Victorian Health Services
Performance monitoring framework
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Ministers foreword

Victoria has the most efficient healthcare system in Australia, but we need to improve the way we measure outcomes. All Victorians should feel confident in our health system to deliver world’s best care; so we need a performance monitoring framework that can support and encourage just that.

*Targeting Zero, the Review of Hospital Safety and Quality Assurance in Victoria* was commissioned by the Government following the discovery of a cluster of potentially preventable newborn and stillborn deaths at Djerriwarrh Health Service.

The review identified a number of gaps in the oversight of quality and safety across our health services, and recommended a complete overhaul of the system by refocusing health services’ primary performance focus on the delivery of safe and high quality care for Victorians.

The new *Victorian Health Services Performance monitoring framework* delivers on the reform agenda recommended by the review and accepted by government by introducing a new performance approach to sustain improvement, prevent harm, and create high performing organisations.

This approach supports the implementation of a more robust and comprehensive risk identification regime as recommended by the Targeting Zero review. It encourages early identification of potential performance issues before they become performance failures and supports a more transparent information exchange between the department, health services and other entities to ensure a common understanding of the challenges and opportunities for improvement at the health service level and across the sector.

A much stronger focus will be placed on the quality and safety of patient care through improving patients’ experience, reducing avoidable harm, maximising equitable access and reduced waiting.

Valuing and engaging positively with staff is critical to achieving high quality, patient-centred care, which is why the new framework will also target the development of organisational culture that nurtures safe and supportive working environments.

In discharging its stewardship role, the Department of Health and Human Services will lead the implementation of this new performance strategy in close collaboration with health services and other agencies, in particular Safer Care Victoria and the Victorian Agency for Health Information.

We look forward to working with health services across our State to achieve better health, better access and better care for all Victorians.

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**The Honourable Jill Hennessy MP**  
Minister for Health  
Minister for Ambulance Services

**Martin Foley MP**  
Minister for Mental Health
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Introduction

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

It describes the contextual, strategic and operational aspects of monitoring and improving health services performance, including the role that Safer Care Victoria and the new Victorian Agency for Health Information will have in supporting the implementation of the new health services performance strategy.

In broad terms, the framework operates within the legislative context set out in the Health Services Act 1988 and other contextual elements, such as:

- the Government’s commitment to making real and measurable contribution to Victorians’ lives as outlined in the Outcomes framework
- the vision for Victoria’s health system as outlined in Health 2040: advancing health, access and care
- various policies and programs to support and enhance the wellbeing of Victorians
- system and statewide plans that help guide the distribution and design of health services to meet community needs and ensure long term sustainability of the health system
- service delivery standards as set out in the Statement of Priorities (SOP)
- conditions of funding as outlined in the Policy and Funding guidelines (PFG).

It promotes transparency and shared accountability for performance improvement across the system and helps inform future policy and planning strategies.

Figure 1: Victorian health services performance framework – key contextual elements
Performance monitoring framework 2017–18

Strategic directions

Introduced over 10 years ago, the Victorian Health Services Performance monitoring framework has fundamentally changed the performance discussions between the department and health services by increasing transparency over a number of key performance indicators and raising accountability for financial and access performance across the Victorian Health Sector.

The cluster of perinatal deaths at Djerriwarrh Health Service has provided the catalyst to re-orient the performance monitoring approach towards a stronger focus on quality and safety and key contributing factors relating to clinical governance, leadership and a safe organisational culture.

Specifically, the Review of Hospital Safety and Quality Assurance in Victoria (the Targeting Zero review) found that while Victorian hospitals deliver some of the best care in the world, the current oversight arrangements are insufficient to provide the necessary level of assurance that hospitals are consistently providing safe and quality care.

The review recommended a complete overhaul of the performance monitoring system focusing on a risk assessment approach that targets patient outcomes, governance and culture and incentivises continuous improvement.

Better, Safer Care reform confirms Government’s commitment to implementing the review’s recommendations including a stronger focus on quality care outcomes and establishing the goal of ‘zero avoidable harm’ in all Victorian hospitals.

The new performance framework addresses the Targeting Zero recommendations and delivers on the Government’s commitment by:

• fundamentally shifting the focus and key accountability for performance towards quality and safety and improved clinical outcomes in all hospitals
• replacing the performance assessment scoring (PAS) system with a risk based approach, eliminating the masking of significant risks through aggregation across all domains
• expanding the range of performance measures to include qualitative data, including information from 3rd party reports and cross-agency intelligence
• introducing new triggers for performance escalation, including closer monitoring of performance trends and health service’s capacity to address and sustain improvement
• expanding the range of intervention options, including expert input from Safer Care Victoria.

Key changes

Increased focus and accountability for quality and safety, and clinical outcomes

Safer Care Victoria has been established to provide leadership for improvement in safety and quality across the sector, including both private and public hospitals.

A number of ‘core’ quality and safety KPIs have been introduced into the new PMF and will have elevated visibility and priority. These, combined with other ‘surveillance’ type measures will provide much more comprehensive information to assess clinical risk.
Removal of the Performance Assessment Score

The removal of the Performance Assessment Score (PAS) will eliminate the masking of key risks through aggregation of measures. This is a significant change for the sector, and will redefine performance discussions with Boards and Executive teams.

The new risk assessment approach requires more complex analysis, but will lead to a much richer discussion regarding patient care and outcomes.

