

Primary Health Tasmania Annual Report **2021-22**

phn
TASMANIA

An Australian Government Initiative



**primary
health**
TASMANIA

Contents

Our shared values



RESPECT

We value each other



RESULTS

We get things done



COLLABORATION

We work together



PROFESSIONALISM

We strive for excellence

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Our organisation acknowledges that the lands we work from are the traditional lands of the Tasmanian Aboriginal Community. We respect their spiritual relationship with their country and honour and respect their ongoing cultural and spiritual connections to the lands we work from.

www.primaryhealthtas.com.au

info@primaryhealthtas.com.au

1300 653 169

ABN 47 082 572 629

About us

Our role

Primary Health Tasmania is a non-government, not-for-profit organisation working to connect care and keep Tasmanians well and out of hospital.

Our national network

We are one of 31 organisations under the Australian Government's Primary Health Networks Program.

Collectively, all PHNs deliver national primary health care reforms by creating tailored, local and innovative solutions for metropolitan, regional and rural and remote communities.

Our priorities

Our activities are based on national priorities set by the Australian Government as well as the identified needs of local community and priority population groups. They focus on service delivery, provide support and health system improvement in the areas of:

Aboriginal health

after hours care

aged care

alcohol and other drugs

cancer screening

connecting care

chronic condition management

digital health

disease prevention

emergency management (including pandemic preparedness and response)

general practice and healthcare provider support

immunisation

intellectual disability (enhancing primary care)

mental health

palliative care

potentially preventable hospitalisations

rural primary health

suicide prevention.

Our region



68,018km²

an island state



29

local government areas



557,571

our population



5.4%

identify as Aboriginal or Torres Strait Islander



20.9%

born outside of Australia



Over half

of our population live in outer regions or remotely



20%

are over 65 years

Chair's report



In a year of increasing geo-political uncertainty, impacts of climate change and cyber security threats; the health of Tasmanians has continued to provide the greatest challenge for Primary Health Tasmania. Whilst we cannot control the external threats, we have worked hard as an organisation to make an impact on those areas upon which we can have some bearing.

We have all had another full year operating under the Tasmanian Public Health Emergency Declaration in response to the pandemic, and Primary Health Tasmania has worked tirelessly alongside the Tasmanian Department of Health as the lead agency. Our role in supporting vaccination roll out, respiratory clinics and supporting health provider to navigate the COVID@home programs has not been without its challenges particularly in moving between national and state-led responses. This has given rise to conversation at the national level about the role of PHNs in emergency responses including public health, bushfire, flooding and storms, and emergency events such as the tragic incident at Hillcrest. This may or may not get picked up by the new government although regardless Primary Health Tasmania will continue to serve and support its local communities and health providers to the best it can.

The Federal Election delivered a new government and a new health minister and an array of initiatives and roles for PHNs. The key positions of the new Labor Government have been framed in the context of delivering on the Primary Health Care 10 Year Plan and areas that are of great interest to PHNs include voluntary patient enrolment, strengthening Medicare, Urgent Care Clinics, aged care and return of Aboriginal health programs and funding to the community proposed as part of Closing the Gap. While most of the details will take some time to filter down there is new work coming to support families and domestic violence which will see PHNs stepping in to new social and community care areas.

COVID-19 aside, it has been an ideal time for the PHN Cooperative to step up its advocacy work in preparing for a new government with the opportunity to prepare a strong national advocacy platform for primary health investment for Treasury, and other leaders not just the traditional health ministers.

The various national PHN networks have come together to work on shared advocacy to enable new models of care and workforce solutions and enhance the PHN role in supporting healthy ageing. Primary Health Tasmania is part of the Vic Tas PHN Alliance which enables information sharing, collaboration and problem solving in our jurisdictions but also has some very practical benefits in sharing operational policy and frameworks so that each PHN is not reinventing the wheel to run their business operations.

This year the significant challenges in building workforce capability and capacity across community, allied health, and general practitioner workforces are becoming front and centre of all health system planning. We are working with the Tasmanian Government and many stakeholders to find innovative solutions to address these issues in both the short and long terms. There are some exciting examples of peer workforce approaches from the mental health sector — aligned with implementation of Rethink 2020. The Board acknowledges the strength and success of the collaboration with the Mental Health Council of Tasmania and the Tasmanian Government to deliver reforms in this area.

I would like to acknowledge the excellent and collegial way in which directors of Primary Health Tasmania have undertaken their responsibilities this year. There has been a director refresh with the election of Melissa Hughes and Scott Adams at the Annual General Meeting in November. At the same stepping down from the Board — Hugh McKenzie a previous Chair and longstanding director — together with one of our favourite GPs Dr Rob Walters. Both leave a legacy of excellence governance, innovation in and compassion for primary care, and champions of Primary Health Tasmania's purpose and values. In May, the Board appointed Dr Ginita Oberoi as part of the Board's commitment to strengthening rural and regional workforce representation. The Board commenced its external performance review during the reporting period to make sure our governance is serving the Board well, and new practices are carefully adopted and implemented. The recommendations and actions will help set the Board's agenda in 2023 and beyond.

It can be difficult to demonstrate how our work is contributing to improve the health outcomes of Tasmanian people and their communities.

Work continues at the national level to refine the PHN performance indicators to more accurately show value and benefit, and we have produced 2 significant program health strategies for both mental health and chronic conditions to better connect the everyday work of our organisation with our Strategic Plan and Needs Assessment. At a local level, both strategies will help guide our investment in the health system and our partnerships.

It has been great to be able to meet face to face again with our Clinical and Community Advisory Councils whose contributions are important for Primary Health Tasmania and always add value to the Board's discussions. I want to recognise the very noteworthy work of Stuart Auckland, and Helen Manser, AM on the Community Advisory Council. Both members retired after many years on council and left us with rich community insights and learnings.

Finally, thanks to our CEO Phil Edmondson and the entire staff of Primary Health Tasmania for another year of exceptional dedication and hard work — particularly in the face of the continuing COVID-19 curveballs and in anticipation of increasing program responsibilities and funding and what is shaping up to be another busy year ahead.



Graeme Lynch AM
Chair

Board of Directors at 30 June 2022



Graeme Lynch AM
Chair



Dr Ruth Kearon
Deputy Chair



Mr Scott Adams



Ms Melissa Hughes



Dr David Knowles



Dr Ginita Oberoi



**Distinguished Professor
Greg Peterson**



Ms Allyson Warrington

CEO's report



The past 12 months have been yet another interesting and challenging period for both PHNs and primary care within and beyond our island state.

The gradual transition away from intense COVID-19 restrictions and lockdowns from December 2021 was welcome but carried with it continued uncertainty of the future post-pandemic world. While our borders opened and freedoms began to return to some semblance of normality, Primary Health Tasmania's role in assisting with the management of health service delivery, distribution and coordination of vaccines and personal protective equipment remained an ongoing priority and occupied much staff and management time. Managing delays to service implementation and reduced access to commissioned and other primary medical and support services as COVID-19 continued to have an impact on workforce and will likely be reflected in our planning and service design for years to come. Services have had to transition to and from reduced face to face contact and use other modalities — the impact on delivery is further evidenced in this report. Throughout all this our staff remained flexible, committed, and strongly focused, rising to meet each new challenge and requirement, and all the time quietly ensuring recognition that PHNs have a valuable contribution to make in assisting with emergency responses.

The Australian Government released both its National Preventive Health Strategy 2021-2030 and Primary Health Care 10 Year Plan — laying out 'in principle' a strong direction for responsibility, policy and future investment. Like any government plan, investment decisions are for future budgets, and we will all be looking to see what directions begin to emerge in successive budgets. A new feature of the national PHN collaborative approach to funding and policy setting in healthcare has been the emergence of the bilateral planning work in mental health. Sitting beneath the National Mental Health and Suicide Prevention Plan, individual bilateral agreements between State and Australian Governments will for the first time include PHNs as a core partner in both planning, funding and delivery. We look forward to the opportunities this will bring for a more integrated and structured approach to health system reform.

In terms of local policy, the Tasmanian state plan for mental health — *Rethink 2020* — continues to set very positive, shared whole-of-system direction for continued development and investment in the state's mental health system. Primary Health Tasmania has responsibility for a number of actions in the Implementation Plan with responsibility spread across the organisation, through various teams, to ensure partnership, continuous quality improvement, and integration are strongly embedded in these priorities. Primary Health Tasmania remains a core system partner in this work, and in many of the core areas in the Tasmanian Government's *Our Healthcare Future*, the state health plan and the process underway for completion of the long-term health plan for Tasmania.

Our commissioning role over the past 12 months has seen commencement of planning and procurement for a number of new services with major mental health investments for young people and adults across the state under the bilateral agreements. The new Head to Health Centre in Launceston opened in January 2022 providing adults with better access to mental health support. This service is both innovative in how it complements services already provided in the community and involves people with lived experience of mental illness as part of its everyday operations.

Another example is the announcement of funding for a dedicated early psychosis service for young Tasmanians which will target people aged 12-25 years. This service will be carefully planned in the coming year as the level of engagement with agencies, stakeholders, health professionals and the community cannot be underestimated. Whilst this is fantastic news for the community, the spectre of emerging challenges in securing skilled workforce in an already constrained sector looms large across the state.

A considerable amount of time and energy is replicated across 31 PHN regions, and we continue to work closely with our interstate peers to share resources and work more efficiently, learn from one another's successes and challenges, and benchmark our performance and approach. The huge developments we have collectively made in relation to ensuring national PHN health data security, has led to various opportunities to explore the benefit of linked data to better understand the needs of the Tasmanian population as well as the strengths of our health system in Tasmania.

As a new approach to cultural recognition and maturity begins to emerge for the country, a core focus for Primary Health Tasmania over the coming year will be to work with our Aboriginal and Torres Strait Islander organisations and communities to understand how we can partner more effectively to improve health outcomes, and help shape our collaborative work and approach into the future.

Finally, I would like to acknowledge and the leadership and support of Primary Health Tasmania management and executive teams, without whom the vast and growing program of work PHNs are responsible for simply would not be able to be realised. With the guidance and support of the Board, Primary Health Tasmania is well placed to approach its work over the coming year with purpose and confidence.



Phil Edmondson
CEO

Executive team at 30 June 2022



Mark Broxton
General Manager
Health Service
Commissioning



Phil Edmondson
CEO



Scott McKay
General Manager
Business and Finance



Susan Powell
General Manager
Health System
Improvement

Strategic Goal 1

IMPROVED HEALTH OUTCOMES

Improved population health and wellbeing outcomes through prioritised investment

What does this mean?

