Statement of Priorities

2018–19 Agreement between the Minister for Health and
Alfred Health

Contents

Background

Statements of Priorities are key accountability agreements between Government and Victorian publicly funded health, mental health and ambulance services. The content and process for preparation and agreement of the annual Statement of Priorities is consistent with sections 40G, 65ZFA, 65ZFB and section 26 of the Health Services Act 1988.

Statements of Priorities are consistent with the health services' strategic plans and aligned to government policy directions and priorities. The annual agreements support the delivery of, or substantial progress towards the key shared objectives of quality and safety, good governance and leadership, access and timeliness, and financial sustainability.

A Statement of Priorities consists of four parts:

• Part A provides an overview of the service profile, strategic priorities and deliverables the health service will achieve in the year ahead.
• Part B lists the performance priorities and agreed targets.
• Part C lists funding and associated activity.
• Part D forms the service agreement between each health service and the state of Victoria for the purposes of the National Health Reform Agreement.

Performance expectations and mechanisms used by the Department of Health and Human Services to monitor and manage performance are described in the *Victorian Health Service Performance Monitoring Framework 2018-19*.

High standards of governance, transparency and accountability are essential. In this context, the Victorian Government commits to publish Statements of Priorities by 1 November each year and place more data about the performance of our health system into the public domain.

Strategic priorities

The Victorian Government is responsible for ensuring that a wide range of health services are delivered to the Victorian community. The Department of Health and Human Services (the department) develops policy, funds and regulates health services and activities that promote and protect the health of Victorians. Through the department, the government funds more than 500 organisations to provide various health services to Victorians.

Government commitments

The *Victorian Budget 2018-19* provides and extra $2.77 billion over 5 years for health, mental health, ambulance and aged care services across Victoria, including:

- $1.6 billion over four years to meet hospital services demand to respond to growing patient demand across Victoria
- $583.8 million over four years for mental health and drug services
- $362.2 million over four years to improve access to elective surgery, to respond to demand, reduce waiting times and to maintain the current performance of Victoria's health service system.
- $50 million (in 2017-18) for a *Winter Blitz* package to support health services to prepare for the 2018 winter flu season.
- $55.1 million over four years for an additional 90 paramedics to meet increases in demand for ambulance services.

To support this investment, the Andrews Labor Government is funding an $1.3 billion acute health capital, infrastructure and equipment program.

This investment will support the implementation of Health 2040: advancing health, access and care - which presents a clear vision for the health and wellbeing of Victorians and for the Victorian healthcare system.

Part A: Strategic overview

Mission statement

Alfred Health's purpose: To improve the lives of our patients and their families, our community and humanity.

Alfred Health beliefs:

- Patients are the reason we are here - they are the focus of what we do.

- How we do things is as important as what we do.

- Respect, support and compassion go hand in hand with knowledge, skills and wisdom. Safety and care of patients and staff are fundamental.

- Excellence is the measure we work to every day. Through research and education, we set new standards for tomorrow.

- We work together. We play vital roles in a team that achieves extraordinary results.

- We share ideas and demonstrate behaviours that inspire others to follow.

Alfred Health Strategic Plan outlines seven strategic goals:

- Strategic Goal 1: Provide high-quality, patient-centred care

- Strategic Goal 2: Lead innovative specialist care nationally and internationally

- Strategic Goal 3: Engage with our diverse community to promote mental and physical health and well being

- Strategic Goal 4: Promote a healthy, respectful and safe workplace and a skilled, engaged and compassionate workforce.

- Strategic Goal 5: Lead excellent, innovative and collaborative research

- Strategic Goal 6: Deliver a modern and technologically enabled work and hospital environment

- Strategic Goal 7: Manager our resources and environment sustainably.

Service profile

Alfred Health is one of Victoria's major tertiary health services. We care for people living in southern and bayside Melbourne through our three hospital campuses, numerous clinics and community-based services.

We care for all of Victoria through our many statewide specialist services.

We offer the most extensive range of statewide services in Victoria, with 14 services delivering expert care to people throughout Victoria. Every day we work to provide the best possible health outcomes for our patients and community by bringing together clinical practice with research.

We have a strong focus on education, including undergraduate and postgraduate training for medical, nursing, allied health, and support staff through partnerships with Monash, La Trobe and Deakin Universities. We also participate in important research and development alliances with the universities, and Baker Heart and Diabetes Institute and the Burnet Institute. We strive to deliver tomorrow's care today by understanding, anticipating and addressing our community's health needs now and in the future. Recognised as a national pacesetter, Alfred Health is consistently linked to progressive developments in healthcare and services, medical research and healthcare teaching. This influences healthcare in Australia and overseas.