A more comprehensive performance analysis, through a risk assessment approach

Replacing the PAS system with a risk assessment approach that considers performance against each measure as well as broader governance and cultural factors, will provide a more thorough approach to performance assessment.

Assessment will also include triangulation of other performance intelligence, including from cross agency information sharing with the Health Complaints Commissioner (HCC), Victorian Managed Insurance Authority (VMIA), and Australian Health Practitioner Regulation Agency (AHPRA). Formalised arrangements are being established that support early notification of risk and streamlined sharing of cross-agency information.

Heightened clarity regarding the indicators for health service performance accountability and measures to monitor healthcare quality

Safer Care Victoria (SCV) will work with health services to identify key performance indicators for quality and safety across the sector. These will form a core part of performance accountability, combined with the existing measures on finance and access.

The development of reports to reflect these will be led by the Victorian Agency for Health Information (VAHI) in partnership with Safer Care Victoria, and the department.

Performance assessed by whether a health service is improving not just meeting a target

The current ‘levels’ of performance for health services will be maintained, however the triggers for escalating departmental intervention will change.

In order to individualize performance discussions, risk assessments will be made across both quantitative and qualitative measures to inform whether a health service is improving in areas of underperformance, whilst maintaining high performing areas. This will provide all health services with the incentive not only to meet ‘target’, but also to improve across the relevant measures. This is a significant shift for performance assessment from one predominantly based on achievement of targets, to one of continuous improvement.

Triggers for departmental intervention will be linked to various degrees of failure to improve. For example, consistent deterioration on key measures with ineffective mitigation will trigger Intensive Monitoring.

The treatment options available to assist health services to manage their performance would vary depending on the risk area and health service’s capacity to respond effectively. Interventions may range from seeking further input from health services, to service reviews or expert clinical input (via SCV or the Office of the Chief Psychiatrist, as relevant).
**Coverage**

In exercising its system stewardship role, the department leads the health system improvement agenda while acknowledging the contribution and promoting strong collaboration with health services and other relevant entities, including private healthcare providers.

The new PMF captures all publically funded health service providers including:

- metropolitan health services
- regional health services
- subregional health services
- local health services
- small rural health services
- multi-purpose services
- Ambulance Victoria
- Dental Health Services Victoria
- the Victorian Institute of Forensic Mental Health (Forensicare).

The 12 metropolitan health services and six major regional health services are defined under the *Health Services Act 1988* (HSA) as ‘public health services’. Together with Dental Health Services Victoria, they are governed by boards of directors as set out under s. 65S of the HSA.

The nine subregional health services, 11 local health services and 36 small rural health services are defined under the HSA as ‘public hospitals’ and are governed by directors who make up boards of management as set out under s. 33 of the HSA.

The seven multi-purpose services are established under Part 4A of the HSA. They are governed by boards of management as set out under s. 115E of that HSA and are subject to similar governance and performance policies as public hospitals.

Mildura Base Hospital (a privately operated public hospital) and the three denominational hospitals, Calvary Health Care Bethlehem Limited, Mercy Public Hospitals Incorporated and St Vincent’s Hospital (Melbourne) Limited, are subject to similar performance and oversight provisions as public hospitals, as set out in Part 3 and Part 3A of the HSA.

Ambulance Victoria is established under s. 23 of the *Ambulance Services Act 1986* (ASA) and is governed by a board of directors as set out under s. 17 of the ASA.

The Victorian Institute of Forensic Mental Health is established under the *Mental Health Act 2014* (MHA) operating under the name Forensicare. Forensicare is governed by a board of directors pursuant to provisions in the MHA.

Albury Wodonga Health operates across North East Victoria and Southern New South Wales. It is the only cross jurisdictional health service in Australia and is one of six regional health services in Victoria. From July 2014, the provision of mental health services extending across the border into the Murrumbidgee region of NSW were integrated as part of Albury Wodonga Health and formed the North East and Border Mental Health Service. In 2017-18, the clinical mental health service undertaken by Albury Hospital will be included in the performance indicators reported by Albury Wodonga Health. This will support the clinical mental health service integration across the North East and Border Mental Health Service.

While Private Hospitals and Day Procedure Centres are currently monitored through the *Risk Based Regulatory Framework: Private Hospitals 2017*, the department is working in consultation with private providers to identify opportunities for potential integration of Private Hospitals under the relevant sections of the *Victorian Health Services Performance monitoring framework* in the future.
Performance objectives

The new Performance monitoring framework focuses on four objectives by aligning the performance strategy around four domains. These are:

1. High quality and safe care
2. Strong governance, leadership and culture
3. Effective financial management
4. Timely access to care.

As outlined in Figure 2, each domain is informed by a number of strategic goals, which in turn are supported by relevant qualitative and quantitative measures. The following section describes this in more detail.

Performance domains

High quality and safe care

This domain assesses how safe and effective health services are in the delivery of high quality services that improve patient outcomes. It targets an increased focus on patient experience by implementing best practice clinical care and zero preventable harm.

Strong governance, leadership and culture

Governance and leadership are key factors influencing the delivery of high performing and safe health services. Optimising both corporate and clinical governance is essential in creating a high performing health service.

Organisational culture is another performance element that can significantly influence patient safety through its impact on effective communication, collaboration and engagement across the organisation. As identified by the Targeting Zero review, poor safety cultures and weaknesses in clinical governance have been identified as recurring features of serious failings in care.