People experience improvements in morbidity, avoidable mortality and / or quality of life

Commissioning service delivery — designing and procuring health services to meet priority needs

This year our commissioned service providers:

delivered primary health services (allied health group-based or individual support) to people at risk of poor health outcomes in rural areas and living with chronic conditions including Chronic Obstructive Pulmonary Disease, cardiovascular disease, and musculoskeletal conditions) — 38,253 individual occasions of service a 5% decrease from 2020-21 and 3,125 group-based services a 36% decrease due to COVID-19 limitations on group activities

delivered a diabetes management program with 3,848 occasions of service — an increase of 26% from the previous year — positive services changes included the introduction of a nurse practitioner role and a shift to telehealth as a result of COVID-19

delivered 8,733 Integrated Team Care services to 535 Aboriginal Tasmanians living with chronic health conditions including a mix of care coordination services and supplementary services — a 31% reduction in service from 2020-21

continued access to outreach workers with 3,135 occasions of service (to 342 people) — a 16% reduction in service from 2020-21

increased health assessments under MBS item 715 by 16% (to 470 people) through the second year of the Deadly Choices Health Lifestyle Program delivered by Karadi Aboriginal Corporation

continued to deliver after-hours telephone-based services for Tasmanians, with the GP Assist service receiving 19,863 calls compared to 14,746 in 2020-21 — contributing factors to the increase of 26% include an increased number of calls being referred to the service related to COVID-19, for example, the Tasmanian Government's COVID@Home program when a GP is not available under that service

continued to deliver primary care services to vulnerable community groups in the greater Hobart area — there were 633 occasions of service compared to 599 in the previous year — increase due to COVID-19 restrictions lifting allowing more face to face interactions.

This year our mental health commissioned service providers:

delivered mental health and suicide prevention support to 3,266 people at risk of or with a mild to severe mental illness — a 5% reduction overall due to a combination of workforce, service delivery, and ongoing challenges in adapting to COVID-19

providers collectively made significant improvements towards the achievement of key performance indicators — for example, improving follow up after suicide attempt (80% within 7 days up from 30%)

delivered psychosocial support services to 142 people with a severe mental illness — a reduction of 41.6% attributed to changed funding arrangements with the Australian Government but also increasing public housing challenges in Tasmania making it difficult to deliver successful outcomes for people seeking housing support

delivered community-based alcohol and other drug treatment and intervention services across the state to 3,746 people — a 13.8% increase in sessions of care and 5.5% increase in client access from previous year

provided services to 3,036 young people across the state with headspace sites operating in Hobart Launceston, Devonport and Burnie — a 9% reduction attributed to challenges in recruiting and retaining staff. All services are supported by headspace National's clinical team to improve intake and treatment pathways to address periods of increased high demand for services

ensured access to community-based suicide prevention services to targeted population groups including people and families in rural and remote communities (through Rural Alice and Well), construction and large industry (through Lifeline), and refugee and migrant communities (through the Migrant Resource Centre)

ensured 951 Aboriginal people across Tasmania received culturally social and emotional wellbeing programs through 7 providers — a diverse collection of activities focusing on connecting communities to culture and social connectivity, art therapy, trips on country, men's and women's groups to build resilience and reduce stigma, meditation and mindfulness sessions, and workshops for suicide awareness and grief and loss.

New service establishments included:

the new **Head to Health Centre** in Launceston opened in January 2022 with initial referral bases positive and growing

expansion of the **aftercare program** delivered by Anglicare to ensure access to universal aftercare following a suicide attempt known as Way Back Support

a **rapid service response** to support the Devonport community following the incident at Hillcrest Primary School was actioned with existing mental health providers in the north west — this included a school holiday support program and additional trauma-informed care and support services.



Participants in one of Diabetes Tasmania and Corumbene Care's diabetes education and support sessions; Primary Health Matters Issue 15, November 2021

Working together to tackle diabetes

A collaboration between two service providers in southern Tasmania has given people living with diabetes the information and resources they need to manage their health.

Supported by Primary Health Tasmania, the diabetes education and support sessions organised by Diabetes Tasmania and Corumbene Care for the Derwent Valley and Central Highlands welcomed people living with diabetes, those at risk, and anyone who just wanted to know more about the chronic condition.

Session content was developed by nurse educators and dietitians and encompassed a health literate overview of what diabetes is, the role of physical activity, healthy eating, and pharmacological support options available from local pharmacists.

Diabetes Tasmania dietitian Cally Snare said such pragmatic partnerships between service providers are an invaluable opportunity to better serve the health needs of the Tasmanian community.

"It gives us the opportunity to tap into each other's networks and meet new people who can benefit from our support," she said.

"As health professionals, we are also able to share resources and learn from each other. This is both a positive for us, and the wider community."

Strategic Goal 2

PERSON-CENTRED CARE

Consumers at the centre of health decisions

What does this mean?

People receive care that meets their needs and are equal partners in planning and improving the service they receive

Culturally appropriate care — supporting improved mainstream service provider cultural awareness

This year we:

supported 94% of our commissioned mental health services to access cultural awareness training despite staff turnover and challenges accessing training due to COVID-19 (96% in 2020-21)

ensured that 4 of the 5 alcohol and other drugs commissioned service providers are certified against a health standard that includes cultural safety and appropriateness as a criterion (the fifth provider is an Aboriginal Community Controlled Health Organisation)

supported 56 primary health care providers to undertake face to face cultural awareness training in 3 sessions — 2 additional sessions were cancelled due to COVID-19 impacts — training options will be reviewed in the coming year with a view to increasing access to virtual training to complement the face to face program

developed and distributed a new resource kit for general practice focused on Integrated Team Care commissioned services and MBS pathways — available online and hardcopy — together with a range of health check cards, brochures, passports, and access to the Ask Away education series (Tasmanian Department of Health)

commenced work on implementing the Embrace Framework developed to support Australian mental health services, practitioners, PHNs and others to work effectively with multicultural communities.

System navigation — supporting providers to access information and resources that improve coordination of care

This year we:

redesigned the system for Patient Reported Experience Measures as part of Primary Health Tasmania's Safety and Quality Framework with the new portal to be implemented in 2022-23 to support service provider continuous improvement

maintained the Tasmanian Health Directory — which continues to be the most accessed website resource — the directory includes addition of an eReferral field and the ability to search for eReferral enabled providers as part of state-wide rollout

continued to support Carers Tasmania in promoting carer resources by engaging TasCOSS to add carer specific services to the existing FindHelpTas website strengthening a 'single source of truth' principle for system navigation

launched a new platform hosting shared transfers of care and care coordination resources — further promotion and integration of these resources is planned

continued offering Question Persuade Response online suicide prevention training — this has been accessed 801 times since its launch in 2018

provided relevant education events for primary health care providers including:

- common assessment and referral care coordination and sector reforms for improved access to mental health support for people living in Tasmania — attended by 94 health professionals
- multidisciplinary management of aged care residents with chronic and complex conditions — attended or accessed by 60 health professionals.

Self-management — improving consumer ability to manage their care

This year we:

continued to resource an Employee Assistance Program for general practice to ensure access to professional support services during COVID-19 — whilst not in high demand the availability of this support was well received

launched a redesigned after hours website and undertook a consumer awareness social media campaign to encourage Tasmanians to find out more about the service and after hours options

continued collaborating with TasCOSS and the Tasmanian Department of Health to build health and community sector capability with a focus on health literacy — this included training sessions with 26 organisations, 40 service provider webinars to learn how to use the HelloTas Toolkit and undertaking a health literacy audit, and upgrading the HelloTas website to include digital health literacy in the assessment of organisational health literacy

hosted Primary Health Tasmania's Services Portal with a 45% increase in users and a 6% increase in pageviews

distributed over 18,000 consumer resources to general practice for immunisation, vaccination cards, care coordination records — significantly lower than previous years due to a reduction in COVID-19 related resources

developed 6 easy read fact sheets to support better care for people with an intellectual disability and supported the availability of other Council of Disability resources on the Primary Health Tasmania website as part of improving accessibility of health information and involvement of people in their care

commissioned 2 projects through Alcohol, Tobacco and Other Drugs Council under the sector reform agenda — one focused on addressing alcohol, tobacco and other drugs stigma in Tasmania and one to improve provider capability to engage with consumers in the sector.

Consumer partnerships — engaging consumers as part of our work

This year we:

continued sponsoring Health Consumers Tasmania together with the Tasmanian Department of Health with many new opportunities emerging for the state-based consumer organisation

collaborated with Health Consumers Tasmania to progress population planning activities with the Tasman Peninsula community — positive results have led to similar work commencing in the Central Highlands and Dover communities as areas experiencing challenges in sustaining primary care

ensured consumers are part of tender evaluation panels that make decisions about service purchases, and included consumer expertise as part of, for example:

- innovative new service model design — Healthcare Connect and Head to Health
- primary care improvement activities such as the development of care pathways and consumer resources for priority population groups — including people with intellectual disability and people with dementia
- consumer-led program delivery including peer workers in the mental health system and co-facilitated education with people with an intellectual disability.



Tasman Councillor Casey Garrett; Primary Health Matters Issue 16, May 2022

Working with the community to improve health outcomes

The Tasman Project is a collaboration between Primary Health Tasmania, the Tasmanian Health Service, and Health Consumers Tasmania.

It is aimed at conducting thorough community and workforce consultation on the healthcare needs of the Tasman community in southern Tasmania, and using the findings to inform future planning for health services in the region.

A total of 13 'kitchen table' events saw more than 80 community members talk about their health needs, and there was a separate consultation session involving 19 local primary healthcare providers.

In addition, Primary Health Tasmania conducted an environmental data scan that provided insight into population health data, the different services visiting or operating in the region, and any environmental factors that influence the health and wellbeing of residents.

The information gathered will support the implementation of a range of initiatives and activities over coming years to improve access to appropriate health and wellbeing services.

Tasman Councillor Casey Garrett said: "I've been given a lot of food for thought around the opportunities to utilise our existing workforce to provide support services to our allied health professionals. It is a really great way to upskill our local community and to help provide continuity of care and services."

Strategic Goal 3

ENGAGED AND SKILLED PRIMARY CARE WORKFORCE

Responsive and committed
primary care workforce
delivering quality care

What does this mean?

