



Australian Government
Professional Services Review

Professional
Services Review

Corporate Plan

2024-25



The Professional Services Review acknowledges Traditional Owners of Country throughout Australia and recognises the continuing connection to lands, waters and communities. We pay our respect to Aboriginal and Torres Strait Islander cultures and to Elders past and present.



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Message from the Director

This year marks the 30th anniversary of PSR so I am particularly honoured to present the Professional Services Review (PSR) Corporate Plan 2024-25 (this Plan), my first as the recently appointed Director.

Since our inception in 1994 as a statutory agency within the Health portfolio, we have been an adaptive organisation, responding to challenges and continuing to evolve to improve our business processes. We have maintained and enhanced our legal and investigative expertise and capability to ensure competent and effective assistance is provided to PSR Committees and the Determining Authority, and to ensure that PSR's processes are fair to persons under review. We are now positioning PSR as a more mature regulator, guided by our values of being Fair, Professional and Transparent.

This Plan outlines the purpose and priorities of PSR and explains how we will measure our performance over the next 4 years, with the aim of continuing to enhance our efficiency and effectiveness, always delivering excellence to the government and Australian community.

It should be read in conjunction with the strategic direction laid out in the Portfolio Budget Statements, the values and performance frameworks set out in the *Public Service Act 1999*, the Minister's Statement of Expectations and my responsive Statement of Intent.

As the accountable authority, I am pleased to present the PSR Corporate Plan 2024-25 for the period 2024–25 to 2027–28, as required under section 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act).



Associate Professor Antonio Di Dio
Director (Accountable Authority)
Professional Services Review
12 August 2024

PSR's purpose and activities

Why PSR exists

The high quality and integrity of Australia's health system is recognised internationally. Preventing and investigating inappropriate practice is crucial to maintaining the high quality and integrity of the health system. The PSR Scheme is about maintaining the confidence of the Australian public and the health practitioners operating within the system, and minimising financial loss to the community as a result of inappropriate practice.

PSR's values

PSR recognises its responsibilities as a part of the broader Australian Public Service (APS). As a statutory agency, PSR is committed to the APS Values and the Code of Conduct outlined in the *Public Service Act 1999*. To help guide our performance we have defined our own values and behaviours which are underpinned by the APS Values. Our values and behaviours of **fair**, **transparent** and **professional** address the unique aspects of our business and environment and guide us in how we conduct ourselves in performing our role.

To PSR, being **fair** means:

- providing procedural fairness in the operation of the PSR Scheme
- using a consistent approach to arrive at timely, justifiable decisions
- delivering an effective and impartial PSR Scheme
- explaining the process to stakeholders.

To PSR, being **transparent** means:

- accurately informing persons under review of their rights and responsibilities
- accurately informing persons under review of PSR's powers, responsibilities and intentions
- proactively sharing information about the scheme, our outcomes and activities
- providing defensible reasons for outcomes.

To PSR, being **professional** means:

- complying with Commonwealth legislative requirements and expectations
- being accountable for our actions and decisions
- protecting the privacy and confidentiality of the information we receive, use and create
- operating with integrity and honesty
- treating all people with courtesy and respect
- using time and resources effectively.

Our purpose

PSR's purpose is to act with integrity to enable the operation of the PSR Scheme. The PSR Scheme helps to safeguard the Australian public and the Commonwealth from the risk and cost of inappropriate practice within the Medicare, Dental and Pharmaceutical Benefits programs.

PSR investigates suspected inappropriate practice by health practitioners, on request from the Chief Executive Medicare.

Our Performance Budget Statement outcome

A reduction of the risks to patients and costs to the Australian Government of inappropriate practice, including through investigating health services claimed under the Medicare and Pharmaceutical benefits schemes.



Our key activities

1 Investigate through peer review whether practitioners have engaged in inappropriate practice.

2 Actively engage with professional bodies through consultation.

Our Vision

The vision of PSR is to:

- conduct its business in a transparent process that resolves concerns efficiently and accurately
- play a key role in protecting the integrity of Australia's universal health system
- be held in high esteem by the professions, who actively support the process and the people who run the scheme
- be a model public service agency by meeting government and public expectations and demonstrating the principles of good governance.

Our Values

To help guide our performance we have defined our own values and behaviours which are underpinned by the APS Values.

Fair

Transparent

Professional



Operating context

PSR is established under Part VAA of the *Health Insurance Act 1973 (the Act)* which sets out the role and powers of the agency, as well as the process it must follow when conducting its work.

