


Request for Costing an Election Commitment

Name of election commitment:	<i>Urgent Care Clinics in the Suburbs</i>				
Person and party requesting costing:	Zed Seselja MLA, Leader of the Opposition				
Date of public release of election commitment, including source:	3 September 2012, Media Release				
Summary of election commitment:	Establishing Urgent Care Clinics in the suburbs to take pressure off emergency departments				
Intention of election commitment:	Establish two Urgent Care Clinics in Gungahlin and Tuggeranong to take pressure off hospital emergency departments				
Signature of person requesting costing:					
Date of request for costing:	16 October 2012				
What are the key assumptions that have been made in the election commitment?					
<ul style="list-style-type: none"> - The clinics will be operation 16 hours a day, 7 days a week - It is expected that each clinic will have 15,000 presentations per year, as the nurse-led clinic currently has around 17,000 presentations per year - Staffing costs and requirements are based off a model by a health service provider in the ACT with staff consisting of Emergency Medicine Specialists, Career Medical Officers, Registered Nurse's level 2, Health Professionals level 5 and ASO's - See attached documents for workings - The first clinic is expected to be open in mid 2013-14, with half a year appropriation provided in the costing - The second clinic is expected to be open in mid 2014-15, with a half year appropriation for this clinic and a full year for the first clinic provided. - The capital will be funded from the unallocated capital provision in the budget - The cost of capital is funded at 4.25% as per Treasury advice 					
Where relevant, is the funding for the policy to be demand driven or a capped amount? Capped					
Will third parties, for instance the Commonwealth or other State/Territories, have a role in funding or delivering the election commitment? n/a					
Will funding/the cost require indexation? Costs are indexed at 3% per year to reflect staff cost increases					
What are the estimated revenue and operating costs each year (if available) and what are the capital requirements for this election commitment and estimated costs each year (if available)?					
	2012-13	2013-14	2014-15	2015-16	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue ^(a)					
Expenses ^(a)	-200	-1,985	-5,965	-8,075	-16,225
Capital	0	3,500	3,500	0	7,000
(a) A negative number indicates a decrease in revenue or an increase in expenses.					
What is the likely take up? n/a					

Any other assumptions?

No costing is requested to be undertaken for 2016-17, in line with the Canberra Liberals stated approach to use the standard of the current published budget and forward estimates period of 2012-13 to 2015-16.

Administration of the election commitment

How will the election commitment be administered?

In line with the existing administrative arrangements for the Nurse Led Walk-in Clinic

Who will administer the election commitment?

The Health Directorate

Has an allowance been made for expenses necessary to support the implementation of this election commitment?

The policy provides sufficient funding for the establishment of the clinics. Recruitment of staff for the clinics is considered business as usual for the Health Directorate

What is the intended implementation date of the election commitment?

A feasibility and site selection study will commence in 2012-13 with the first clinic expected to be operational by mid 2013-14

Are there transitional arrangements associated with election commitment implementation?

n/a

Are there any other assumptions that need to be considered?

n/a

When is the election commitment expected to be fully operational?

The second clinic will be operational by mid 2014-15

Will the election commitment cease and if so when?

This commitment is ongoing

Urgent Care Clinics – Costing Justification

This costing has been calculated with advice from a health service provider for staffing and equipment requirements for an Urgent Care Clinic operating 16 hours per day, 7 days a week.

Based off 15,000 presentations per year to each clinic, the operating cost is estimated to be \$3.665 million per year.

Staff

Staff requirements for a 16 hour a day clinic are:

ED FACEM – Emergency Medicine Specialist (doctor)

CMO – Career Medical Officer

RN2 – Registered Nurse level 2

ASO – Administrative Services Office (6)

HP5 – Health Professional level 5 (for medical imaging service)

Staff on-costs have been calculated based on the service providers experience in delivery health services in the ACT.

Capital

Capital funding of \$3.5 million have been allocated for each clinic. \$0.5 million of this will be to purchase computers and digital x-ray equipment as per the attached costing spreadsheet. The remaining \$3 million will be used to for fit-out (Walk-in Clinics used \$2.5 million in capital for fit-out).

Urgent Care Clinic

	2012-13	2013-14	2014-15	2015-16
Capital (fitout and equipment)	0	3,500	3,500	0
Feasibility	200	0	0	0
Cost of Capital	0	149	298	298
Operating	0	1,833	5,663	7,777
Total Capital	0	3,500	3,500	0
Total Recurrent	200	1,985	5,965	8,075

\$500 k each for equipment (additional to what was in nurse walk in)
 \$3 m each for fitout (nurse walk-in was \$2.5 m)

\$3.665 m each for operating

First opening end of 2013 / beginning of 2014 (half year approp)
 Second opening 1 year later (one full year and one half year)

Indexation at 3% as per Treasury Advice

2013-14: $3665 / 2 = 1833$

2014-15: $(3665 + 1833) \times 3\% = 5663$

2015-16: $(3665 \times 2) \times 3\% \times 3\% = 7777$

Urgent care staffing - direct

Staff	salary	oncost	FTE	Total
ED Facem	\$ 477,600.00	12%	1.85	\$ 989,587.20
CMO	\$ 177,144.00	22%	2.8	\$ 605,123.90
RN2	\$ 106,984.00	17%	4.2	\$ 525,719.38
ASO	\$ 89,744.00	12%	3.8	\$ 381,950.46
Sub total				\$ 2,502,380.94

Medical Imaging

Staff	salary	oncost	FTE	Total
HP5	\$ 80,803.00	12%	2.4	\$ 217,198.46

Start up Ongoing

Non labour

Consumables	Presentations	Per pt	Total
Medical	15000	\$ 15.00	\$ 225,000.00
linen		\$ 5.00	\$ 75,000.00
drugs		\$ 10.00	\$ 150,000.00
other		\$ 1.50	\$ 22,500.00
pathology		\$ 31.50	\$ 472,500.00
X-ray		\$	\$ 20,000.00
Admin		\$	\$ 120,000.00
Sub total			\$ 945,000.00

Start up \$ 435,000.00

Ongoing \$ 3,664,579.41

Capital set up

digital X-ray	\$ 335,000.00
Computers etc	\$ 100,000.00
	\$ 435,000.00

Assumes.

- 16 hours possible coverage - open 7am closes 11pm
- 1 Faecem10 hours per day
- Senior CMO coverage morning and evening
- 1 R/N morning evening with plus break shift of 8 hrs per day
- 1 Admin 16 hours 7 day and one admin Monday to Friday
- Medical Imaging cover 16 hours