People receive
care from
providers who
have the skills,
knowledge
and attributes
to deliver high
quality care

Education and training — supporting providers to improve the quality and safety of care

This year we:

delivered 62 clinical education and training events — a 35% increase. There continues to be an increasing interest in access to education through webinar format and self-service access to resources and webinar recordings

facilitated sector specific education programs with 35 sessions on the use of emergency decision guidelines for 162 staff in 45 residential aged care facilities as well as 63 advanced care planning sessions for 489 staff successfully navigating COVID-19 restrictions

supported an additional 2 nurses and mentors to participate in the Australian Practice Nurses Association Transition to Practice course bringing the total to 18 in total

facilitated nurse education events for immunisations, cold chain management, infection prevention and control and wound care

supported 83 nurses to undertake nurse immuniser training to improve the vaccination workforce over the medium term — 36 people have completed the course.

Clinical decision support — supporting providers to provide high quality, safe and efficient care through making evidence-based clinical decisions

This year we:

prepared for the full eReferral implementation with the Tasmanian Department of Health by onboarding all general practices and 125 non-GP medical specialists, and a trial with allied health was completed resulting in enhancements to the platform. Referrals increased from GPs and the 3 hospital outpatient services (1,715, 63%) and from GPs to allied health providers (441, 82%)

distributed 10,621 non-COVID-19 resources — a 4% decrease related to reduced demand for flu vaccination cards. The top resources were immunisation, yellow envelopes (aged care), antenatal shared care records, after hours magnets and Aboriginal 715 Health Check cards

distributed 207,076 COVID-19 resources — a 7% increase that peaked with the mid-year with border opening

facilitated the self-serve Dropbox for all resources with an increase of 65% being accessed through this mechanism — the top resources accessed related to emergency management

expanded the Tasmanian Government funded program to improve COVID-19 testing capability in general practices from 29 to 110

continued to provide the weekly Primary Health Update for health professionals with consistent views and click throughs

completed a new learning hub to improve access for Tasmanian health professionals to learning resources, event recordings and 3rd party sources of reputable learning via the Primary Health Tasmania website

Improving data literacy — supporting providers to provide high quality data and improve understanding and use of data to inform service planning and improvement

This year we:

maintained data sharing arrangements with 122 of 134 PIP eligible practices in Tasmania — 113 practices participate in the Primary Health Information Network sharing deidentified data beyond the PIP-QI minimum dataset and that represents over 85% of Tasmanian patients

continued engagement with general practices through the Primary Health Information Network including preparations for the transition of participating practices from the PenCAT clinical audit tool to PrimarySense, as well as the completion of the TasLink mental health linked data and preliminary analysis

continued work to raise awareness of and engagement with the PHN Exchange by general practice. 135 practices are registered on the site (increase of 26) with 107 practices accessing their practice reports. The site also hosts health information resources for general stakeholders with a steady increase of views — particularly priority disease conditions and health data resources

updated 29 Community Health Profiles which is a popular health data resource — accessed via the Primary Health Tasmania website — views increased by 15%

focused on improving data sharing across the Alcohol and Other Drugs sector alongside the Tasmanian Department of Health to investigate and cost data sharing collection and collation platforms to support the sector.

Collaboration between providers — providing opportunities for improved relationships and collaboration between commissioned service providers

This year we:

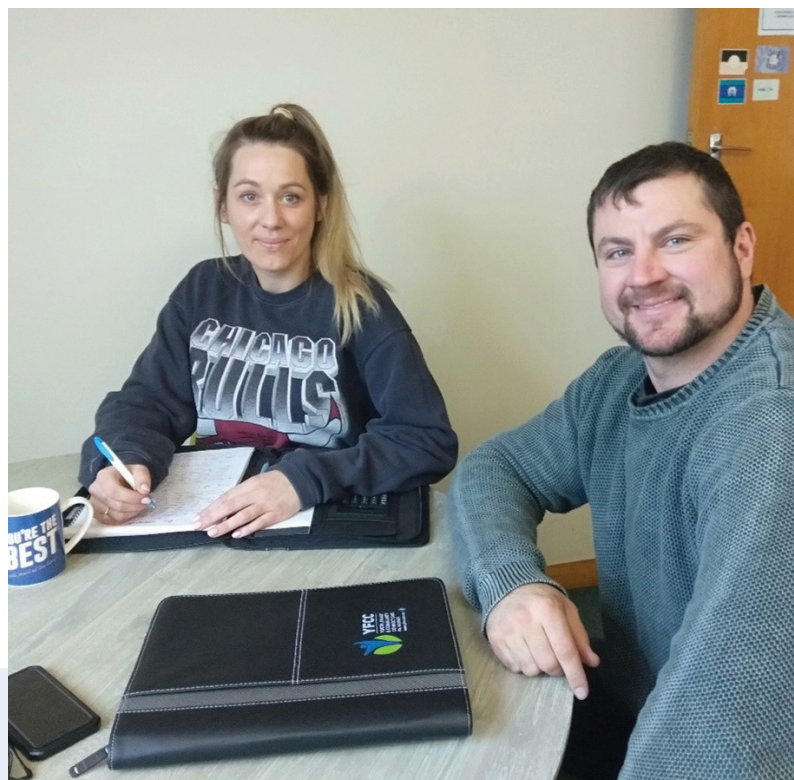
facilitated 15 'community of practice' meetings with commissioned service providers

increased promotion and inclusion of allied health professionals in education events including events focusing on multidisciplinary care, chronic conditions management, mental health, intellectual disability, and cultural awareness with 396 allied health professionals representing 16% of total attendance for events

facilitated 3 regional aged care roundtables focused on key issues and improvement opportunities for the sector

supported 40 GPs with aged care residential COVID-19 medication reviews and management of medicines in an outbreak scenario by providing access to consultant pharmacy expertise

supported the community of practice meetings for the COVID-19 general practice respiratory clinics to provide peer support and share learnings.



Ella Stott and fellow peer worker Ben Wright; Primary Health Matters Issue 15, November 2021

The power of peer workers in alcohol and other drug treatment programs

There is a growing body of evidence to suggest that peer workers can have a powerful and significant impact in the alcohol and other drug sector.

Primary Health Tasmania partnered with the Drug Education Network, Holyoake Tasmania, Salvation Army, Youth, Family and Community Connections (YFCC) and the Tasmanian Community Fund to develop a project designed to build the capacity of the local alcohol and other drug sector to engage, support and value peer workers as an essential element of the workforce.

In this context, a peer worker is an employee with lived experience of substance use who, through a designated role in a workplace, supports the wellbeing of clients with alcohol and other drug use issues.

For Ella Stott, completing the peer worker training course with the Drug Education Network meant she could go on to offer her powerful lived experience perspective to the YFCC team, clients, and the broader community services sector.

"I explained to the people there that I've been to this service — I've been here, scared and vulnerable — and the engagement level completely changed," the 30-year-old Penguin local remembers. "It was a really powerful moment for me where I thought, I can really make a difference here."

Strategic Goal 4

INTEGRATED HEALTH SYSTEM

Effective, cohesive primary health sector working in partnership with other parts of Tasmania's health system

What does this mean?

People receive seamless care that reflects the whole of their health needs and is connected across different health care providers

Digital health systems and technology — using digital health technology to improve integration of care across the whole health system

This year we:

progressed localising and testing the Initial Assessment and Referral framework ahead of implementation in 2022-23 (CARe Project)

completed the implementation of electronic prescribing capability in all Tasmanian community pharmacies in collaboration with the Australian Digital Health Agency, general practices and local branches of the Pharmacy Guild of Australia and Pharmaceutical Society of Australia

increased the use of telehealth in general practice (3%), pharmacy (6%) and allied health (comparable to the previous year)

supported a 5% increase in the number of health providers regularly uploading to My Health Record — reflects a slow annual uptake of 3% and 4% respectively

achieved a 24% increase in general practices cross-viewing documents uploaded in My Health Record and a 69% increase in pharmacy cross-views

supported the transition of all general practices and pharmacies to SHA-2 NASH certificates for improved security and high encryption with the Australian Government

continued to work with the Tasmanian Health Service to ensure hospital discharge summaries are being uploaded into My Health Record — there was a 5% decrease likely reflecting reduced patient admissions for elective surgery due to COVID-19.

Co-design — shared planning and design

This year we:

worked under new mental health reform governance arrangements as a partner with Tasmanian Government in negotiations for the development of the mental health bilateral agreement with the Australian Government

delivered on activity under the Rethink 2020 Implementation Plan with the Mental Health, Alcohol and Drug Leadership Group which is collectively working to improve mental health outcomes for all Tasmanians. Achievements included: mental health education and information webinars (375 attendees), 35 organisations receiving Community Wellbeing Grants, 2,300 small business toolkits delivered across the state, and training sessions for the Initial Assessment and Referral tool (160 attendees)

worked together with the Tasmanian Department of Health to develop the next Tasmanian Suicide Prevention Strategy — planned release is December 2022

completed work on the Tasmanian Pain Strategy — expected to launch prior to the end of 2022

co-designed and co-funded an innovative program of palliative care small grants to drive improvement in palliative and end of life care. This 2-stage program has supported grassroots initiatives through to innovated sector redesign aligned with the concurrent development of the Tasmanian Role Delineation Framework and the Tasmanian Clinical Service Profile

supported a population health planning community-based approach to improve health outcomes with the Tasman Peninsula community — this was in partnership with Health Consumers Tasmania, Tasmanian Health Service and many local stakeholders

co-designed data linkage initiatives with the Tasmanian Data Linkage Unit and key health system partners.

Leadership development — enhancing clinician leadership skills in local health service improvement and health system reform

This year we:

continued to use clinical champions to support primary care responses to COVID-19 at the practice level and at the system level to inform planning with the Tasmanian Department of Health

supported our team of clinical editors to work with GPs, health system leaders and other local healthcare providers to understand and document contemporary pathways for use across Tasmania.

Co-commissioning — joint funding and contracting of initiatives

Co-commissioning is a focus area under the Memorandum of Understanding with the Tasmanian Department of Health. This year our commissioned services and projects with the Tasmanian Department of Health included:

jointly funding TasCOSS to improve health literacy

continuing to build a health consumer voice by jointly funding Health Consumers Tasmania

providing suicide prevention aftercare support by jointly funding services from Way Back

designing Healthcare Connect — a service in the north to manage a small group of Tasmanians with multiple chronic conditions who can consume a large proportion of hospital resources with care needs often exceeding the capacity of general practice

securing a dedicated project officer to support mental health sector reform — also with the Mental Health Council of Tasmania.