Section 79A of the Act states that:

The object of this Part is to protect the integrity of the Commonwealth Medicare benefits, dental benefits and pharmaceutical benefits programs and, in doing so:

- a) protect patients and the community from the risks associated with inappropriate practice; and
- b) protect the Commonwealth from having to meet the cost of medical or health services provided as a result of inappropriate practice.

Section 81 of the Act and the *Health Insurance (Professional Services Review – Allied Health and Others) Determination 2012* list the medical and allied practitioner groups subject to review under Part VAA.

PSR operates as an independent agency within the Health and Aged Care portfolio and is led by the Director who is appointed by the Minister for Health and Aged Care for a term of up to 3 years. Together, the Director and PSR staff form a statutory agency under the *Public Service Act 1999*.

Operating environment

The context in which Medicare, dental and pharmaceutical benefit services are being provided is becoming more complex and the rules underpinning the Medicare Benefits Schedule (MBS) and Pharmaceutical Benefits Schedule (PBS) are adapting to changing circumstances and technology. As a result, PSR is being asked to review and investigate a wider range of health professions, specialties, and employer or corporate entities that provide services.

PSR's jurisdiction is also proposed to be expanded to include review of certification for hospital treatment under the Private Health Insurance (Benefit Requirements) Rules 2011.

PSR must retain the confidence of the professions and the community while demonstrating the organisational agility required to meet these changes and future challenges.

PSR's future capability has been enhanced through the creation of a new statutory office of Associate Director of the PSR. Associate Directors will be able to exercise the same powers as the Director in reviewing inappropriate practice to assist with managing conflicts of interest, unexpected absences, and workload pressures.

Capability and enablers

PSR recognises the importance of maintaining its capability to undertake its core functions by managing risks and ensuring it minimises its regulatory impact while still ensuring the integrity of the scheme.

People capability

In 2024-25, PSR will reduce outsourcing of core work in line with the APS Strategic Commissioning Framework. Our targets for 2024-25 focus on reduced outsourcing of Legal and Parliamentary, Information and Knowledge Management and Human Resources work.

PSR will continue to strengthen its workforce capacity through its continued focus on mental health and wellbeing and talent attraction and retention.

PSR is committed to creating a positive integrity culture. PSR will implement and embed an integrity framework to build a strong integrity culture that is diverse, equitable, inclusive, committed to service, accountable and respectful.

ICT capability

PSR is focused on enabling its staff and key stakeholders with secure, sustainable and scalable ICT, with an ICT strategy that is aligned to the Corporate Plan and whole of Australian Government policies.

PSR is continuing to transition to secure cloud services and will explore advances within the wider technology environment to streamline and enhance processes and to suit a modern service offering with a strong focus on maintaining the security of the information it holds.

