitals as part of the Victorian Cost Weight Study. Data is obtained from VACS hospitals and weights are then developed **(for more information on cost weight refer to the casemix funding website:** <http://www.health.vic.gov.au/casemix/index.htm>