Stakeholder relationships — building engagement between Primary Health Tasmania and health and wellbeing stakeholders

This year we:

facilitated the Tasmanian General Practice Forum with fortnightly meetings to monitor and proactively raise issues and respond to COVID-19

strengthened engagement with Ambulance Tasmania particularly with the inclusion of Tasmanian HealthPathways and Yellow Envelope in staff induction and training, and their involvement in HealthCare Connect in the north

continued membership of the Partners in Palliative Care reference group has ensured Primary Health Tasmania is connected to the palliative care sector and networks and aware of needs and gaps as they emerge

continued local engagement and consultation with key stakeholders to deliver the national Better health care for people with intellectual disability as 1 of 4 PHNs involved in the pilot program

continued to invest in and work with the Tasmanian Collaboration for Health Improvement and the Tasmanian Data Linkage Unit providing key foundations for collaborative use of data to inform planning and demonstrate system improvement and health outcomes results

continued national PHN coloration and partnership activity for example the establishment, ongoing implementation and strategic evolution of Primary Health Insights national data warehouse and Primary Sense

continued engagement with Aboriginal Community Controlled Health Organisations including through forums such as the Tasmanian Aboriginal Health Reference Group to understand community need and help build our relationships

represented and advocated for primary care in a wide range of key state forums, for example, the Premier's Health and Wellbeing Advisory Council, and national forums, for example, the Primary Health Advisory Committee.

Role delineation — describing who delivers clinical care across the health system

This year we:

continued to partner with the Tasmanian Department of Health, Mental Health Council of Tasmania and other key stakeholders on the mental health reform commitments in the Rethink 2020 Implementation Plan

worked with the Alcohol and Drug Service and the Alcohol, Alcohol, Tobacco and Other Drugs Council to finalise the Tasmanian reform agenda — this includes governance, priority actions and key milestones

established and coordinated meetings with the Tasmanian Department of Health (TazReach and Public Health Services), Office of Aboriginal Affairs and Australian Government Department of Health to align Aboriginal health program activity

participated in the Tasmanian Department of Health's development of a long-term health plan, including clinical services and role delineation framework



Eliza Williams with daughter Vivienne;
Primary Health Matters Issue 15,
November 2021

Getting urgent after-hours care with GP Assist

Her usual general practice wasn't open on a Saturday, and with her daughter's condition deteriorating rapidly she didn't want to risk an emergency department wait. So she picked up the phone and called healthdirect.

Healthdirect is a national telephone helpline staffed by registered nurses who provide free after-hours medical advice.

In Tasmania, if a healthdirect nurse decides a caller needs urgent GP attention, they are transferred to a doctor at GP Assist in Tasmania. This is an arrangement unique to Tasmania, and funded through Primary Health Tasmania.

With Eliza's input, a healthdirect nurse suspected an ear infection and arranged for a GP Assist doctor to provide further guidance.

"I hear so many stories of parents not knowing that this service is available and then spending a lot of time in the emergency department waiting for their child to be seen, which is really scary," Eliza said.

"I just wanted everyone involved to know how beautifully this system worked for us."

Strategic Goal 5

VALUE, EFFECTIVENESS AND EFFICIENCY

Enduring, value-for-money outcomes

What does this mean?

People receive accessible, effective, efficient and affordable care

COVID-19 — an effective and efficient primary care response

This year we:

continued to coordinate support for the state's 3 GP-led Respiratory Clinics including a high level of support for primary care particularly in responding to enquiries and distributing Australian Government and State Public Health Alerts

delivered 10 COVID-19 related events to primary care providers including a mix of briefings, consultations, and education webinars, with over 1,270 participants

continued to increase COVID-19 testing capability by implementing a small grants program in general practice on behalf of the Tasmanian Government

continued working closely with aged care to coordinate 5 vaccination rounds across 66 residential aged care facilities through 290 in-reach clinics — this included extensive engagement with vaccine providers, government, and primary care to support the planning, delivery and post clinic engagement

worked with the Tasmanian Government to ensure coordinated efforts in assisting vulnerable Tasmanians during COVID-19 — the focus for Primary Health Tasmania was in supporting all 6 Aboriginal Community Controlled Health Organisations and 1 mainstream provider in planning for and/or delivering COVID-19 vaccinations

actively participated in delivering the Tasmanian Government's COVID@Home strategy adapting Tasmania HealthPathways, coordinating a partnership grants program with general practices and pharmacies (uptake 79% and 78% respectively), and continuing to distribute personal protective equipment 'bundles' from the national stockpiles to eligible primary care providers.

Tasmanian HealthPathways — a partnership-based system improvement methodology and web portal to help connect people to timely and appropriate care

Tasmania now has 925 live localised pathways — the focus has moved away from developing new pathways to ensuring current pathways are updated and improved. This year we:

increased user engagement of Tasmanian HealthPathways by 10%, with total page views increasing by 51% — 370 access requests were received

launched 49 new pathways, reviewed 80 and completed 188 partial updates, which, for some areas has led to consolidating pathways suites. New pathways include rehabilitation medicine, antenatal and multiple COVID-19 additions

pathway suites for COVID-19 were viewed over 14,000 times followed by pathways for Child and Youth Health, Gynaecology, and Mental Health which were viewed over 5,000 times each

continued to embed Tasmanian HealthPathways in education events with distinct patterns of increased views post these events



Lynette Cross; *Primary Health Matters* Issue 16, May 2022

continued collaborating on the optimisation project with the Tasmanian Department of Health and the Tasmanian Health Service — activities included working jointly on key pathway suites for COVID-19, termination of pregnancy and voluntary assisted dying, working towards clinical prioritisation criteria for use in hospital outpatient clinics, and increasing participation in clinical networks.

Commissioned provider performance — working with our commissioned providers to support performance and quality improvement

This year we:

managed 81 service contracts held by 43 contractors with a value of \$37M and this involves a regular schedule of quarterly meetings and more intensive engagement with providers that were establishing services, under performance management, or undertaking a de-commissioning process

monitored 7 high risk clinical incidents reported by commissioned service providers with all resolved other than those referred to the coroner

worked with all mental health commissioned service providers to significantly improve follow up of 'risk of suicide flags' within and after 7 days — this is assessed under the national PHN performance and quality framework.

Delivering COVID-19 vaccinations in a culturally safe way

More than 900 people received COVID-19 vaccinations through in-reach clinics at Tasmanian Aboriginal healthcare provider organisations in the second half of 2021.

In addition to our work supporting COVID-19 vaccination of aged care residents and through local general practices, Primary Health Tasmania played a role in supporting vaccination of vulnerable people across Tasmania.

This included Aboriginal and Torres Strait Islander people through our commissioned providers of Aboriginal primary health services.

Getting vaccinated for the benefit of the wider community, especially those with underlying health conditions, was a key motivation for community members like Lynette Cross.

"It's not just you or your family — it's the people that you mix with as well, where you go. You've just got to think of the outer circle," Lynette said.

Karadi Aboriginal Corporation's Emma Robertson said increasing access to vaccines in a friendly, culturally safe space was vital to strengthening the community's defences to COVID-19 infection.

"Without the support of Primary Health Tasmania to deliver these clinics, they simply would not have happened."

Members

Membership of Primary Health Tasmania is open to eligible organisations and individuals that are working to improve the health outcomes of the Tasmanian community.

Primarily a governance function, there are two tiers of membership. Tier 1 membership entitles professional peak bodies or other statewide entities to vote at general meetings and to elect directors to the Board. Tier 2 membership is open to the workforce that delivers and supports the delivery of primary health services in the community.

Tier 1 members at 30 June 2022

Alcohol, Tobacco and other Drugs Council of Tasmania	COTA Tasmania	Optometry Tasmania
Anglicare Tasmania	Diabetes Australia Tasmania	Pharmaceutical Society of Australia
Australian Chiropractors Association	Family Planning Tasmania	Pharmacy Guild of Australia
Australian College of Rural and Remote Medicine	General Practice North	Relationships Australia Tasmania
Australian Medical Association Tasmania	General Practice Training Tasmania	Richmond Fellowship Tasmania
Australian Nursing and Midwifery Federation	HR+ Tasmania	Royal Australian College of General Practitioners
Australian Physiotherapy Association	Lifeline Tasmania	Royal Flying Doctor Service Tasmania
Cancer Council Tasmania	Mental Health Council of Tasmania	Rural Doctors Association of Tasmania
Carers Tasmania	National Heart Foundation of Australia	The Salvation Army
Colony 47	Occupational Therapy Australia	Women's Health Tasmania

Clinical and Community Advisory Councils

Primary Health Tasmania's Clinical Advisory Council and Community Advisory Council are standing advisory bodies to the Board and provide informed professional and local perspectives on how to improve Tasmania's health system and the unique health needs of our local communities.

Their work includes:

- planning for and the delivery of Primary Health Tasmania's strategic objectives
- monitoring the organisation's performance in achieving health outcomes
- assessing the Tasmanian community's health needs
- determining health service priorities and solutions
- assessing the impact of changes in national and state health policy.

Summary of work undertaken in 2021-22:

Combined advisory council consultation on:
current national policy directions and implications

living with COVID-19 and COVID-19@Home planning

Voluntary Assisted Dying legislation implementation

aged care and the role of Primary Health Networks

Review of Primary Health Tasmania's outcomes performance reporting and health needs assessment

Community Advisory Council specific consultation on:
regional planning in the Tasman local government area

Clinical Advisory Council specific consultation on:
Implementing the mental health Initial Assessment and Referral (IAR) Decision Support Tool in Tasmania

This year, our longstanding Community Advisory Council Chair Stuart Auckland, stepped down. Stuart has been instrumental in helping grow the Council from its establishment in 2015 and he deserves a special mention for being a terrific mentor to many members. He has always been very committed to the Primary Health Tasmania purpose, describing our organisation as a 'professional home.' His interest in preventative health and the social determinants of health has underpinned his significant contribution to the health and development of rural communities through his work at the University of Tasmania.

Clinical Advisory Council membership at 30 June 2022

Olivia Boer

Carsten Grimm

(joined in November 2021)

Diane Hopper

Jack Muir Wilson

Donald Rose

John Saul

(joined in November 2021)

Boon Shih Sie

Gemma Tuxworth

Tania Winzenberg

Community Advisory Council membership at 30 June 2022

Anita Campbell

Casey Garrett

Gabe Gossage

Nicole Grose

Sue Leitch

Miriam Moreton

Commissioned service providers

At its simplest, commissioning means planning and buying services to meet the health needs of local populations.

It involves understanding local priority issues and buying appropriate services to address those issues in the most effective and efficient way.