This domain looks at how well health services are governed, led and managed to nurture safe cultures and positive clinical engagement, while ensuring optimal arrangements for efficient operation, effective risk management and financial diligence.

Timely access to care

This domain refers to the ability of health services to efficiently manage supply and demand by providing the right care in the right place and at the right time. This reflects operational capacity and delivery of services and programs. It focuses on equitable and timely access as well as service efficiency to reduce waiting times.

Effective financial management

The financial management domain refers to how well health services manage the efficient allocation of resources to deliver safe and cost-effective services and the diligence with which the health service manages its finances.
Figure 2 Performance objectives and domains

- Best patient outcomes
  - High quality and safe care
  - Effective financial management
  - Effective use of resources
  - Appropriate settings and equipment
  - Timely access to care
  - Optimal recovery
- Board and leadership capability
- Workforce safety and engagement
- Effective risk management
- Reduced waiting
- Equitable access
Approach to performance improvement

Delivering on the Performance monitoring framework’s objectives for high quality care and best patient outcomes requires the implementation of a process of continuous improvement. Accordingly, performance improvement follows a continuous cycle whereby the department works collaboratively with health services and other stakeholders to:

- identify performance concerns and other risk flags
- analyse the level of risk and opportunities for improvement
- determine appropriate interventions and
- ensure that action is taken to mitigate risk and support ongoing improvement.

**Figure 3 The performance improvement process**

To support the application of this approach in practice, a new risk assessment tool is being introduced bringing together the key elements of the performance improvement process into a documented tool. This tool will be developed quarterly for each health service and used to inform the performance conversation. Refer Appendix 3 for an example of a risk assessment tool of a hypothetical health service. A high-level guide to using the tool is included in Appendix 4.

The following sections describe the tool in more detail including the methodology for each step of the process.
Figure 4 Summary of the steps in the performance improvement process

**Step 1—Risk identification**
Performance concerns, inherent vulnerabilities and emerging risks are identified by using quantitative and qualitative data from a range of sources.

**Risk measures**
Quantitative measures from Monitor, PRISM and other sources. Measures that have not been met are flagged and trends identified.

**Underlying risk factors**
Assessment of contextual performance based on a range of governance and culture risk factors. Areas of concern are flagged.

**Third party reports**
Risks are triangulated against third party sources. Areas of concern are flagged.

**Step 2—Risk analysis**
Once risk flags have been identified and trends assigned to risk measures, risk level is assessed in the three areas of risk and each domain is given a risk rating.

**Assessment of risk level**
Performance risk is assessed by assigning a risk level to each category as follows:

- **Risk measures**—based on the percentage of measures both not met and where the trend is deteriorating
- **Underlying risk factors**—based on the significance of underlying culture and governance risks
- **Third party reports**—based on the significance of outstanding concerns identified by third party sources

**Risk rating by domain**
A high, medium or low risk rating is determined across the four domains based on the assessed risk levels for each category of risk.

**Step 3—Performance assessment outcome**
The level of monitoring, support or intervention is assigned by the Department based on the risk level for each domain and progress towards risk mitigation.

**Step 4—Risk mitigation, monitoring and support**
Appropriate strategies, objectives and actions are determined based on the level of monitoring, support or intervention.
Step 1 - Risk identification
As indicated earlier, the new risk assessment model identifies performance concerns, inherent vulnerabilities and emerging risks by using quantitative data and qualitative data from a range of sources. Refer Figure 5.

Figure 5 – Sources of information for the new performance risk assessment

Expanding the performance risk radar beyond the SOP/Monitor related measures and drawing upon additional intelligence from other sources facilitates a more robust understanding of the health service’s risk profile and its manifested or potential vulnerabilities.

For example, risks relating to organisational safety culture will be taken very seriously particularly where evidence of bullying is apparent. In this instance, risk flags from the People Matter Survey are triangulated with other available information to better understand the extent of the issues and its impact on staff engagement, reporting culture and management response.

As identified by the Targeting Zero review, poor response rates to the People Matter Survey maybe a sign of staff disengagement. Unusually low reporting rates of patient or staff safety concerns may flag potential fear of reporting within the organisation. Such concerns compounded by a higher than average rate of sick leave and staff turnover rates could be suggestive of more systemic cultural issues.

The department acknowledges that risk flags may not pose a performance concern on their own and maybe easily explained by other mitigating factors. However, in combination they may help paint a sufficiently compelling picture to support a more detailed inquiry by the respective health service.

This approach supports the implementation of a more robust and comprehensive risk identification regime as recommended by the Targeting Zero review. It encourages early identification of potential performance issues before they become performance failures and supports a more transparent information exchange between the department, health services and other entities to ensure a common understanding of the challenges and opportunities for improvement at the health service level and across the sector.
In keeping with the new risk identification philosophy, inputs for each domain are structured into the following three categories:

- **Risk measures** capturing quantifiable data arising from SOP, PRISM and other KPIs
- **Underlying risk factors** arising from the contextual assessment of governance, culture and other qualitative assessment of organisation’s risk management capability
- **Third party reports** arising from cross agency information and other external reviews/reports.

### Risk measures

A list of measures used to inform the first risk identification category is included in Appendix 1.

Risk flags are identified for each measure where targets have not been met and reflected in Column 1 of the new risk assessment tool against the corresponding domain.