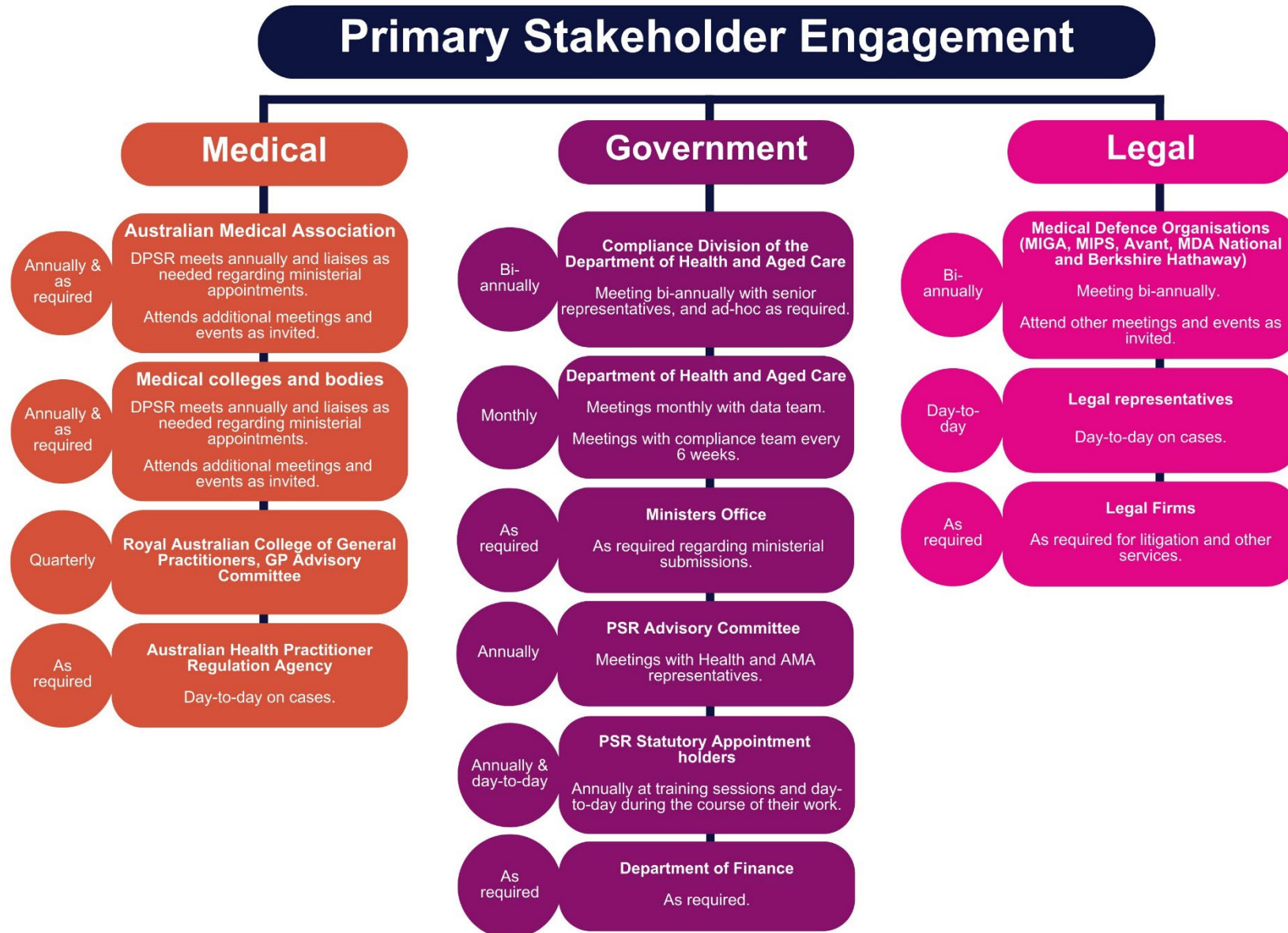
Stakeholders and cooperation

PSR is committed to working cooperatively with its stakeholders, including the Commonwealth Department of Health and Aged Care, Services Australia, the Professional Colleges and organisations, the allied health professions, and other relevant representative groups. Through these partnerships, PSR will ensure the Australian health system continues to realise high levels of integrity.

An overview of PSR's primary stakeholder engagement is at Figure 1.

PSR continues to work collaboratively with other regulators and the Department of Health and Aged Care to consider how to share information to enable greater protection of the public from harm, while minimising stress to practitioners.

Figure 1. Primary Stakeholder Engagement



Risk oversight and management

PSR manages risk in accordance with the Commonwealth Risk Management Policy and its Agency Risk Management Plan. Risk management is a standing agenda item for PSR management meetings and the Audit and Risk Committee provides independent advice and assistance to PSR on risk oversight and management, and systems of internal control.

PSR’s key risks, and some of the strategies to mitigate them, are summarised in Table 1 below.

Table 1. PSR key risks

Key risks	Key mitigation strategies
PSR has breached or contributed to a breach of privacy or security requirements	PSR has policies, processes and controls in place to promote a secure environment where the protection of the highly sensitive information PSR is entrusted with is paramount. PSR staff receive annual training and oversight and monitoring occur through reporting and governance arrangements.
PSR cannot undertake effective case management and engage with medical professionals to meet statutory obligations	PSR has legal expertise and capability to ensure compliance with legislation, supplemented with external skills and knowledge as required. Case management and review is embedded in our day-to-day processes, including reflecting on lessons learned. PSR is committed to establishing and maintaining effective relationships with professional bodies.
PSR cannot meet corporate work requirements	PSR undertakes regular workforce planning. Roles, processes and procedures are documented and staff receive regular training.
PSR fails to anticipate, prevent and manage workplace injury (physical and/or mental health)	PSR promotes a safe and positive workplace culture. This is embedded in frameworks, policies, instructions and guidance.
PSR is unable to perform critical agency functions outside the maximum acceptable outage times	Business continuity and disaster recovery plans are in place and regularly tested and updated. ICT services are largely provided by third parties including Services Australia.

Where have we come from?