Primary Health Tasmania is funded by the Australian Government to commission services designed to improve the health and wellbeing of Tasmanians across a range of priority areas.

This year funding that flowed through to Primary Health Tasmania's commissioned services represents 71% of our total PHN program funding, and of this 95% was invested in the Tasmanian health system. Mental health is the largest area for service investment at 47% (44% in 2020-21).

Commissioned service providers funded by Primary Health Tasmania at 30 June 2022

Anglicare Tasmania	Holyoake Tasmania	Remedy Healthcare Group
Baptcare	Huon Medical Group	Richmond Fellowship Tasmania
Cape Barren Island Aboriginal Association	Karadi Aboriginal Corporation	Royal Flying Doctor Service Tasmania
Circular Head Aboriginal Corporation	Life Without Barriers	Rural Alive and Well
Coastal Psychology	Lifeline Tasmania	Rural Health Tasmania
Cornerstone Youth Services	Medical Practice Management Solutions (GP Assist)	South East Tasmanian Aboriginal Corporation
Corumbene Care	Mindfulness Programs Australasia	Stride Mental Health
Crawley Clinic Launceston	Moreton Group Solutions	Tasmanian Aboriginal Corporation
Department of Health Tasmania	Pharmacy Guild of Australia (Tasmania Branch)	The Link Youth Health Service
Diabetes Australia Tasmania	Prospect Vale Medical Centre	The Salvation Army
Flinders Island Aboriginal Association	Psychology CAFFE	Youth, Family and Community Connections
Healthy Business Performance Group	Relationships Australia Tasmania	

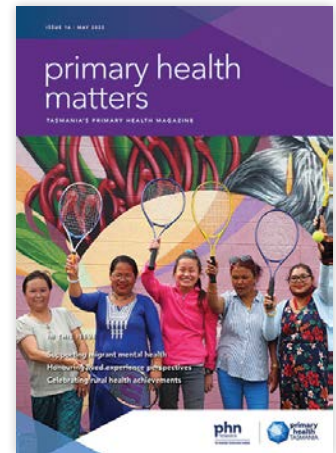
Primary Health Matters

Primary Health Matters — Tasmania's primary health magazine — comes out twice a year.

Its feature-length articles showcase innovation in primary, aged and social care across the state.

It's a blend of news about what we're up to, as well as profiles of other people, teams and organisations doing good work to keep Tasmanians happy and healthy.

Hard copies are available from Primary Health Tasmania offices and the latest and previous issues are available on our website.



www.primaryhealthtas.com.au/what-we-do/publications

Primary Health Tasmania Directors' Report Financial Report

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2022

The directors of Primary Health Tasmania Limited present their report together with the Financial Report for the year ended 30 June 2022 and the Independent Auditor's Report thereon.

Directors

The names of the directors of Primary Health Tasmania, and their qualifications, during and since the end of the financial year are:

Mr Graeme Bernard Lynch AM (Chair)	LLB (Hons), BCom, FCPA, GradDip Leg St, FAICD, PIA (Hon. Fellow)
Mr Scott David Adams ¹	BCom, FCPA, MBA, EMPA, GAICD
Ms Melissa Jane Hughes ¹	BPharm, MMedSci(ClinEpid), GAICD
Dr Ruth Marion Kearon	MBBS, MHM, FRACGP, GAICD
Dr David John Knowles	MBBS, FRACGP, DCH
Mr Donald Hugh McKenzie ²	BBus (Acc), FCA, MAICD
Dr Ginita Oberoi ¹	MBBS, FRACGP, DCH
Distinguished Prof Gregory Mark Peterson	BPharm (Hons), PhD, MBA, FSHP, FACP, GAICD, AACPA, ARPharmS, FPS
Dr Robert John Walters ²	BMedSc, MBBS
Ms Allyson Warrington	BBus, FAMI, CPM, FAICD

¹ Mr Scott Adams and Ms Melissa Hughes commenced on 10 November 2021. Dr Ginita Oberoi commenced on 14 April 2022.

² Mr Hugh McKenzie and Dr Robert Walters completed their final term on 10 November 2021.

Directors meetings

The following table sets out the number of directors' meetings, including meetings of committees of directors, held during the financial year and the number of meetings attended by each director (while they were a director or committee member). Attendances were as follows:

Directors	Directors Meetings		Finance Advisory Committee	Audit and Risk Advisory Committee ¹	Governance Advisory Committee
	Number eligible to attend	Number attended	Meetings held = 7 Number attended	Meetings held = 4 Number attended	Meetings held = 4 Number attended
Mr Graeme Lynch AM (Chair)	7	7	7 / 7	1 / 1	3 / 4
Mr Scott Adams ¹	4	4	3 / 3		
Ms Melissa Hughes ¹	4	4		2 / 2	
Dr Ruth Kearon	7	7	2 / 3		4 / 4
Dr David Knowles	7	7		4 / 4	
Mr Hugh McKenzie ²	3	3	3 / 3		1 / 1
Dr Ginita Oberoi ¹	1	1			
Prof Gregory Peterson	7	7	7 / 7	4 / 4	
Dr Robert Walters ²	3	3		0 / 1	
Ms Allyson Warrington	7	7			4 / 4

¹ Mr Scott Adams and Ms Melissa Hughes commenced on 10 November 2021. Dr Ginita Oberoi commenced on 14 April 2022.

² Mr Hugh McKenzie and Dr Robert Walters completed their final term on 10 November 2021.

³ Independent audit and risk and probity advisor Mr Russell Pearce, a legal practitioner experienced in corporate and public sector governance attended 3 of 4 meetings of the Audit and Risk Advisory Committee.

Directors also represented the Board in the following forums:

- Clinical Advisory Council - Dr Robert Walters and Mr Graeme Lynch
- Community Advisory Council - Dr Ruth Kearon, Ms Melissa Hughes and Mr Graeme Lynch

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2022

Company secretary

Mr Phil Edmondson held the position of Chief Executive Officer and Company Secretary during the reporting period.

Constitutional objects

The objects for which Primary Health Tasmania is established are to improve the statewide and regional health outcomes of the Tasmanian community by:

- identifying and responding to the primary health care needs of the Tasmanian community
- supporting and enhancing the central role of the General Practitioner in delivering primary health care services
- supporting and enhancing the role of other primary health care providers in delivering primary health care services
- promoting the integration and coordination of primary health care services across the Tasmanian health care system
- contributing to and providing informed advice on Tasmanian primary health care policy, service planning, education, training and research
- facilitating national and state primary health care initiatives and programs
- addressing locally identified health needs and priorities through direct provision of services to the community
- receiving, raising and distributing funds in any manner aimed at achieving the objects of Primary Health Tasmania
- doing any such things that are incidental or conducive to attaining the objects of Primary Health Tasmania.

National PHN objectives

The objectives for all Primary Health Networks nationally set by the Australian Government are:

- increase the efficiency and effectiveness of medical services for patients, particularly those at risk of poor health outcomes
- improve coordination of care to ensure patients receive the right care in the right place at the right time.

Principal activities

The principal activities of Primary Health Tasmania in the course of the financial year were:

- commissioning a range of mental health intervention services including suicide prevention and drug and alcohol services
- delivery of a range of initiatives with priority population health groups including older people, and Aboriginal and Torres Strait Islander people
- development and use of clinical care pathways for a range of health conditions and a range of eHealth activities
- commissioning the provision of statewide after hours care and services to support general practice
- delivery of a range of services across the general practice and allied health workforce
- working with rural municipalities across Tasmania to improve access to appropriate health care services
- coordinating primary health care services and improving accessibility, quality and performance
- collaborating to improve health literacy
- undertaking comprehensive needs analysis (researching, identifying, prioritising and planning innovative solutions) that support local community needs
- continuing to develop and refine the organisation's approach to commissioning as well as supporting providers to be able to participate in commissioning opportunities
- improving the capacity and capability of the service provider market in Tasmania to respond to current and emerging health and service access needs.

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2022

Corporate governance statement

Primary Health Tasmania is a company limited by guarantee, incorporated under the Corporations Act 2001 and registered under the Australian Charities and Not-for-Profits Commission (ACNC). The Company's governance functions are supported by a membership. Tier 1 membership (voting) entitles professional peak bodies or other statewide entities to vote at general meetings and to elect directors to the Board. Tier 2 membership (non-voting) is open to the workforce that delivers and supports the delivery of primary health services in the community.

Review of operations and financial performance

Primary Health Tasmania performed planning, design, procurement, reporting, service delivery and service management activities across a range of primary health streams including mental health, rural health, Aboriginal health, after hours general practice, refugee health and population health based initiatives. These activities were undertaken primarily through funding contracts with the Australian Government Department of Health as well as contracts with the Tasmanian Department of Health and a range of health sector professional bodies.

Assets

Current assets \$35,395,729 (2021: \$31,764,220) increased 11.4% during the financial year ended 30 June 2022. Cash balances increased to \$35,098,571 (2021: \$31,502,165) reflecting an increase in grant surpluses carried forward.

Non-current assets decreased to \$1,451,632 (2021: \$1,756,769) due to amortisation of leasehold improvements and right of use assets over the remaining period of the underlying leases.

Liabilities

Trade and other payables have increased to \$32,585,044 (2021: \$29,129,092) or 11.9% during the financial year. This is due to the movements in:

- trade payables and accrued expenses \$823,827 (2021: \$1,324,010)
- accrued committed costs \$439,086 (2021: \$821,576)
- revenue received in advance \$883,205 (2021: \$1,567,905)
- grant surpluses carried forward \$30,438,926 (2021: \$25,415,601).

Provision for employee benefits decreased to \$940,331 (2021: \$1,012,677) and lease liabilities decreased to \$1,290,627 (2021: \$1,503,630).

Expenditure

Other Expenses have increased to \$43,734,698 (2021: \$37,170,624) during the financial year or 17.8% and primarily reflects an increase in commissioned health service contractors and consultants of \$6,252,636.

Equity

Equity has increased to \$2,031,359 (2021: \$1,875,590) due to an operating surplus for Primary Health Tasmania for the financial year.

Operating surplus

An operating surplus of \$155,769 (2021: deficit \$55,535) was generated from interest earned on Primary Health Tasmania's cash investments and sundry revenue, less interest on lease liabilities and amortisation of right of use assets and leasehold improvements associated with leases and other expenses.