Improvement or deterioration trends are also identified by comparing outcomes to same time last year or where relevant to performance over the prior six reporting periods (for example, VHES). Improvement against a baseline is also used for particular measures (for example, days of available cash).

It is anticipated that more quality and safety accountability measures will be developed and progressively introduced during the remainder 2017–18 or subsequent years (for example, complications rates and so on.).

### Underlying risk factors

To better understand the contextual aspects of each health service, a risk assessment will be undertaken by the department targeting the following underlying risk factors:

- rurality
- ability to respond to community needs including rapid growth in demand
- board governance including clinical governance
- leadership including executive tenures
- financial performance
- major disruption including capital /infrastructure works underway
- high reliance on locums/instability of senior clinical roles
- reliance on new entrant international medical graduates (IMGs)
- safe culture.

This assessment will be carried out annually and updated progressively during the year, as relevant. More details relating to this assessment is included in Appendix 2.

In carrying out this assessment, the department will look at both the likelihood of each risk element materialising and its potential implication.
For example, geographic or organisational isolation is recognised as a significant risk for health service due to the challenges it poses in attracting and retaining skilled staff as well as board members. There may also be a higher risk of professional isolation for practitioners with limited options or no back up cover leave or succession planning and management may find it difficult to manage contracts or performance of clinicians who are difficult to replace. Recognising these challenges provides a better appreciation of the contextual environment various health services operate in, the impact this has on service delivery and the type of strategies required by the department and the health service to support improved performance.

The safe culture risk assessment will be informed primarily by data from the People Matter Survey as well as feedback from the Health Complaints Commissioners and Safer Care Victoria, particularly where concerns relate to a low reporting culture, poor management of complaints or general lack of interest in consumer’s feedback.

As outlined in the Targeting Zero review, organisational governance and culture can significantly impact patient safety and are known as recurring features of serious failings in care. For example, negative culture is directly linked to communication, collaboration and engagement breakdown, which are lead indicators of increased harm and poor patient outcomes. Weaknesses in governance and leadership, further accentuate the risk by potentially failing to identify and/or rectify issues early or effectively.

Monitoring weaknesses in governance and culture allows for early identification of risks to patient safety before they start to manifest in patient outcomes.

**Third party reports**

Consistent with Targeting Zero review recommendations, the department is establishing formal arrangements to support cross agency information sharing with the Victorian Managed Insurance Authority (VMIA), the Australian Health Practitioner Regulation Agency (AHPRA), the Office of the Health Complaints Commissioner (HCC) and the Mental Health Complaints Commissioner.

It is anticipated that these arrangements will inform the new risk assessment approach by providing routine and ad-hoc advice on risks and/or other concerns relating to patient safety, governance or cultural risks.

Recommendations from other ad-hoc reviews initiated by the department, Safer Care Victoria, the Victorian Auditor General’s Office (VAGO), the Independent Broad-based Anti-corruption Commission (IBAC), Worksafe and so on, would also be used to inform the new risk assessment approach.

Likewise, outcomes from specialist reports (such as the Victorian Perinatal Services Performance Indicators (PSPI) report, the consultative councils for obstetric and paediatric, surgical and anaesthetic mortality (CCOPMM) report, the Victorian Audit of Surgical Mortality (VASM)) that require escalation to a performance conversation will also be identified and reported in the new performance risk assessment.
Step 2 - Risk analysis

Once risks flags have been identified for each input area they are evaluated in terms of:

- the number of risk measures not met in each domain and evidence of improvement or deterioration
- the presence and magnitude of any underlying risk factors and
- the presence and magnitude of any concerns identified from third party reports/other intelligence.

Assessment of risk level

Risk analysis is undertaken for each of the three risk identification input areas and across each domain, resulting in a total of 12 risk levels being determined.

In relation to performance measures, higher risk ratings are assigned where a larger proportion of are not met and there is evidence of deteriorating trends. For example, a high risk rating applies for a domain where over 30 percent of measures were not met and there are no signs of improvement.

As such, only measures that have not been met and are showings signs of deterioration are captured by the percentage thresholds described in Table 1. This approach is consistent with the recommendations by the Targeting Zero review thus acknowledging and supporting health services to improve as opposed to just meeting a targets.

Table 1 – Risk measures analysis

<table>
<thead>
<tr>
<th>Percentage of KPIs not met and with worsening trends</th>
<th>Risk level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10%</td>
<td>Low risk</td>
</tr>
<tr>
<td>10–30%</td>
<td>Medium Risk</td>
</tr>
<tr>
<td>Over 30%</td>
<td>High risk</td>
</tr>
</tbody>
</table>

In relation to the other two risk input areas, the assigned level of risk for each domain increases where there is evidence of significant underlying risk factors or outstanding concerns from third party reports / other intelligence. Refer Table 2 and 3.

Table 2 – Underlying risk factors analysis

<table>
<thead>
<tr>
<th>Presence of underlying risks</th>
<th>Risk level</th>
</tr>
</thead>
<tbody>
<tr>
<td>No significant risks</td>
<td>Low risk</td>
</tr>
<tr>
<td>Some underlying risks</td>
<td>Medium Risk</td>
</tr>
<tr>
<td>Significant underlying risks</td>
<td>High risk</td>
</tr>
</tbody>
</table>
Table 3- Third party and other intelligence analysis

<table>
<thead>
<tr>
<th>No major concerns</th>
<th>Low risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Some concerns</td>
<td>Medium Risk</td>
</tr>
<tr>
<td>Significant outstanding concerns</td>
<td>High risk</td>
</tr>
</tbody>
</table>

Risk rating by domain

As indicated earlier, a fundamental shift in the new PMF assessment methodology is the removal of the former performance assessment score (PAS), thus eliminating any aggregation issues shown by the Targeting Zero review to potentially mask underperformance in critical areas such as patient safety and quality.