Introduced in 1994, the objectives of the PSR Scheme were to:

- safeguard the public against the risks and costs of inappropriate practice by health practitioners
- protect the integrity of the Commonwealth Medicare benefits, dental benefits and pharmaceutical benefits programs
- PSR has undergone reform through legislative amendments in 1997, 2002, 2006, 2012, 2018, 2019, 2020 and 2023 to strengthen the PSR process
- a senate inquiry in 2011 and independent inquiries in 2022 and 2023 made a number of recommendations to refine the administration of the Scheme and improve its effectiveness and transparency.

Where are we now?

- a case management capability managed by qualified legal staff and structured with adequate administrative support
- effectively undertaking reviews and investigations in respect of corporate entities
- investigating a wider range of specialists and professions.

Where are we going?

- working closely with stakeholders to help ensure the integrity of the PSR Scheme
- continuing to investigate a broader range of practitioners, including other allied health practitioners, specialists and general practitioners
- enabling PSR staff and key stakeholders with secure, sustainable and scalable ICT.

Measuring performance

Regulator performance reporting

PSR approaches regulatory performance reporting in accordance with the Resource Management Guide – Regulator Performance (RMG 128). In addition to measuring against regulatory outcomes, PSR is also mindful of the 3 principles of regulatory best practice:

1. continuous improvement and building trust
2. risk-based and data-driven
3. collaboration and engagement.

How will PSR measure its performance?

Measuring the effectiveness of regulatory performance requires access to data relating to the core purposes of the regulation. In the case of PSR, the core purpose of the PSR scheme is to protect the integrity of the Medicare benefits, dental benefits and pharmaceutical benefits programs, and in doing so, protect patients and the community in general from the risks of inappropriate practice and protect the Commonwealth from having to meet the cost of inappropriate practice.

PSR is only one part of the compliance program administered by the Department of Health and Aged Care, and PSR has no access to data that would enable systemic effectiveness to be measured. Consequently, the measures of PSR's performance relate to case management and engagement with the regulated community.

Table 2 below outlines how PSR will measure its performance for the financial years covered by this Plan against its strategic objectives and Appendix A explains adjustments.

Table 2. PSR key performance indicators (KPIs)

Key activity 1	
Investigate whether practitioners have engaged in inappropriate practice through peer review	
<ul style="list-style-type: none"> the Director will conduct reviews of practitioners referred by the Chief Executive Medicare and in appropriate cases enter into agreements where appropriate, the Director of PSR will refer the person under review to a PSR Peer Review Committee the Determining Authority (DA) will consider ratification of agreements and make appropriate determinations 	
KPIs	
1	PSR will provide support to assist Committees to complete 80% of their investigations within 18 months of the commencement of a Committee hearing
2	The Director has made a decision under s91, s92 or s93 within the statutory timeframe in all cases
3	The Director will submit 100% of s92 agreements with sufficient notice to the DA, to enable the DA to decide whether to ratify agreements entered into between the Director and the person under review
4	PSR will assist the DA to issue its final determination within 9 months of receiving a final report in 80% of cases
5	The status of every case is reviewed by the Director and senior staff in at least 48 weeks in a year
Key activity 2	
Actively engage with professional bodies through consultation	
<ul style="list-style-type: none"> professional bodies are actively engaged in the process for appointments to the PSR Panel and the practitioner members of the Determining Authority PSR receives the required number of nominees to ensure broad professional representation on the PSR Panel 	
KPIs	
6	PSR will consult with the relevant professional bodies on behalf of the Minister in respect of every proposed appointment

Appendix A: Adjustment of KPIs

Table 3. Summary of changes to PSR KPIs

Relevant performance information from Corporate Plan 2023-24	Performance information revisions in Corporate Plan 2024-25	Changes made	Rationale for changes
KPI 1: PSR will provide support to assist Committees to complete 80% of their investigations within 24 months of the commencement of a Committee hearing	KPI 1: PSR will provide support to assist Committees to complete 80% of their investigations within 18 months of the commencement of a Committee hearing	Timeframe amended from 24 months to 18 months	Timeframe had been extended in light of COVID-19 and has now reverted to the pre-COVID measure
KPI 3: The Director will submit 100% of s92 agreements with sufficient notice to the DA, to enable the DA to ratify or not ratify agreements entered into between the Director and the PUR	KPI 3: The Director will submit 100% of s92 agreements with sufficient notice to the DA, to enable the DA to decide whether to ratify agreements entered into between the Director and the person under review	Amended	Minimal refinements made to improve measure wording.



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