Risk management

The Audit and Risk Advisory Committee (ARAC) has oversight of risk management at Primary Health Tasmania. ARAC reviews Primary Health Tasmania's enterprise risk framework for identifying, monitoring and managing significant business risks across Primary Health Tasmania and considers whether the enterprise risk framework and internal controls effectively identify areas of potential material risk.

Primary Health Tasmania Limited

Directors' Report for the year ended 30 June 2022

Change in state of affairs

There has been no significant change in the state of affairs during the financial year.

Subsequent events

There were no material events that occurred after the reporting date which significantly affected the financial statements of Primary Health Tasmania as at 30 June 2022 and its results for that year.

Future developments

No significant structural changes or developments are anticipated for Primary Health Tasmania.

Environmental regulations

Primary Health Tasmania's operations are not regulated by a significant environmental regulation, under a law of the Australian Government or a State or Territory.

Dividends

Primary Health Tasmania's constitution prohibits the payment of dividends to members.

Indemnification of officers

Primary Health Tasmania has paid insurance premiums in respect of directors' and officers' liability and legal expenses. This was for the current and former directors and officers and executive officers of Primary Health Tasmania. The insurance premiums relate to:

- costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome
- other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

The premiums were paid in respect of the directors and officers of Primary Health Tasmania listed in this report.

Proceedings on behalf of the company

No person has applied for leave of Court or other tribunal, to bring proceedings on behalf of Primary Health Tasmania or intervene in any proceedings to which Primary Health Tasmania is a party for the purpose of taking responsibility on behalf of Primary Health Tasmania for all or any part of those proceedings. Primary Health Tasmania was not a party to any proceedings during the financial year.

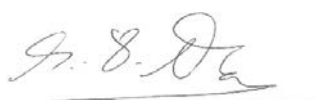
Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the next page.

Directors' declaration

The Directors' Report is signed in accordance with a resolution of directors made pursuant to s298(2) of the Corporations Act 2001.

On behalf of the Directors



Mr Scott David Adams
Dated this 28th day of September 2022



Mr Graeme Bernard Lynch AM
Dated this 28th day of September 2022

Auditor's Independence Declaration

In relation to our audit of the financial report of Primary Health Tasmania Limited for the financial year ended 30 June 2022 to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in respect of the audit.



JOANNE DOYLE
Partner
Wise Lord & Ferguson

Date: 28 September 2022

Liability limited by a scheme approved under Professional Standards Legislation.



1st Floor 163 Collins Street, Hobart TAS 7000
GPO Box 109 Hobart TAS 7001

03 6223 8155
Move Forward

email@wlf.com.au
www.wlf.com.au



Primary Health Tasmania Limited

Statement of Comprehensive Income for the year ended 30 June 2022

	Note	2022 \$	2021 \$
Income			
Grant revenue	2	52,193,409	44,737,117
Other income	2	322,879	259,073
Total income		52,516,288	44,996,190
Expenditure			
Employee benefits		7,983,417	7,201,094
Depreciation and amortisation	3	595,721	623,778
Interest expense on lease liabilities		46,683	56,229
Other expenses	4	43,734,698	37,170,624
Total expenditure		52,360,519	45,051,725
Surplus/(Deficit)		155,769	(55,535)
Other comprehensive income		-	-
Total comprehensive income/(expense)		155,769	(55,535)

The above statement should be read in conjunction with the accompanying notes.

Primary Health Tasmania Limited

Statement of Financial Position as at 30 June 2022

	Note	2022	2021
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	35,098,571	31,502,165
Trade receivables	6	78,268	93,612
Other assets	7	218,890	168,443
Total current assets		35,395,729	31,764,220
Non-current assets			
Property, plant and equipment	8	241,524	362,286
Right of use assets	9	1,210,108	1,394,483
Total non-current assets		1,451,632	1,756,769
Total assets		36,847,361	33,520,989
Liabilities			
Current liabilities			
Trade and other payables	10	32,585,044	29,129,092
Employee provisions	11	706,385	788,219
Lease liabilities	12	642,718	491,737
Total current liabilities		33,934,147	30,409,048
Non-current liabilities			
Employee provisions	11	233,946	224,458
Lease liabilities	12	647,909	1,011,893
Total non-current liabilities		881,855	1,236,351
Total liabilities		34,816,002	31,645,399
Net assets		2,031,359	1,875,590
Equity			
Retained earnings		2,031,359	1,875,590
Total equity		2,031,359	1,875,590

The above statement should be read in conjunction with the accompanying notes.

Primary Health Tasmania Limited

Statement of Changes in Equity for the year ended 30 June 2022

	Retained Earnings
	\$
Balance as at 30 June 2020	1,931,125
Surplus/(Deficit)	(55,535)
Other comprehensive income	-
Balance as at 30 June 2021	1,875,590
Surplus/(Deficit)	155,769
Other comprehensive income	-
Balance as at 30 June 2022	2,031,359

Statement of Cash Flows for the year ended 30 June 2022

	Note	2022	2021
		\$	\$
Cash flows from operating activities			
Receipts of grants		62,177,578	57,125,962
Other receipts		116,018	53,200
Interest received		195,982	196,619
GST paid		(1,206,058)	(1,462,582)
Payments to suppliers and employees		(57,146,426)	(46,887,654)
Short term lease payments		(1,547)	(1,547)
Interest paid		(46,683)	(56,229)
Net cash from / (used in) operating activities	17	4,088,864	8,967,769
Cash flows from investing activities			
Proceeds from sale of plant and equipment		28,182	9,545
Net cash from / (used in) investing activities		28,182	9,545
Cash flows from financing activities			
Repayment of lease liabilities		(520,640)	(463,352)
Net cash from / (used in) financing activities		(520,640)	(463,352)
Net increase / (decrease) in cash and cash equivalents		3,596,406	8,513,962
Cash and cash equivalents at the beginning of the financial year		31,502,165	22,988,203
Cash and cash equivalents at the end of the financial year	5	35,098,571	31,502,165

The above statements should be read in conjunction with the accompanying notes.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

The financial report relates to the entity Primary Health Tasmania, a company limited by guarantee, incorporated and domiciled in Australia. Primary Health Tasmania is a non-government, not-for-profit organisation which is funded to deliver tailored solutions to local needs in a more streamlined, coordinated health care system.

The financial report was authorised for issue on 28th day of September 2022 by the directors of the company.

Note 1 Summary of significant accounting policies

Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards. Due to the application of Australian specific provisions for not for profit entities contained only within Australian Equivalent of International Financial Reporting Standards (AIFRS), this financial report is not necessarily compliant with international accounting standards. The financial report is prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards.

The financial report has been prepared on an accrual basis, based on historical costs, and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is generally based on the fair value of the consideration given in exchange for assets. Where assets have been acquired through transactions with related parties, cost has been determined through independent assessment of fair value.

All amounts are expressed in Australian Dollars.

The following is a summary of the material accounting policies adopted in preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting policies

(a) Revenue

When the company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both of these conditions are satisfied, the company:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the company recognises income in the profit or loss when or as it satisfies its obligations under the contract.

Interest income is recognised using the effective interest method.

All revenue is stated net of the amount of goods and services tax.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

(b) Property, plant and equipment

Property, plant and equipment are measured on a cost basis less depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of its recoverable amount. Any purchase under \$10,000 (exclusive of GST) is accounted for as an operating expense in accordance with grant guidelines.

The cost of property, plant and equipment acquired through transactions with related parties is determined at fair value. Fair value is determined by an independent qualified valuer.

(c) Depreciation

The depreciable amount of all fixed assets, including capitalised lease assets, is depreciated to its residual value using both diminishing value and straight line basis over the assets useful life to Primary Health Tasmania commencing from the time the asset is held ready for use. Leased assets are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the leased asset. The useful lives for each asset class is as follows:

- | | |
|-------------------------------------|---------|
| • Leased buildings and improvements | 5 years |
| • Leased and owned motor vehicles | 3 years |
| • Leased plant and equipment | 4 years |

The residual values and useful lives of assets are reviewed and adjusted if appropriate at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than the estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

(d) Leases

At inception of the contract, Primary Health Tasmania assesses if the contract contains or is a lease. If there is a lease present, a right of use asset and a corresponding lease liability is recognised by the company where the company is a lessee. However, all contracts that are classified as short term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate.

Lease payments included in the measure of the lease liability are as follows:

- fixed lease payments less any lease incentives
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- the lease payments under extension options if the lessee is reasonably certain to exercise the options, and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right of use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of right of use assets is at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right of use asset reflects that the company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when Primary Health Tasmania becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all the substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value through profit or loss or amortised cost using the effective interest rate method. All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented with other expenses.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and reduction for impairment. It is adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period, and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense item in the statement of comprehensive income.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

i. Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are designated as FVPL): they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and, the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. The company's cash and cash equivalents and trade and other receivables fall into this category of financial instruments.

ii. Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than "hold to collect" or "hold to collect and sell" are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

iii. Trade and other receivables

Primary Health Tasmania makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the company uses its historical experience, external indicators and forward looking information to calculate the expected credit losses. Due to the nature of the company's operations, trade receivables are normally associated with outstanding amounts from funding providers and are assessed on an individual basis as the credit risk characteristics are unique for each funding contract.

iv. Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in statement of comprehensive income through the amortisation process and when the financial liability is derecognised.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

(f) Impairment

At the end of each reporting period, Primary Health Tasmania reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of an asset are not primarily dependent upon the asset's ability to generate net cash inflows and when Primary Health Tasmania would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset class, Primary Health Tasmania would estimate the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a re-valued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(g) Employee benefits

Provision is made for Primary Health Tasmania's liability for employee benefits arising from services rendered by employees to the end of the reporting period in respect of wages and salaries, annual leave, long service leave and time off in lieu when it is probable that settlement will be required and they are capable of being measured reliably.

Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to reporting date. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using the "high quality corporate bonds" (HQCB) market.

Contributions are made by Primary Health Tasmania to an employee's superannuation fund and are charged as expenses when incurred.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and are subject to an insignificant risk in changes in value. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(i) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses. Receivables and payables are stated with the amount of GST included.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

(j) Income tax

No provision for income tax has been raised as Primary Health Tasmania is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(k) Provisions

Provisions are recognised when Primary Health Tasmania has a present obligation (legal or constructive), as a result of a past event, it is probable that Primary Health Tasmania will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(l) Trade and other receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business, as well as amounts due from funding bodies. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(m) Comparative figures

Where required by accounting standards comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(n) Trade and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by Primary Health Tasmania during the reporting period which remain unpaid.

