

Building the business case for a nurse clinic

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Aim of this document

This document is a guide for nurses on how to write a business case for establishing a nurse clinic in general practice. It identifies the key elements of a business case and provides guidance on how to develop a business case. Further information on nurse clinics is provided in the document *Nurse Clinics in Australian General Practice: Planning, Implementation and Evaluation*.¹

A business case template and several Appendices are attached to this document to assist you in structuring the document to suit your individual needs.

Introduction

A nurse clinic is:³

“A clinic where the nurse is the primary provider of care for the patient and has their own patient case load. Accountability and responsibility for patient care and professional practice remain with the nurse. The nursing services provided are holistic and patient-centred, and are provided in collaboration with a general practitioner.”

General practices are being challenged to consider new ways to offer high quality services to their communities in response to several factors such as an ageing Australian population, an increasing incidence of chronic illnesses and socioeconomic disadvantage within certain population cohorts. The growth in the general practice nursing workforce² and the introduction of the Practice Nurse Incentive Program (PNIP) by the Australian Government in 2012 present opportunities for general practices to consider expanded nursing roles. One way to do this is to establish nurse clinics.

A nurse clinic needs to be underpinned by a well-researched, logical business case. Writing a business case helps nurses and the practice team reflect on the rationale for the clinic and on the resources and systems needed to bring it to reality. Importantly, a business case provides assurance to key decision makers such as practice principals and managers that the proposed nurse clinic will meet an existing need, be high quality, and be financially viable. High quality care needs to be supported by financing mechanisms that provide adequate resources and that ensure that care is affordable and accessible.⁴

What is a business case?

Often it is thought that a business case should focus on commercial benefits at the exclusion of other business goals. Whilst maintaining or increasing profits or customers are important for private general practices, there are likely to be a range of other business outcomes sought by owners and staff. These may include delivering safer care, meeting accreditation standards, achieving evidence-based clinical standards, improving population health outcomes, and better utilising staff skills.

A business case is:⁵

“An argument, usually documented, that is intended to convince a decision maker to approve some kind of action... the conclusion should be a compelling argument for implementation”

A business case includes a clear rationale for an initiative, an analysis of the likely benefits and costs of change, and a way forward. A business case is not just a budget, nor is it an operational plan. Rather, it is a written justification for change intended to convince decision makers that change is warranted and that new business processes will be feasible and sustainable.

A business case for a nurse clinic does not have to be an extensive document, though it should ensure that the possible benefits, costs, and concerns of others in the practice are considered. A simple business case could be as short as three to four pages.

Why prepare a business case?

Writing a business case for a nurse clinic has two key purposes.

1. **To help the author and stakeholders consider all aspects in the planning, implementation and evaluation of the clinic.** For example – is the purpose for establishing the nurse clinic clear to all, and is it justified? What resources will be needed? How will it benefit patients, and which patients in particular? What will the implications be for administrative staff? How and when will general practitioners be involved? What are the risks? How will it be funded? How will the clinic impact on accreditation planning? How will the clinic be marketed? How will it be evaluated? What additional policies may be needed, and what existing policies and procedures may need to be updated?
2. **To convince others that establishing the nurse clinic is a worthy idea.** Decision makers such as practice principals and managers will need to be convinced of the merit of the idea before they commit resources and authorise change. Other staff will also need to be convinced of the clinic's merits as it may impact on their work responsibilities or workflow.

Preparing a business case will help you anticipate others' queries and predict potential issues or problems. It will also demonstrate that you acknowledge a nurse clinic will have implications for the business and other team members in the practice. Ultimately your business case will demonstrate that the benefits of the clinic will outweigh the costs/resources required in its establishment.

Elements of your business case

This section describes each element of a business case. It can be used as a guide for preparing a business case for a nurse clinic.

1. Executive summary

What is contained within this business case document?

An executive summary provides the reader with a 'snapshot' of the document so that they can easily conceptualise and summarise it. It is useful for those that do not have the time to read the entire document.

The executive summary should succinctly answer the following questions:

- What is being proposed?
- Why it is being proposed?
- Who will be involved, and how will they be affected?
- How much will it cost, and how much revenue will it bring in?
- What are the risks?
- If approved, when will it happen?
- How will the initiative be monitored and evaluated?

You can write the executive summary at the end of the process to ensure that you capture all critical elements of the entire business case. Alternatively, you can draft an initial executive summary to capture your thoughts, and then revise it when the document is almost complete.

2. Rationale

Why does our practice need this nurse clinic?

The reasons to establish a nurse clinic may include, but are not limited to:

- A realisation that the practice could be providing higher quality care for a specific population.
- A clinician's special interest in a particular health need.
- Addressing an identified local, state or national health need.
- A quality improvement strategy and/or to help meet accreditation requirements.
- To meet specific business goals such as improved customer service, attracting new customers or retaining existing customers.