We have three hospital campuses:

The Alfred, a major tertiary referral hospital, is best known as having one of Australia's busiest emergency and trauma centres as well as the state's largest Intensive Care Unit. We are home to statewide services including the Victorian Adult Burns Service and Victoria's only heart and lung transplant service. The Alfred site includes the Alfred Centre, a short stay elective surgery services and medical day services centre which provides Alfred Health with a model of care separating elective short stay surgery from emergency surgery.

Caulfield Hospital specialises in community services, rehabilitation, geriatric medicine and aged mental health. Many services are delivered through outpatient and community based programs. The hospital plays a statewide role in rehabilitation services, which includes the Caulfield Hospital Acquired Brain Injury Rehabilitation Centre which opened in 2014.

Sandringham Hospital is community focused, providing hospital healthcare for the local area through emergency and general medicine, surgery and outpatient services. Our partner, The Royal Women's Hospital, provide obstetric, neonatal and gynaecological services and the hospital works closely with local community healthcare providers.

Community care is provided through clinics and outreach programs such as the Melbourne Sexual Health Centre, Hospital in the Home and a range of psychiatric care, including community care units, headspace services and homeless outreach.

In 2018-19, we will maintain our efforts on our three flagship projects to transform Alfred Health:

- **eTQC –** translation from paper based methods to an Electronic Medical Record (EMR) to support real time data capture and reduce variation in care**;**
- **St Kilda Wing –** capital planning to ensure Alfred Health can continue to provide state of the art operating suites and critical services, to Victoria;
- **Respect and Quality Improvement –** building a work environment that is respectful and innovative, recognising how we do things is as important as what we do, a culture of innovation and achieving greater consistency in care.

Strategic planning

Alfred Health Strategic Plan 2016 – 2020 is available online at https://www.alfredhealth.org.au/about/governance/strategic-plans

Strategic priorities

In 2018-19 Alfred Health will contribute to the achievement of the Victorian Government's commitments by:

Goals	Strategies	Health Service Deliverables
Better Health A system geared to prevention as much as treatment Everyone understands their own health and risks Illness is detected and managed early Healthy neighborhoods and communities encourage healthy lifestyles	**Better Health** Reduce statewide risks Build healthy neighborhoods Help people to stay healthy Target health gaps	Develop systems to improve the integration and coordination of care for people with chronic conditions through the Victorian Integrated Care Model, supporting the broader Commonwealth Health Care Homes initiative.
		Ensure alignment of the Victorian HIV Service to the Victorian HIV Strategy 2017-2020 and continue to enhance Alfred Health's role as a centre of excellence in HIV leadership, clinical expertise, sexual health, education and research.
		Implement the Strengthening Hospital Responses to Family Violence (SHRFV) initiative: • Embed SHRFV whole of hospital model for identifying and responding to family violence internally • Implement a Family Violence Workplace Support Program to support staff experiencing family violence

Goals	Strategies	Health Service Deliverables
Better Access Care is always there when people need it More access to care in the home and community People are connected to the full range of care and support they need There is equal access to care	**Better Access** Plan and invest Unlock innovation Provide easier access Ensure fair access	Strategic Project: Progress detailed service and capital planning, and finalise the business case, for The Alfred Hospital Redevelopment Project to ensure Alfred Health can continue to provide state of the art statewide specialist critical health care and general acute health care services to Victorians.
		Strategic Project: Innovation and Education Hub – develop a capital and operating business case for the implementation of a self-funded, new vision/brand for Education and Innovation at Alfred Health.
		Recommission Ward 5 West to provide additional capacity and enhanced acute rehabilitation for trauma patients to ensure The Alfred can continue to meet the growing demand for emergency and trauma care.
Better Care Target zero avoidable harm Healthcare that focusses on outcomes Patients and carers are active partners in care Care fits together around people's needs	**Better Care** Put quality first Join up care Partner with patients Strengthen the workforce Embed evidence Ensure equal care	Strategic Project: Implementation of eTQC (Electronic Timely Quality Care) phase 1 - an integrated electronic clinical information system, to reduce variation in clinical care and improved access to data to support clinical teams and effective patient management.
		Build capacity and capability in clinical trials for the translation of research into practice.