Where Primary Health Tasmania has entered into a services grant contract with an outsourced provider, and there are outstanding payments that relate to the current financial year, those outstanding payments are accrued and identified as accrued committed costs. Primary Health Tasmania enters into multi-year services grant contracts. The liabilities under these agreements are only taken up when the provider meets their obligations under the agreement.

Trade and other payables are recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Accrued committed costs are paid as services grant contract compliance milestones are met.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

(o) Critical accounting estimates and judgments

In the application of Primary Health Tasmania's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Key judgments

- **Performance obligation under AASB 15**
To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.
- **Lease term and option to extend under AASB 16**
The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonable certain not to exercise that option. The options that are reasonable going to be exercised is a key management judgement that the company will make. The company determines the likelihood to exercise the options on a lease-by-lease basis looking at various factors such as which assets are strategic and which are key to future strategy of the entity.
- **Employee benefits**
For the purpose of measurement, AASB 119: Employee Benefits defined obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

(p) Economic dependence

Primary Health Tasmania is dependent on the Australian Government for the majority of its revenue used to operate the organisation.

(q) New Accounting Standard adopted during the financial year

No new or amended accounting standards or interpretations issued by the Australian Accounting Standards Board (AASB) were adopted by Primary Health Tasmania in the current financial year.

(r) New Accounting Standards for application in future periods

There are no new or amended accounting standards or interpretations issued by the Australian Accounting Standards Board (AASB), with mandatory application dates for future reporting periods, that are anticipated to have a material effect on Primary Health Tasmania.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 2 Revenue and other income

	2022	2021
	\$	\$
Grant revenue		
Grants and subsidies - Government and other organisations	52,193,409	44,737,117
Total grant revenue	52,193,409	44,737,117
Other income		
Interest received on financial assets	195,982	196,619
Gain / (Loss) on disposal of plant and equipment	11,129	9,545
Other income	115,768	52,909
Total other income	322,879	259,073
Total revenue	52,516,288	44,996,190

Note 3 Depreciation and amortisation

	2022	2021
	\$	\$
Property, plant and equipment		
Leasehold improvements	120,762	120,763
	120,762	120,763
Right of use assets	474,959	503,015
Total depreciation and amortisation	595,721	623,778

Note 4 Other expenses

	2022	2021
	\$	\$
Short term lease expense	1,547	1,547
Employee training, professional development and support	163,410	217,475
Consultants and contractors	40,924,350	34,671,714
Information and communications technology	1,837,349	1,646,771
Motor vehicle and travel	83,442	71,792
Occupancy	365,510	162,039
Stakeholder engagement and events	114,678	117,909
Other expenses	244,412	281,377
Total other expenses	43,734,698	37,170,624

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 5 Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank	35,098,571	31,502,165
Cash and cash equivalents	35,098,571	31,502,165

Note 6 Trade receivables

	Note	2022	2021
		\$	\$
Trade receivables	(a),(b)	78,268	93,612
Total trade receivables		78,268	93,612

(a) Trade receivables

Trade receivables are generally 30 day terms. These receivables are assessed for recoverability and a provision for impairment would be recognised when there is objective evidence that an individual trade receivable is impaired. These amounts would be included in other expense items.

(b) Credit risk - trade receivables

Whilst credit risk is not diversified over a large group of receivables, credit risk is considered low as the majority of receivables are with Australian Government and State Government departments. Larger receivables are typically covered by contractual funding obligations with the respective government entity.

The following table details Primary Health Tasmania's trade receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between Primary Health Tasmania and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to Primary Health Tasmania.

The receivables as at 30 June 2022 comprise an amount from a funding contract due but not paid until after the end of the financial year and a funding amount provided to contracted services provider which was not spent in the 2020-21 financial year, and is returnable to Primary Health Tasmania. Negotiations are continuing on the repayment of the amount outstanding with the contracted service provider involved. In the event that payment is not made, Primary Health Tasmania will offset this outstanding receivable against future contracted payments to ensure this amount is recovered.

	Gross Amount	<30 Days	31-60 Days	61-90 Days	>90 Days
	\$	\$	\$	\$	\$
Balance as at 30 June 2022					
Trade receivables	78,268	-	33,750	-	44,518
Total	78,268	-	33,750	-	44,518
Balance as at 30 June 2021					
Trade receivables	93,612	-	-	-	93,612
Total	93,612	-	-	-	93,612

Primary Health Tasmania does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 7 Other assets

	2022	2021
	\$	\$
Prepayments	218,890	168,443
Total other assets	218,890	168,443

Note 8 Property, plant and equipment

	2022	2021
	\$	\$
Leasehold improvements		
At cost	553,158	553,158
Accumulated depreciation	(311,634)	(190,872)
Total leasehold improvements	241,524	362,286
Total property, plant and equipment	241,524	362,286

Movements in carrying amounts

	Leasehold improvements	Total
	\$	\$
Balance as at 30 June 2020	483,049	483,049
Transferred to right of use assets	-	-
Additions	-	-
Disposals	-	-
Depreciation expense	(120,763)	(120,763)
Balance as at 30 June 2021	362,286	362,286
Additions	-	-
Disposals	-	-
Depreciation expense	(120,762)	(120,762)
Balance as at 30 June 2022	241,524	241,524

Note 9 Right of use assets

	2022	2021
	\$	\$
Leased buildings	2,270,560	2,046,218
Accumulated depreciation	(1,214,431)	(800,841)
	1,056,129	1,245,377
Leased motor vehicles	373,210	306,969
Accumulated depreciation	(224,360)	(168,589)
	148,850	138,380
Leased equipment	21,921	21,921
Accumulated depreciation	(16,792)	(11,195)
	5,129	10,726
Total right of use assets	1,210,108	1,394,483

Primary Health Tasmania's lease portfolio includes buildings, motor vehicles and equipment.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Option to extend

Options to extend are contained in the building leases of the company. There were no extension options for motor vehicle or equipment leases. These clauses provide the company opportunities to manage leases in order to align with its strategies. All of the extension options are only exercisable by the company. The extension options which are probable to be exercised have been included in the calculation of the right of use asset.

Movement in carrying amounts

	Leased buildings	Leased motor vehicles	Leased equipment	Total
	\$	\$	\$	\$
Balance as at 30 June 2020	1,760,675	178,041	16,324	1,955,040
Reduction in lease costs	(95,557)	-	-	(95,557)
Extension of lease terms	-	38,017	-	38,017
Disposals	-	-	-	-
Depreciation expense	(419,741)	(77,678)	(5,598)	(503,017)
Balance as at 30 June 2021	1,245,377	138,380	10,726	1,394,483
Reduction in lease costs	(4,272)	-	-	(4,272)
Extension of lease terms	-	44,346	-	44,346
Additions	228,615	38,947	-	267,562
Disposals	-	(17,052)	-	(17,052)
Depreciation expense	(413,591)	(55,771)	(5,597)	(474,959)
Balance as at 30 June 2022	1,056,129	148,850	5,129	1,210,108

AASB 16 related amounts recognised in the statement of comprehensive income:

	2022	2021
	\$	\$
Depreciation charge related to right of use assets	474,959	503,017
Interest expense on lease liabilities	46,683	56,229
Low value asset leases expenses	1,547	1,547
Leased assets total expense	523,189	560,793

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 10 Trade and other payables

	Note	2022 \$	2021 \$
Trade payables and accrued expenses		823,827	1,324,010
Accrued committed costs		439,086	821,576
Revenue received in advance		883,205	1,567,905
Contract liability - grant surpluses carried forward	(a)	30,438,926	25,415,601
Trade and other payables		32,585,044	29,129,092
(a) Contract liability - grant surpluses carried forward			
Australian Government Department of Health			
Aged Care		1,243,998	-
Alcohol & Other Drugs		2,132,378	3,651,225
After Hours		2,049,692	1,443,494
Community Health & Hospitals Program		1,081,264	821,860
Core – Operational, Flexible & Other		8,947,060	6,204,773
Health Care Homes		312,861	312,861
Integrated Chronic Conditions Management		135,374	343,316
Integrated Team Care		528,548	299,830
Mental Health		9,023,527	7,138,560
National Psychosocial Support		3,331,101	3,605,539
Pilots & Targeted Programs		855,665	821,709
Subtotal - Australian Government Department of Health		29,641,468	24,643,167
Other funding bodies			
GP Support - Covid 19 Plan		484,925	462,833
My Health Record		33,374	42,820
Royal Australasian College of Physicians		263,195	263,195
Sundry		15,964	3,586
Total		30,438,926	25,415,601

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 11 Employee provisions

	2022	2021
	\$	\$
Current - Short-term employee benefits		
Annual leave	419,419	524,027
Leave in lieu	3,889	7,976
Long service leave	283,077	256,216
Total current	706,385	788,219
Non-current - Long-term employee benefits		
Long service leave	233,946	224,458
Total non-current	233,946	224,458
Total employee provisions	940,331	1,012,677

Note 12 Lease liabilities

	2022	2021
	\$	\$
Current		
Lease liabilities	642,718	491,737
Non-current		
Lease liabilities	647,909	1,011,893
Total other finance liabilities	1,290,627	1,503,630

Note 13 Contingent assets

In accordance with Primary Health Tasmania's funding agreement with the Australian Government a commissioning model has been created to support the operational objectives across a range of primary health streams. At 30 June 2022, Primary Health Tasmania has contracts with external provider organisations to implement health initiatives in Tasmania. The majority of the contracts are formulated on the requirement that monies that are not spent by the provider on the approved program within the financial year, are returned to Primary Health Tasmania. The financial acquittals for these programs are not able to be received until after the provider organisation has had the funding expenditure audited. At the time of preparation of this financial report, Primary Health Tasmania is unable to accurately measure the level of underspend on contracted programs and therefore what monies will be returned.

It is Primary Health Tasmania's policy to recognise a receivable for unspent funds when an audited financial acquittal is received with an identified underspend.

Note 14 Issued capital

Primary Health Tasmania is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If Primary Health Tasmania is wound up, the constitution states each member is required to contribute a maximum of 20 dollars each towards meeting any outstanding obligations of Primary Health Tasmania.

Note 15 Events after the end of the financial year

There were no material events that occurred after the reporting date which significantly affected the financial statements of Primary Health Tasmania as at 30 June 2022 and its results for that year.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 16 Related party transactions

Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of Primary Health Tasmania, directly or indirectly are considered key management personnel. All Directors, the Chief Executive Officer and key executives reporting to the Chief Executive Officer who hold the position of General Manager, are considered key management personnel.