Wherever possible, clear and unbiased evidence should be used to support the rationale to establish a nurse clinic. Sources of evidence include a clinical audit of patient records, clinical reflection in team meetings, patient feedback, Australian Bureau of Statistics reports, or a regional health needs analysis conducted by an independent organisation such as your Medicare Local.

When developing your rationale it is important to consider what motivates the practice's decision makers and to tailor your rationale and business case accordingly. Decision makers may be motivated by factors such as achieving clinical best practice, being seen as innovative, increasing patient throughput, increasing profit, providing more services for patients, decreasing waiting times, and improving the quality of care.

3. Guidelines and standards for best practice

What standards and evidence will we use as a basis for clinical care and to ascertain any professional development needs?

Relevant evidence-based clinical guidelines should be sourced and used in the establishment and monitoring of nurse clinics. They may be published by professional associations, peak organisations, academic literature and other sources such as the National Health and Medical Research Council.

It is important that clinicians involved in the clinic are prepared to undertake their roles competently. If necessary, the business case should identify the professional development needed to meet the appropriate clinical guidelines.

For more information, see the Professional Issues section of this document and Section 5 of the AML Alliance document *Nurse Clinics in Australian General Practice*.⁶ For assistance in searching literature, refer to *Understanding Research A guide for primary health care nurse*.⁷

4. Aim, objectives and scope

What is the nurse clinic aiming to achieve, by when and for whom?

Who will be involved within the practice and outside the practice?

The business case should clearly identify the aim of the nurse clinic and how the practice will achieve that aim. A set of clearly defined objectives will focus the resources on achieving that aim and help you to decide how to evaluate the clinic. It is recommended that each objective be S.M.A.R.T.:⁸

- *Specific*: the goal should be clear and unambiguous, outlining the 'what', 'why', 'who', and 'where'
- *Measurable*: you need be able to measure whether or not the goal has been achieved within a specified timeframe
- *Attainable*: goals need to be realistic and attainable, otherwise they will lack meaning
- *Relevant*: goals should be relevant to the overarching business or clinical goals of the practice and the needs of others within the practice
- *Time-bound*: a commitment to achieving the goal within a specified timeframe will focus the team's efforts.

For example, consider the following objective for a nurse diabetes clinic: "our nurse clinic will set out to improve diabetes care". This objective is vague and will make it impossible to evaluate whether the aim and objectives of the clinic have been achieved.

An example of a S.M.A.R.T. objective for a nurse diabetes clinic is:

"Our practice will increase the proportion of patients with diabetes who have completed the annual diabetes cycle of care from 20% to 40% by 1st December next year."

5. Resources

Gathering a team to brainstorm possible questions and answers relating to the clinic can be useful in developing S.M.A.R.T. objectives. For example:

- What is the scope of the clinic? In relation to the competencies and scope of practice of clinicians, which services will be provided within the clinic and what internal and external referral will be needed?
- Will the clinic aim to make a financial profit, to break-even, or accept financial losses as part of an investment in quality?
- Specifically, what professional development is required for nurses, doctors, administrative and other staff?
- How many patients will the clinic see each hour/session/month?
- What is the criteria for patients attending the clinic?
- Which patients have priority access to the clinic?
- How will clinical outcomes be measured?
- When will a patient 'exit' the clinic?

There are likely to be many questions that are relevant to local settings and specific nurse clinics.

What human resources and treatment resources will we require to establish and maintain the clinic?

1. Human resources

Nurse clinics are a team effort and careful consideration of the skills and competencies is warranted. The business case will need to not only identify the people that need to be involved but also how they will work together. For example, establishing a clinic will require the active participation and support of one or more general practitioners and possibly allied health professionals as well as specialists who may be the recipients of referrals. Nurse clinic operations are likely to involve administrative staff and others in the practice such as practice managers and finance managers. It may be useful to develop and include a patient flow diagram that identifies internal workflows and internal and external referral pathways. This will help to clearly define the roles for and interactions between:

- Patients and their carers – how will the clinic consider and promote their rights and responsibilities and support their role in the self-management of conditions?
- People within the practice – what impact will the clinic have on the roles of GPs, allied health professionals, practice managers and administrative staff?

- People outside the practice – how will the clinic ensure that patients are referred to other health professionals such as clinical nurse consultants, nurse practitioners, pharmacists, medical specialists and allied health professionals? How will the clinic provide coordinated care?

2. Products and equipment

A variety of products and equipment may need to be sourced to run the clinic including patient resources and clinical equipment. An inventory check within the practice will identify related products and equipment that are already available in the practice as well as any need for additional stock. The business case should distinguish between products and equipment needed at the outset of the clinic, and those that will be needed on an ongoing basis.