In the new framework, performance risk is assessed across each performance domain by taking into account the level of risk from each of the input categories. Accordingly, if one risk input category is identified as high risk, the risk of the entire domain is elevated to high. Refer Table 4.

Table 4 –risk rating for each domain

<table>
<thead>
<tr>
<th>All low risk</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any medium risk, no high risk</td>
<td>Medium</td>
</tr>
<tr>
<td>Any high risk</td>
<td>High</td>
</tr>
</tbody>
</table>

For example, if a health service met all the Governance, Leadership and Culture measures and was therefore assessed as low risk against the ‘risk measures’ input of that domain, but there were significant issues relating to governance or culture relating to ‘underlying risks factors’ or ‘third party reports/other intelligence’ were high, the risk score of the entire domain is automatically elevated to high.

Summary comments outlining the assessment rationale are also captured in the new assessment tool and validated further in consultation with the respective health service and other stakeholders including Safer Care Victoria and relevant program areas in the department.
Step 3 - Performance assessment outcome

The new performance framework includes four levels of monitoring, support and intervention:

- High performer
- Standard Monitoring (with/without a risk mitigation plan)
- Performance support
- Intensive monitoring.

In determining the level of monitoring, support or intervention required, the department takes into account the risk level for each domain and progress towards risk mitigation.

Table 5 summarises the criteria used to guide this determination (for example, the higher the risk across the domains and the lesser the progress to mitigate the risk, the closer the monitoring, support and intervention required).

Table 5: Criteria for determining the level of monitoring, support and intervention

<table>
<thead>
<tr>
<th>High Performer</th>
<th>Better than target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low risk across all domains</td>
</tr>
<tr>
<td></td>
<td>Industry leader</td>
</tr>
<tr>
<td>Standard Monitoring (with or without risk mitigation plan)</td>
<td>Low risk across all domains or One or more domains medium risk with risk mitigation plan for each in place and working</td>
</tr>
<tr>
<td>Performance support</td>
<td>High risk on any domains or Medium risk with risk mitigation plan in any domain not working</td>
</tr>
<tr>
<td>Intensive monitoring</td>
<td>High risk on two or more domains Service review may be required for performance issues</td>
</tr>
</tbody>
</table>

Performance levels are determined quarterly, unless serious concern or emerging risks requires more immediate escalation and intervention. The department assigns the level of performance after consultation with the Health Service’s executives and other expert input such as SCV and the Office of the Chief Psychiatrist.

The rationale for the assigned level of monitoring, support or intervention is documented in the risk assessment tool alongside any agreed actions and timelines for remediation. Refer Figure 7.

Where relevant, the department may use its discretion to adjust the level of monitoring, support or intervention required by taking into account evidence of improvement or expert advice.

Such discretionary decisions are however dependent on the magnitude of underperformance, the capacity or demonstrated level of remediation as well as any significant issues relating to governance and culture, given their risk to achieving and supporting sustained improvement.

While every effort has been made to optimise the assessment methodology and its sensitivity settings for each risk input and across the domain, further review and refinement is anticipated post-implementation (for instance as a mid-year refresh, by Quarter 3, 2017).
Step 4 - Risk mitigation, monitoring and support

As outlined in Table 6, monitoring levels intensify proportionate to the level of underperformance and safety risk. Increasing levels of consultation, support and intervention strategies are tailored depending on the levels of monitoring required.

Table 6 – Monitoring, support and intervention strategies

<table>
<thead>
<tr>
<th>Monitoring level</th>
<th>Monitoring, support and intervention strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>High performer</td>
<td>Quarterly meetings with the department</td>
</tr>
<tr>
<td></td>
<td>Strategic discussion for further improvement or system leadership opportunities</td>
</tr>
<tr>
<td>Standard Monitoring (with or without risk mitigation in train)</td>
<td>Quarterly performance meetings</td>
</tr>
<tr>
<td></td>
<td>Routine performance risk assessment</td>
</tr>
<tr>
<td></td>
<td>Progress update on risk mitigation plan, where relevant</td>
</tr>
<tr>
<td>Performance Support</td>
<td>Closer monitoring of performance and remediation plan progress by the department</td>
</tr>
<tr>
<td></td>
<td>Six weekly or more regular performance meetings as determined by the department</td>
</tr>
<tr>
<td></td>
<td>Support to undertake and sustain improvement by:</td>
</tr>
<tr>
<td></td>
<td>Engaging an independent expert to review clinical practice, governance or financial concerns and make recommendations for improvement</td>
</tr>
<tr>
<td></td>
<td>Seeking SCV ’s input and support with further improvement</td>
</tr>
<tr>
<td></td>
<td>Appointing an independent expert to the Health Service’s Safety and Quality committee</td>
</tr>
<tr>
<td>Intensive Monitoring</td>
<td>Monthly performance review meetings</td>
</tr>
<tr>
<td></td>
<td>Discussions between the department and the board chair regarding strategies related to governance, leadership and culture that may have an impact on performance improvement goals</td>
</tr>
<tr>
<td></td>
<td>More direct intervention including imposed external service review and/or appointment of a board delegate</td>
</tr>
</tbody>
</table>
High performing health services

In the new PMF, high performing health services will be identified for their contribution to improved performance and recognised as system wide leaders. The ‘high performer’ level applies to health services with excellent performance across all performance domains. Health services identified as high performers will meet quarterly with the department to discuss not only individual performance priorities but also strategic and/or sector wide objectives and leadership opportunities.