Goals	Strategies	Health Service Deliverables
Specific 2018-19 priorities (mandatory)	**Disability Action Plans** Draft disability action plans are completed in 2018-19. *Note: Guidance on developing disability action plans can be found at https://providers.dhhs.vic.gov.au/disability-action-plans. Queries can be directed to the Office for Disability by phone on 1300 880 043 or by email at ofd@dhhs.vic.gov.au.*	Submit a draft disability action plan to the department by 30 June 2019. The draft plan needs to outline the approach to full implementation within three years of publication.
	Volunteer engagement Ensure that the health service executives have appropriate measures to engage and recognise volunteers.	Implement regular reporting to Executive Committee on volunteer activities to raise the awareness of the volunteers contribution across the Alfred Health.
	Bullying and harassment Actively promote positive workplace behaviours and encourage reporting. Utilise staff surveys, incident reporting data, outcomes of investigations and claims to regularly monitor and identify risks related to bullying and harassment, in particular include as a regular item in Board and Executive meetings. Appropriately investigate all reports of bullying and harassment and ensure there is a feedback mechanism to staff involved and the broader health service staff.	Use People Matter Survey feedback to identify cross organisational and group specific issues related to bullying and harassment. Highlight areas where bullying instances have reduced or been eradicated and use as champions of good behaviour. Target areas where bullying continues with all staff presentations. Conduct a Grand Round in 2019 on interpersonal behaviour. Highlight claims and investigation progress to Board and People and Culture sub-committee.

Alfred Health Statement of Priorities 2018–19

Goals	Strategies	Health Service Deliverables
	Occupational violence Ensure all staff who have contact with patients and visitors have undertaken core occupational violence training, annually. Ensure the department's occupational violence and aggression training principles are implemented.	Continue to embed the principles, skills and learnings from the 2 key training programs (DARMA and AWARE) developed and delivered to highlight and address instances of occupational violence and aggression in the workplace. This is done though face to face coaching and mentoring on the 'ward'. Conduct continuous assessment of course content and usefulness through post course assessments on wards. Design shorter version of AWARE and refresher courses.
	Environmental Sustainability Actively contribute to the development of the Victorian Government's: • policy to be net zero carbon by 2050 and improve environmental • sustainability by identifying and implementing projects, including • workforce education, to reduce material environmental impacts with • particular consideration of procurement and waste management, and • publicly reporting environmental performance data, including • measureable targets related to reduction of clinical, sharps and landfill • waste, water and energy use and improved recycling.	Alfred Health's Environmental Sustainability Strategy and Action Plan 2017-21, with key deliverables in 2018 to include: the adoption of local sustainability action plans; DHHS environmental reporting and measures expanded and increased staff engagement.

Goals	Strategies	Health Service Deliverables
	LGBTI Develop and promulgate service level policies and protocols, in partnership with LGBTI communities, to avoid discrimination against LGBTI patients, ensure appropriate data collection, and actively promote rights to free expression of gender and sexuality in healthcare settings. Where relevant, services should offer leading practice approaches to trans and intersex related interventions. *Note: deliverables should be in accordance with the DHHS Rainbow eQuality Guide (see at www2.health.vic.gov.au/about/populations /lgbti-health/rainbow-equality) and the Rainbow Tick Accreditation Guide (see at www.glhv.org.au)*	Aligned to Alfred Health's broader strategy to improve access and care for all vulnerable persons, specific initiatives to be developed in partnership with LGBTI community to include: convene a consumer forum; develop family violence training content relevant to the needs of LGBTI communities; and workforce sensitive inquiry training.

Alfred Health Statement of Priorities 2018–19

Part B: Performance Priorities

The *Victorian Health Services Performance monitoring framework* outlines the Government's approach to overseeing the performance of Victorian health services.

Changes to the key performance measures in 2018-19 strengthen the focus on high quality and safe care, organisational culture, patient experience and access and timeliness in line with Ministerial and departmental priorities.

Further information is available at www2.health.vic.gov.au/hospitals-and-health-services/funding-performance-accountability

High quality and safe care

Key performance indicator	Target
Accreditation	
Accreditation against the National Safety and Quality Health Service Standards	Accredited
Infection prevention and control	
Compliance with the Hand Hygiene Australia program	80%
Percentage of healthcare workers immunised for influenza	80%
Patient experience	
Victorian Healthcare Experience Survey – percentage of positive patient experience responses	95%
Victorian Healthcare Experience Survey – percentage of very positive responses to questions on discharge care	75%
Victorian Healthcare Experience Survey – patients perception of cleanliness	70%
Healthcare associated infections (HAI's)	
Number of patients with surgical site infection	No outliers
Number of patients with ICU central-line-associated bloodstream infection (CLABSI)	Nil
Rate of patients with SAB[1] per occupied bed day	≤ 1/10,000