The need for the use and/or purchase of more specialised equipment should be established in collaboration with practice principal/s, practice manager and other clinicians. The business case should also identify training needs in the use of equipment and interpretation of results.

6. Finances

How will the clinic be sustainably financed?

The vast majority of general practices are private businesses that aim for a return on investment in order to survive and prosper. Nurse clinics that incorporate a comprehensive assessment, patient education, self-management support and clinical care may involve consultations with patients that are longer than average. In some cases, achieving acceptable patient health outcomes or meeting specific targets will be impaired by patients' living conditions, diet and co-morbid physical or mental health conditions. These are likely to need longer consultations and may require care planning and referral that will take additional time.

The PNIP provides practices with up to \$125,000 per annum to fund nursing services. For the majority of practices, this compensates them for any loss of income incurred through the phasing out of the nursing MBS item numbers.⁹ PNIP income can be used to partially finance nurse time to establish and manage a nurse clinic.

The costs associated with operating a nurse clinic need to be carefully considered in order to develop a financially viable model, including:

- Nurse salaries and on-costs
- Products and equipment
- Training / professional development
- Administrative team salaries and on-costs
- Marketing and signage
- Opportunity costs (if a nurse is running a nurse clinic, what other roles/tasks have been forgone in order to free up time to do this new work?).

Judicious use of care planning, case conferencing and/or health assessment Medicare item numbers will significantly increase the financial viability of nurse clinics that are directly addressing diagnosed chronic illnesses. Where nurse clinics are not directly addressing a chronic illness and yet there is an underlying chronic illness that is identified, patients can be flagged for the completion of a health assessment, care plan or case conference. Where appropriate, referrals to GPs for mental health assessment and treatment plans should also be considered. These activities will support the nurse clinic because it may not only improve the health of the patient but will also be attractive to the practice by bringing in additional revenue as a 'financial by-product' of the clinic.

The use of care planning, case conference and health assessment MBS items introduces a risk of non-compliance with Medicare rules for the associated Medicare item numbers. Nurses and GPs will need to be aware of the item number rules and ensure that they are being met. This includes a clear understanding of which kinds of patients are eligible. For example, only patients that have a chronic illness and complex care needs are eligible for Chronic Disease Management (CDM) care plans. Also, a system will be needed to ensure that the right item numbers are being claimed.

For more information on Medicare rules associated with care planning, case conference and health assessment MBS items, see *MBS online*¹⁰ and the Victorian Department of Health's summary of MBS items, the *MBS Flipchart*.¹¹

Managers of nurse clinics will need to proactively plan how items such as for care planning, case conferencing and health assessments will be built into the model. Considerations include:

- Prior to nurse clinic appointments, administrative staff could assess whether the patient is eligible for assessment and care planning item numbers and to flag this with the nurse or GP

7. Professional issues

- The first appointment could be a nurse clinic consultation and then, if the patient is eligible and consents, care plans, case conferences or health assessments can be planned for subsequent appointments.

Some low cost items used in the nurse clinic may be able to be absorbed by the clinic without a co-payment being charged (for example – clinical information sheets for patients, simple dressings, pedometers and syringes). For higher cost items used in the clinic there may need to be a separate strategy, such as:

- Charging a fee above the Medicare rebate (i.e. consultation is not bulk billed)
- Requesting that the patient purchase the item themselves before the consultation, then bulk billing the consultation afterwards
- Seeking to cover costs through a general fee applied to all patients that are admitted to the clinic - though there may need to be exceptions for those unable to pay.

It is also useful to investigate alternative sources of income such as grants available through your Medicare Local, local government or community service volunteer organisations.

1. Competency

Nurse clinics offer nurses opportunities to provide a specialised service that can be measured against competency standards as part of ongoing professional development. The Competency Standards for Nurses in General Practice¹² developed by the Australian Nursing and Midwifery Federation are a guide for general practice nurses against which nurses can assess their competencies and need for ongoing professional development. There are also competency standards that will be relevant to specific kinds of nurse clinics – for example, wound management competency standards for wound management nurse clinics and professional practice standards for telehealth consultations.

2. Professional development

Self-assessment against competency standards may identify a need for further professional development. This may be acquired through formal education or participating in short courses, conferences and workshops. To assist nurses and practices understand and appreciate the process of expanding practice, the Australian Medicare Local Alliance has produced *Expanding Your Practice: A learning module for nurses in general practice*.¹³

3. Mentoring

Nurses may also benefit from having a mentor or coach with relevant clinical expertise to guide the establishment of a nurse clinic and assist in the assessment of competencies. A nurse with specific expertise may be known locally or specialist nursing professional associations may be able to recommend a mentor/coach. To find a list of specialist nursing professional associations, visit the Coalition of National Nursing Organisations.¹⁴

Finally, nurses will need to keep up to date with products, pharmacology and evidence related to the clinical area addressed by the nurse clinic. Mentors, coaches and disease-specific organisations may be of assistance.