Key features of a high performing health service

- delivers high quality care evidenced by improved patient outcomes including low/decreasing rates of preventable harm and timely access to care
- positive patient experience as evidenced from patient/carer’s feedback
- strong organisational culture as evidenced from staff feedback and other reports including cross-agency information
- effective governance and strategic leadership as evidenced from proactive risk management and continuous quality improvement and
- effective financial management.

Health services with a high burden of risk

Intensive monitoring is the most intense form of monitoring and applies to health services with significant areas of under-performance or those carrying a high burden of risk to patient safety or service delivery. In this instance, departmental intervention intensifies by increasing the regularity of performance interactions and escalating the range of interventions and support to achieve the required turnaround.

Key features of a health service with a high burden of risk:

- inherent vulnerabilities (for example, rurality, high reliance on locums and International Medical Graduates, rapid population growth)
- demonstrated pattern of poor care outcomes including significant incidents, complaints and repeated failure to meet KPIs
- weak governance or leadership including ineffective risk identification and/or mitigation strategies and poor financial management
- poor safety culture, including low incident reporting, evidence of bullying and staff disengagement.

Performance improvement

The department supports open dialogue with health services to discuss and address performance concerns as soon as they are identified. The department seeks that in the first instance risks are investigated by the health service and evidence of improvement provided to the department as part of the routine performance review meetings or separate correspondence.

Where relevant, input from SCV, respective program areas and/or other experts may be thought to support health services in developing and/or implementing more targeted improvement.

Depending on the level of risk and nature of under-performance, a plan for improvement/remediation is agreed between the health service and the department. SCV will provide expert input in the development and progress in relation to Quality and Safety improvement plans.
Where performance improvement involves implementing new models of care or service redesign, program areas, SCV, and the Office of the Chief Psychiatrist will work with health services to reorient care provision to meet acceptable standards of care.

**Performance escalation**

In some cases, performance issues or risks will trigger a higher level of health service monitoring and intervention by the department to ensure that appropriate action is taken to address performance concerns and minimise the risk to patients or health service.

For example, there may be instances where the department may assign individuals to work with the health service to develop and implement a performance improvement strategy and/or the department may commission reviews of the health service’s operational effectiveness and sustainability.

The initial level of escalation and response is based on the seriousness of the performance issue and assessment of risk. The department will consider and determine if an issue warrants formal performance escalation following engagement with health service executives.

More serious concerns may necessitate more drastic action including an independent review of health service governance and management capability. This may include the board chair being required to demonstrate that the organisation is able to achieve turnaround within a reasonable timeframe, change to membership of the board and/or appointment of an administrator or delegate. *The Health Services Act 1988* sets out the powers of the Minister regarding inadequate performance.

Where a delegate has been appointed to a health service board, the health service will remain on intensive monitoring until the end of the delegate’s appointment.
Operationalising performance monitoring

Role and responsibilities

The Department of Health and Human Services

The Department of Health and Human Services is the system manager of the Victorian health care system. It advises government on health strategy, policy, planning, funding allocation and performance oversight of health services. Its vision is to achieve the best health, wellbeing and safety of all Victorians so that they can live a life they value.

The department will strengthen its performance oversight role by:

• implementing a new - risk based - performance monitoring approach and associated tools
• partner with health services to identify and mitigate performance risks early and effectively
• support or intervene to ensure long term and sustained performance improvement
• facilitate better sector consultation and communication, including information on departmental policy directions and sharing with other relevant agencies
• make better use of available data and third party intelligence
• maximise input from Safer Care Victoria, and other experts/clinical leaders
• enhance board skills and capabilities in clinical governance and other information required to ensure high quality and safe care
• provide staff with training and mentoring in performance management and quality improvement and the tools to enable them to have an effective performance improvement role.

The department will call on SCV, the Office of the Chief Psychiatrist and VAHI as key partners to help manage and improve sector wide performance.

Safer Care Victoria

Safer Care Victoria (SCV) was established as part of the Government’s response to the Targeting Zero review. It is the peak state authority for leading quality and safety improvement in healthcare. Its role is to oversee and support Victorian health services to provide safe, high quality care.

As well as monitoring the standards of care provided, SCV is partnering with consumers and their families, clinicians and health services to support continuous improvement in healthcare. There is a strong focus on listening to patients’ voices and ensuring patients and patient outcomes remain at the centre of safety and quality conversations. In terms of quality and safety performance, SCV will set expectations and lead improvement efforts across the sector.

One of Safer Care Victoria’s aims is to provide patients, clinicians and hospitals with tools and resources to improve quality and safety in the health system.