Key performance indicator	Target
Adverse events	
Sentinel events – root cause analysis (RCA) reporting	All RCA reports submitted within 30 business days
Unplanned readmission hip replacement	Annual rate ≤ 2.5%
Mental Health	
Percentage of adult acute mental health inpatients who are readmitted within 28 days of discharge	14%
Rate of seclusion events relating to an adult acute mental health admission	≤ 15/1,000
Rate of seclusion events relating to an aged acute mental health admission	≤ 15/1,000

---

[1] SAB is Staphylococcus Aureus Bacteraemia

Key performance indicator	Target
Percentage of child and adolescent acute mental health inpatients who have a post-discharge follow-up within seven days	80%
Percentage of adult acute mental health inpatients who have a post-discharge follow-up within seven days	80%
Percentage of aged acute mental health inpatients who have a post-discharge follow-up within seven days	80%
Continuing Care	
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645

Strong governance, leadership and culture

Key performance indicator	Target
Organisational culture	
People matter survey - percentage of staff with an overall positive response to safety and culture questions	80%
People matter survey – percentage of staff with a positive response to the question, "I am encouraged by my colleagues to report any patient safety concerns I may have"	80%
People matter survey – percentage of staff with a positive response to the question, "Patient care errors are handled appropriately in my work area"	80%
People matter survey – percentage of staff with a positive response to the question, "My suggestions about patient safety would be acted upon if I expressed them to my manager"	80%
People matter survey – percentage of staff with a positive response to the question, "The culture in my work area makes it easy to learn from the errors of others"	80%
People matter survey – percentage of staff with a positive response to the question, "Management is driving us to be a safety-centred organisation"	80%
People matter survey – percentage of staff with a positive response to the question, "This health service does a good job of training new and existing staff"	80%
People matter survey – percentage of staff with a positive response to the question, "Trainees in my discipline are adequately supervised"	80%
People matter survey – percentage of staff with a positive response to the question, "I would recommend a friend or relative to be treated as a patient here"	80%

Timely access to care

Key performance indicator	Target
Emergency care	
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%
Percentage of Triage Category 1 emergency patients seen immediately	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%

Key performance indicator	Target
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%
Number of patients with a length of stay in the emergency department greater than 24 hours	0
Elective surgery	
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%
Percentage of urgency category 1,2 and 3 elective surgery patients admitted within clinically recommended time	94%
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	5% or 15% proportional improvement from prior year
Number of patients on the elective surgery waiting list[2]	1,950
Number of hospital initiated postponements per 100 scheduled elective surgery admissions	≤ 7 /100
Number of patients admitted from the elective surgery waiting list	11,500
Specialist clinics	
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%

Effective financial management

Key performance indicator	Target
Finance	
Operating result ($m)	0
Average number of days to paying trade creditors	60 days
Average number of days to receiving patient fee debtors	60 days
Public and Private WIES[3] activity performance to target	100%
Adjusted current asset ratio	0.7 or 3% improvement from health service base target
Forecast number of days a health service can maintain its operations with unrestricted available cash (based on end of year forecast)	14 days
Actual number of days a health service can maintain its operations with unrestricted available cash, measured on the last day of each month.	14 days
Measures the accuracy of forecasting the Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ $250,000

---

[2] the target shown is the number of patients on the elective surgery waiting list as at 30 June 2019

[3] WIES is a Weighted Inlier Equivalent Separation

Part C: Activity and funding

The performance and financial framework within which state government-funded organisations operate is described in 'Volume 2: Health operations 2018-19 of the *Department of Health and Human Services Policy and funding guidelines 2018.*

The *Policy and funding guidelines* are available at https://www2.health.vic.gov.au/about/policy-and-funding-guidelines

Further information about the Department of Health and Human Services' approach to funding and price setting for specific clinical activities, and funding policy changes is also available at

https://www2.health.vic.gov.au/hospitals-and-health-services/funding-performance-accountability/pricing-funding-framework/funding-policy