Any identified need for professional development and mentorship or coaching should be identified in the business case along with a plan for how these activities will be secured and financed.

8. Risk management

Changes to business practices always entail a level of risk, and your business case should identify those risks and outline how they will be prevented and managed.

Potential risks in opening a nurse clinic include:

- Clinical risk
 - Encountering a level of clinical or psychosocial complexity that cannot be addressed within your scope of competency
 - Risks specific to the clinical focus of the clinic
 - Non-adherence to clinical standards
- Financial risk
 - Cost of products used are not recouped
 - Poor systems for claiming MBS items e.g. costs of long consultations not recouped
 - Unpaid patient accounts
- Non-compliance with Medicare Australia rules for MBS item numbers that are used within the clinic, such as care planning and case conference items
- Patient expectations are not anticipated or managed
- Potential staff turnover meaning that the clinic loses expertise which may threaten sustainability.

Your business case should include a simple matrix that identifies the risk, the likelihood of that risk occurring, the impact on the clinic if the risk occurs and the strategies employed to reduce, mitigate or eliminate risks. A risk matrix is included in the Appendix as part of the business case template.

9. Implementation timelines

This section should outline the activities that need to be undertaken to establish the clinic and timelines associated with those activities. It is essentially a short implementation plan that demonstrates that the clinic will be implemented within a reasonable time frame, rather than being a detailed operational plan. A sample implementation plan is included in the Appendix – the business case template.

10. Monitoring and evaluation

This section will outline how you intend to monitor whether the clinic is on track to achieve its goals and objectives, monitor risks, and evaluate progress. Typically in a business setting the project lead will compile and submit weekly, monthly or quarterly reports that outline whether a venture is meeting its goals alongside other reporting. Therefore when reporting on the nurse clinic to the principal/s, involving a lead GP or the practice manager may be appropriate.

Plans for quality audits may also be outlined in this section, such as

- Frequency of quality audit
- Method of quality audit e.g. patients of the clinic selected randomly for audit of clinical outcome and interview; pre-clinic and post-clinic patient survey
- Clinical components of audits e.g. wound healing time by wound type, HbA1c results, blood pressure
- Patient enablement and satisfaction components of audits or surveys e.g. satisfaction with the clinic, whether patients understand their illness and their role in healing or management, and suggestions for clinic improvement.¹⁵

Further information on evaluation of nurse clinics can be found in *Nurse Clinics in Australian General Practice: Planning, Implementation and Evaluation*.¹⁶

11. Conclusion

This is an opportunity to restate your compelling arguments for those that have taken the time to read through your entire business case. It should outline the immediate 'next steps' that need to be taken. It may also outline the need to further consult with others within or outside the practice.

Endnotes:

- 1 Crow, J., Walker, L., and Desborough, J. 2012. Nurse Clinics in Australian General Practice. Planning, Implementation and Evaluation. <http://amlalliance.com.au/medicare-local-support/nigp/resources> Accessed 9 February 2014.
- 2 AML Alliance Alliance National Workforce Survey 2012
- 3 Crow, J., Walker, L., and Desborough, J. 2012. *Ibid*
- 4 Crow, J., Walker, L., and Desborough, J. 2012. *Ibid*
- 5 http://en.wikipedia.org/wiki/Business_case Accessed 4th February 2014
- 6 Crow, J., Walker, L., and Desborough, J. 2012. *Ibid*
- 7 Temple-Smith, M and Soos, M 2013 Understanding Research: a workbook for general practice nurses. <http://amlalliance.com.au/medicare-local-support/nigp/resources> Accessed 9 February 2014
- 8 First outlined by Doran, G. T. 1981. "There's a S.M.A.R.T. way to write management's goals and objectives". *Management Review*. 70(11). p35-36.
- 9 Refer to Australian Medicare Local Alliance Factsheets with regard to PNIP <http://amlalliance.com.au/medicare-local-support/nigp/resources>
- 10 www.mbsonline.gov.au Accessed 31st March 2014.
- 11 <http://docs.health.vic.gov.au/docs/doc/MBS-flipchart> Accessed 31st March 2014.
- 12 <http://anmf.org.au/pages/competency-standards> Accessed 30th November 2013.
- 13 Ashley, C 2012 Expanding Your Practice <http://amlalliance.com.au/medicare-local-support/nigp/resources>
- 14 www.conno.org.au Accessed 9 February 2014.
- 15 Patient Enablement and Satisfaction Survey <http://amlalliance.com.au/medicare-local-support/nigp/resources>
- 16 Crow, J., Walker, L., and Desborough, J. 2012. *Ibid*