The Office of the Chief Psychiatrist

The Chief Psychiatrist provides system-wide oversight of Victoria’s public mental health services. Supported by the Office of the Chief Psychiatrist, the role supports quality and safety in services provided to some of Victoria’s most vulnerable people. The role (s120) and functions (s121) of the Chief Psychiatrist are under the Mental Health Act 2014.
The responsibilities under the Act include clinical leadership and quality and safety improvements across Victoria’s public mental health system. The activities undertaken by the office are far ranging and include assisting services in developing and implementing clinical best practice approaches and advice to the sector, undertaking reviews, audits and investigations as required, and to promote continuous improvement in areas of quality and safety.

The Office of the Chief Psychiatrist incorporates the work of the Office of the Chief Mental Health Nurse. The Chief Mental Health Nurse provides nursing leadership and supports mental health nursing through education and training, promotion of best practice and workforce planning and development. The Chief Mental Health Nurse and her staff make a significant contribution to systems improvements with a focus on safety through such programs as Safe wards and the work of the Reducing Restrictive Interventions Committee.

Victorian Agency for Health Information

The Victorian Agency for Health Information (VAHI) is a new agency that analyses and shares information across the health system. It is responsible for developing relevant and meaningful measurement of patient care and outcomes for the purpose of public reporting, oversight and clinical improvement. Accordingly, the Agency plays a key a role in data management, standards and integrity.

VAHI’s key functions include:

- collecting, analysing and sharing data so that the community is better informed about health services and health services receive better information about their performance
- providing boards, health executives and clinicians with the information they need to best serve their communities and provide better, safer care
- providing patients and carers with meaningful and useful information about care in their local community
- improving researchers’ access to data to create evidence that informs the provision of better, safer care.

To achieve its objectives, it is vital that VAHI receives accurate and quality data from public and private providers of health services.

Health services

Victoria’s public health services are independent legal entities established under the Health Services Act 1988. They are governed by boards of directors, the members of which are appointed by the Governor-in-Council on recommendation of the Minister for Health. The board oversees the health service on behalf of the Minister and in accordance with government policy and its legal obligations.

Health services discharge their obligations under this framework by:

- partnering with the department and other agencies to improve health service and system wide performance
- reporting promptly to the department any emerging risks or potential performance issues including immediate action taken
- establishing and maintaining a culture of safety and performance improvement within the health service
- ensuring accurate and timely submission of data and other information, including formal risk mitigation plans and status update reports
- collaborating with other health services and health system partners to meet the health needs of their communities.
Performance meetings

Performance review meetings are usually undertaken quarterly and include a mid and end of year review of the SOP Part A actions. The department initiates additional meetings at the request of the health service or, where emerging issues have been identified or performance escalation initiated.

The new risk assessment tool provides the baseline for analysing performance at the performance meeting.

Progress updates on remediation plans or recommendations from third party reports are considered as part of the performance discussion, as well as emerging performance risks or trends that may affect future performance.

Required representation from the Department and Health Services will depend on the level and areas of performance concern. Attendance is kept to a minimum to facilitate efficient conduct of agenda with core group ensuring coverage of each aspect of performance. SCV representation will feature regularly at future performance review meetings, particularly where quality and safety concerns are apparent.

Performance monitoring tools

As determined by legislation, the Statement of Priorities (SOP) is the key service delivery and accountability agreement between health services and the department. It outlines key deliverables and performance targets to be achieved by the health services within the allocated annual budget. Performance against these is monitored via the Victorian Performance Monitor Report (Monitor) and reported publicly.

As indicated earlier, the new performance risk assessment expands beyond the performance measures agreed in the SOP and reported in Monitor report and publically, to ensure that other concerns or emerging risks from the PRISM, other program reports or cross-agency information are also considered.

Monitor report


The Monitor is produced monthly, and provides interim results of indicators and measures across each performance domain. It is distributed monthly to chief executive officers (CEOs), the Minister for Health and the Minister for Mental Health and quarterly to board chairs.

The Monitor is also produced annually using the consolidated annual activity data and audited financial results. This is distributed to health service CEOs, board chairs, the Minister for Health and the Minister for Mental Health.

The Ambulance Victoria Monitor reports ambulance service performance against indicators outlined in the Statement of Priorities (Part B) as well as a broader set of program measures on Ambulance Victoria activity. Produced monthly, the Ambulance Victoria Monitor presents interim results for a range of indicators across the different performance domains.

While some of these measures are more specific to Ambulance Victoria requirements, there are a number of common performance indicators, particularly in relation to financial sustainability and quality, which are included in the statewide monitor and respective peer monitor reports to allow for improved benchmarking across the system.

The Ambulance Victoria Monitor is distributed to the Ambulance Victoria CEO and the Minister for Ambulance Services monthly and to the board chair quarterly. An annual Ambulance Victoria Monitor report is produced using the consolidated annual activity data and audited financial results. This is distributed to the CEO and the board chair.
A Forensicare Monitor report is being developed to report on performance against the indicators outlined in the Statement of Priorities (Part B) and a broader set of program measures specific to Forensicare requirements.

The Small Rural Health Services Monitor (‘SRHS Monitor’) reports on small rural health service performance against the indicators outlined in the Statement of Priorities (Part B and Part C) as well as a broader set of program measures on health service activity. The SRHS Monitor is also produced for the multi-purpose services. The SRHS Monitor is distributed to CEOs and the Minister for Health monthly, and to board chairs quarterly. An annual SRHS Monitor report is produced using the consolidated annual activity data and audited financial results. This is distributed to CEOs, board chairs and the Minister for Health.

