

The Primary Health Network (PHN) Cooperative Welcomes Review Recommendations to Strengthen PHNs and Mental Health Care

The PHN Cooperative today welcomed the findings and recommendations of the Department of Health, Disability and Ageing's *Review of the PHN Business Model and Mental Health Flexible Funding Stream*, conducted by Boston Consulting Group.

The review confirms the critical role of Primary Health Networks (PHNs) in commissioning locally responsive, high-quality primary health care and highlights opportunities to strengthen governance, streamline funding, and enhance performance measurement.

"PHNs are proud of the impact we have achieved in communities across Australia. This review provides a clear pathway to build confidence, reduce administrative burden, and ensure our focus remains on delivering better health outcomes," PHN Cooperative Spokesperson Matt Jones said.

Key Recommendations Embraced by the PHN Cooperative

- Clarifying accountability: Reinforcing PHNs' role as trusted partners of the Commonwealth, accountable for improving local primary care.
- Minimum governance and engagement standards: Ensuring consistent, transparent practices across all PHNs and supporting the PHN Cooperative.
- Meaningful performance assessment: Standardised reporting and a new department Quality Improvement team to drive continuous improvement.
- Streamlined funding processes: Moving to longer-term rolling grants, reducing prescriptive schedules, and accelerating disbursement. This addresses a key issue that PHNs raised during the review to improve service stability and provider confidence that ultimately leads to improved consumer outcomes.
- Mental Health Flexible Funding Stream reforms: Consolidating funding into a single stream, empowering PHNs to commission, coordinate, and build capacity in line with local Needs Assessments.

Commitment to Communities

The PHN Cooperative recognises that these improvements to the program will enable PHNs to better align services with local needs, reduce fragmentation across the care continuum, and strengthen collaboration with primary health care professionals and other service providers, Local Hospital Networks, states, and territories.

By embracing these recommendations, PHNs will be positioned to deliver more responsive, integrated, and equitable care—particularly in mental health, Aboriginal and Torres Strait Islander health, aged care, and population health.

Looking Ahead

PHNs stand ready to work with government, providers, and communities to ensure the reforms deliver sustained improvements.

"This is a pivotal moment. By simplifying processes and reinforcing trust, we can unlock more time, resources, and energy for what matters most - supporting healthier communities across Australia," said Mr Jones.