Funding type	Activity	Budget ($'000)
Acute Admitted		
WIES Public	85,970	415,491
WIES Private	15,376	54,739
WIES DVA	784	3,989
WIES TAC	6,259	26,720
Other Admitted		56,475
Acute Non-Admitted		
Emergency Services		38,653
Home Enteral Nutrition	946	201
Home Renal Dialysis	107	6,087
Radiotherapy WAUs Public	78,586	18,577
Radiotherapy WAUs DVA	1,185	346
Specialist Clinics	186,801	50,846
Specialist Clinics - DVA		88
Other non-admitted		623
Subacute & Non-Acute Admitted		
Subacute WIES - Rehabilitation Public	1,312	13,879
Subacute WIES - Rehabilitation Private	346	3,400
Subacute WIES - GEM Public	1,863	19,705
Subacute WIES - GEM Private	560	5,511
Subacute WIES - DVA	91	1,164
Transition Care - Bed days	27,010	4,187
Transition Care - Home days	5,110	291
Subacute Admitted Other		14,759
Subacute Non-Admitted		
Health Independence Program - Public	94,170	22,446
Health Independence Program - DVA		12
Victorian Artificial Limb Program		2,203
Subacute Non-Admitted Other		469
Aged Care		
Aged Care Assessment Service		2,479

HACC	3,226	336
Aged Care Other		3,378
Mental Health and Drug Services		
Mental Health Ambulatory	86,028	38,763
Mental Health Inpatient - Available bed days	26,662	19,801
Mental Health PDRS		109
Mental Health Service System Capacity	579	959
Mental Health Subacute	10,961	5,623
Mental Health Other		1,501
Drug Services	140	806
Primary Health		
Community Health / Primary Care Programs	12,929	1,360
Community Health Other		9,199
Other		
NFC - Paediatric Lung Transplantation	4	1,205
Health Workforce	333	13,880
Other specified funding		25,685
Total Funding		885,945

Part D: Commonwealth funding contribution

The Victorian health system has faced a number of changes to Commonwealth funding since 2012–13. The changes to the funding arrangements announced in the 2014–15 Commonwealth Budget will continue to be applicable for the period 1 July 2018 to 30 June 2019 with funding continued to be linked to actual activity levels.

The Commonwealth funding contribution outlined the 2018–19 Commonwealth Budget was based on estimates and has since been updated by the Administrator of the National Health Funding Pool, based on latest activity estimates from States and Territories. However, given that final funding amounts are based on actual activity, there may be adjustments to funding throughout the year as a result of reconciliations and other factors outlined below.

Period: 1 July 2018 – 30 June 2019

	Service category	Estimated National Weighted Activity Units (NWAU18)	Total funding ($'000)
Activity based funding	Acute admitted services	111,478	44,735,117
	Admitted mental health services	7,435	
	Admitted subacute services	14,143	
	Emergency services	15,432	
	Non-admitted services	11,694	
Block Funding	Non-admitted mental health services	-	63,609
	Teaching, training and research		
	Other non-admitted services		
Other Funding		-	86,048
Total		**160,182**	**44,884,774**

Note:

• Estimated National Weighted Activity Unit may be amended by the Department following the finalisation of the 2016–17 reconciliation by the Administrator of the National Health Funding Pool.

• Activity loadings are included in the Estimated National Weighted Activity Units (i.e. Paediatric, Indigenous, Remoteness, Intensive Care Unit, Private Patient Service Adjustment, and Private Patient Accommodation Adjustment).

• In situations where a change is required to Part D, changes to the agreement will be actioned through an exchange of letters between the Department and the Health Service Chief Executive Officer.

Ambulance Victoria and Dental Health Services Victoria do not receive a Commonwealth funding contribution under the National Health Reform Agreement. Dental Health Services Victoria receives Commonwealth funding through the National Partnership Agreement.

Accountability and funding requirements

The health service must comply with:

- All laws applicable to it;
- The National Health Reform Agreement;
- All applicable requirements, policies, terms or conditions of funding specified or referred to in the Department of Health and Human Services policy and funding guidelines 2018;
- Policies and procedures and appropriate internal controls to ensure accurate and timely submission of data to the Department of Health and Human Services;
- All applicable policies and guidelines issued by the Department of Health and Human Services from time to time and notified to the health service;
- Where applicable, all terms and conditions specified in an agreement between the health service and the Department of Health and Human Services relating to the provision of health services which is in force at any time during the 2018-19 financial year; and
- Relevant standards for particular programs which have been adopted e.g. International Organisation for Standardisation standards and AS/NZS 4801:2001, Occupational Health and Safety Management Systems or an equivalent standard.

Signature

The Minister and the health service board chairperson agree that funding will be provided to the health service to enable the health service to meet its service obligations and performance requirements as outlined in this Statement of Priorities.

Hon Jill Hennessy MP
Minister for Health

Date: 28 / 8 /2018

Mr Michael Gorton AM
Chairperson
Alfred Health

Date: 28 / 8 /2018