Remuneration principles

Directors

Primary Health Tasmania maintains a Directors Fees Policy in accordance with Primary Health Tasmania's Constitution. The policy is reviewed regularly and requires ratification by members. Office bearers are remunerated to reflect the respective additional roles and responsibilities undertaken. Additional duties performed outside the normal scope of a director's engagement are remunerated on the basis of an agreed hourly rate and reimbursement of any costs incurred.

Executive Management

The Chief Executive Officer was appointed by a transparent competitive process and is engaged by the Board.

The Chief Executive Officer is delegated the responsibility for recruiting all key executive positions within the organisation. Remuneration packages of key executives are determined based on role scope, responsibility, identified skills and experience. No member of the executive team receives additional remuneration for achieving performance targets.

Compensation

For the current and prior financial years, compensation made to key management personnel for Primary Health Tasmania is set out below.

	2022	2021
	\$	\$
Short term benefits	1,142,666	1,097,454
Post employment benefits	115,298	112,522
Other long-term benefits	22,214	26,947
	1,280,178	1,236,923

Short term benefits include directors fees, salary, salary packaging, employment allowances and the net movement in annual leave provided for during the year.

Post employment benefits include superannuation and termination benefits, where applicable.

Other long-term benefits represent the net movement in long service leave provided for during the year.

Contracts with director associated organisations

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. Additional oversight of related party transactions is provided by the Australian Government in accordance with Primary Health Networks Conflicts and Related Party Policy. Commercial agreements for the provision of services entered into with director associated organisations during the year were Launceston City Council \$85,840 (2021: \$120,261) for a suicide prevention trial, Rural Alive and Well Inc. \$344,190 (2021: \$344,191) for mental health services, the Cancer Council of Tasmania \$Nil (2021: \$210) for video conferencing access, Consultant Pharmacy Services \$183,020 (2021: \$48,700) for supporting medication management by general practitioners in aged care and digital health improvements, the Alcohol Tobacco, Other Drugs Council Tasmania \$195,265 (2021: \$300,613) for consumer participation, data sharing and sector capacity building and the Glebe Hill Family Practice \$17,000 (2021: \$Nil) and the Lindisfarne Amcal Pharmacy \$6,000 (2021: \$Nil) for supporting the response to COVID 19.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 17 Cash flow information

	2022	2021
	\$	\$
Reconciliation of cash		
Cash at bank	35,098,571	31,502,165
	35,098,571	31,502,165
Reconciliation of cash flow from operating activities with the surplus/(deficit)		
Surplus/(Deficit)	155,769	(55,535)
Non cash flows		
Depreciation and amortisation	595,721	623,778
Profit on sale of plant and equipment	(11,129)	(9,545)
Changes in assets and liabilities		
Decrease/(increase) in trade receivables	15,344	27,684
Decrease/(increase) in other assets	(50,447)	(16,179)
Increase/(decrease) in trade and other payables	3,455,952	8,336,664
Increase/(decrease) in employee provisions	(72,346)	60,902
Cash flow from operating activities	4,088,864	8,967,769
Changes in liabilities arising from financing activities		
Financial liabilities at the start of the year	1,503,630	2,024,524
Repayments of lease liabilities	(520,640)	(463,352)
Extension of existing lease terms	40,072	38,016
Reduction in lease costs	-	(95,558)
New leases entered into during the year	267,565	-
Financial liabilities at the end of the year	1,290,627	1,503,630

Note 18 Financial instruments

(a) Categories of financial instruments

The company's financial instruments consist mainly of deposits with banks and receivables and payables, including unexpended grant funding. The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	2022	2021
	\$	\$
Financial assets		
Cash and cash equivalents	35,098,571	31,502,165
Trade receivables	78,268	93,612
Total financial assets	35,176,839	31,595,777
Financial liabilities		
Trade and other payables	32,585,044	29,129,092
Other finance liabilities	1,290,627	1,503,630
Total financial liabilities	33,875,671	30,632,722

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

(b) Financial risk management

Primary Health Tasmania's finance group provides services to the organisation and manages the investments and interest rate risk relating to the operations of the company. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are set to identify and monitor risks and adherence to limits. The Finance Advisory Committee and the Audit and Risk Advisory Committee seek to assist Primary Health Tasmania in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Primary Health Tasmania, through its financial instruments has minimal exposure to the following:

- credit risk
- liquidity risk
- market risk.

(c) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, in respect of each class of financial asset or financial liability are disclosed in note 1.

(d) Credit risk management

Credit risk represents the financial loss that would be recognised at the reporting date if a counter-party failed to meet their contractual obligations. The risk primarily arises from receivables and cash investments held with banks.

Credit risk associated with trade receivables has been described in note 6.

The credit risk framework put in place by the Board limits investments to the four major Australian banks.

The majority of Primary Health Tasmania's credit risk is to Australian based banks and government departments. At balance date, the significant concentration of credit risk with any counterparty is to Australian Government as the major provider of funding to Primary Health Tasmania.

The carrying amount of financial assets recorded in the financial statements, represents Primary Health Tasmania's maximum exposure to credit risk at reporting date. In respect to those financial assets and the credit risk embedded within them, Primary Health Tasmania holds no significant collateral as security and there are no other significant credit enhancements in respect to those assets.

(e) Liquidity risk management

Prudent liquidity management for Primary Health Tasmania implies maintaining sufficient cash to meet the financial obligations as and when they fall due and sufficient liquidity to meet the liabilities under both normal and stressed conditions. Primary Health Tasmania manages this risk through the following mechanisms:

- continuous monitoring of forecast and actual cash flows and matching the maturity profiles of assets and liabilities
- matching outflows to inflows appropriately through the budgetary process
- expenditure to budget and likely end of year reporting
- maintaining a reputable credit profile.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

The following table details Primary Health Tasmania's remaining contractual maturities for its financial assets and liabilities at the reporting date. The table has been drawn up based on the undiscounted cash flows over the current and prior financial years where Primary Health Tasmania will be required to repay the balance of its financial liabilities and receive its financial assets.

	Within 1 Year		1 to 5 Years		Total	
	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$
Financial assets						
Cash and cash equivalents	35,098,571	31,502,165	-	-	35,098,571	31,502,165
Trade receivables	78,268	93,612	-	-	78,268	93,612
Total expected inflows	35,176,839	31,595,777	-	-	35,176,839	31,595,777
Financial liabilities						
Trade and other payables	32,585,044	29,129,092	-	-	32,585,044	29,129,092
Lease liabilities	642,718	491,737	647,909	1,011,893	1,290,627	1,503,630
Total expected outflows	33,227,762	29,620,829	647,909	1,011,893	33,875,671	30,632,722
Net inflow/(outflow) on financial instruments	1,949,077	1,974,948	(647,909)	(1,011,893)	1,301,168	963,055

(f) Market risk management

Primary Health Tasmania is exposed to market risk through its use of financial instruments and specifically to interest rate risk which results from its operating and investing activities.

Interest rate risk

Primary Health Tasmania is exposed to changes in market interest rates through short and long term deposits. Primary Health Tasmania had no debt obligations that were exposed to interest rate risk.

Interest Rate Sensitivity

A sensitivity analysis has been performed on the movement in interest revenue. A +/- one per cent change in interest rate would impact interest income by an estimated \$351,000 (2021: \$315,000).

(g) Fair Value of financial instruments

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position.

	Note	2022		2021	
		Net Carrying Value	Net Fair Value	Net Carrying Value	Net Fair Value
		\$	\$	\$	\$
Financial assets					
Cash and cash equivalents	(i)	35,098,571	35,098,571	31,502,165	31,502,165
Trade receivables	(i)	78,268	78,268	93,612	93,612
Total financial assets		35,176,839	35,176,839	31,595,777	31,595,777
Financial liabilities					
Trade and other payables		32,585,044	32,585,044	29,129,092	29,129,092
Lease liabilities		1,290,627	1,290,627	1,503,630	1,503,630
Total financial liabilities		33,875,671	33,875,671	30,632,722	30,632,722

(i) Cash and cash equivalents, trade receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to the fair value.

Primary Health Tasmania Limited

Notes to the Financial Statements for the year ended 30 June 2022

Note 19 Auditor's remuneration

	Note	2022	2021
		\$	\$
Remuneration for the auditor for:			
Audit of financial report including grant acquittals		27,850	23,274
Other audit services		9,600	-
Total auditor's remuneration	(i)	37,450	23,274

(i) Disclosed per invoices rendered to 30 June.

Note 20 Commitments

	2022	2021
	\$	\$
Contractual commitments for operating expenditure at the end of the financial year but not recognised in the financial report, including GST:		
• not later than 12 months	35,988,010	34,061,441
• between 12 months and 5 years	5,377,952	20,492,859
Total commitments for operating expenditure	41,365,962	54,554,300

The contractual commitments relate to agreements to pay health service providers, under Primary Health Tasmania's commissioning model, over multiple years.

The company had no capital expenditure commitments at the end of the financial year.

Note 21 Company details

The registered office and principal place of business of Primary Health Tasmania is:
Level 2, 85 Collins Street
Hobart Tasmania

Major operating locations are:

Level 2, 85 Collins Street Hobart Tasmania	Level 1, 11 Alexandra Road Ulverstone Tasmania	Level 1, 182 - 192 Cimitiere Street Launceston Tasmania
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Primary Health Tasmania Limited

Directors' Declaration for the year ended 30 June 2022

The directors of the company declare that:

- 1 In the directors' opinion the financial statements and notes thereto are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2022 and the performance for the year ended on that date of the company.
- 2 In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s295(5) of the Corporations Act 2001.

On behalf of the directors:



Mr Scott David Adams
Dated this 28th day of September 2022



Mr Graeme Bernard Lynch AM
Dated this 28th day of September 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Primary Health Tasmania Limited

Opinion

We have audited the financial report of Primary Health Tasmania Limited, which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Primary Health Tasmania Limited has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Australian Charities and Not for-profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the directors determine is necessary to enable the

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5th Floor 100 Collins Street, Hobart TAS 7000
GPO Box 1083 Hobart TAS 7001

0316223 6155
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email@wlf.com.au
www.wlf.com.au



preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Wise Lord & Ferguson

WISE LORD & FERGUSON



JOANNE DOYLE

Partner

Date: 30/09/2022

OUR VISION
Healthy Tasmanians

OUR PURPOSE
Creating high quality
healthcare solutions with
the Tasmanian community



www.primaryhealthtas.com.au
1300 653 169
info@primaryhealthtas.com.au
ABN 47 082 572 629