**Reporting performance against the Statement of Priorities (Part A)**

Performance against the actions and deliverables committed to in the Statement of Priorities (SoP) are formally reported in health services’ annual reports at the end of the financial year as consistent with the annual report guidelines (report of operations). Health services are expected to also provide a half yearly progress report on achieving Part A action items and associated deliverables.

**The Program Report for Integrated Service Monitoring**

The Program Report for Integrated Service Monitoring (PRISM) includes a broader set of measures than the Victorian Performance Monitor on health service activity and system performance. It supports the Monitor by providing further context of performance and supports health services to further benchmark their performance against similar health services. For the small rural health services, this information is incorporated in the SRHS Monitor.

The PRISM report is distributed to CEOs and board chairs quarterly. The department encourages health services to disseminate PRISM to relevant staff within their organisation. An annual PRISM report is produced using the consolidated annual activity data and audited financial results. This is also distributed to CEOs and board chairs.

**Inspire**

Inspire is being developed by the Victorian Agency for Health Information (VAHI) specifically for use by clinicians in response to the report Targeting Zero review. A key theme of Targeting Zero review is a need to improve the flow of information in the health system to facilitate identification of deficiencies in care and focus attention on opportunities for improvement.

Inspire is intended to support conversations on safety and quality performance among clinicians and health service management. This report differs to Monitor and PRISM as small patient counts are reported, where appropriate, to demonstrate clinical variation, promote review of individual cases and support hospitals to ‘target zero’. For the same reason, data are also included for low volume health services, which are not routinely included in other reports.

While early reports will focus on those safety and quality measures that are currently reported, future issues will be informed by advice from VAHI’s Clinical Measurement and Reporting Committee on the range of measures and priorities for clinical information, priorities identified by Safer Care Victoria and feedback received from users of the report.

**Board quality report**

The Board Safety and Quality Report is produced quarterly by the Victorian Agency for Health Information for board members of Victorian health services. The report was developed in response to recommendation from Targeting Zero review.
The Board Safety and Quality Report aims to increase access for boards to independent information on the performance of health services. It is intended to supplement the information already provided to boards by their executives. The report has been designed to acknowledge the different depths of clinical knowledge, awareness of the safety and quality measures and levels of experience with interpreting data.

**Performance breaches**

Failure to achieve the following KPIs is considered a performance breach and requires immediate escalation to the department by health services:

- Emergency Care Triage Category 1
- Emergency Department 24 hours waiting time
- Elective Surgery Category 1 admissions
- Accreditation criteria not met.

Health services are required to notify the department (via the Director Commissioning, Performance and Regulation) within 24 hours of the breach or becoming aware of the breach, advising of the circumstances and response to the breach including whether or not patient safety has been compromised.

In circumstances where accreditation criteria has not been met, a significant risk has been identified during the survey or the health service has not been awarded accreditation, the department needs to be notified immediately.

As outlined in the [Accreditation - performance monitoring and regulatory approach business rules](https://www2.health.vic.gov.au/hospitals-and-health-services/quality-safety-service/hospital-accreditation/policy-on-accreditation) the Department has a jurisdictional regulating role in intervening if a health service does not successfully achieve accreditation.

Performance breached will be included as a separate item for discussion at the performance meeting, targeting proactive initiatives and strategies that can prevent similar performance issues in the future.

**Force majeure**

The department acknowledges that from time-to-time, unforeseen events or force majeure may occur that adversely impact on health service performance. In these instances, it is important to consider bona fide concerns, which were extraordinary and genuinely unforeseen events beyond the control of the organisation that affected service delivery or reporting requirements (such as internal or external disasters or third-party-related failures leading to the interrupted service delivery).

Where such circumstances have a significant impact on performance, a health service may request that the department consider a ‘force majeure’ claim. The process should not be applied to ad hoc operational difficulties or for planned service interruptions such as capital works or ICT upgrades.

When a health service is reliant on services provided by a third party, the health service is responsible for ensuring that, as far as practicable, the service is of an acceptable quality and delivered in a timely manner. For this reason, the failure of a third party to deliver a product or service is not in itself regarded as acceptable grounds for a force majeure. Difficulties related to software conversion are not a force majeure unless it can be demonstrated that reasonable steps were taken to ensure the continuity of data collection and data recovery.

In applying the force majeure policy, the performance result of a health service will not change, but the department will consider adjusting the assessment, depending on the circumstances.
Submitting a force majeure request

Individual health services may make a formal request for consideration to the Director, Commissioning, Performance and Regulation. The request should clearly indicate the event(s) affecting performance against targets and include supporting data and documentation.

The department will only consider issues of force majeure retrospectively. Health services should not apply for a force majeure in anticipation of poor results.

The department may use its discretion in extraordinary circumstances to apply a force majeure across the sector.
Changes to performance measures

This section summarises key changes to the performance measures including updated targets and reporting requirements. It is complemented by a separate document that will be prepared by VAHI, which will outline individual business rules for each performance measure.

Consistent with the new performance framework’s objectives, changes to performance measures reflect an increased focus on quality and safety, in particular patient experience and outcomes. New measures relating to governance and culture are also included to better support performance monitoring and improvement in this area.

Where appropriate, outcome measures have been selected in lieu of process measures. For example, measures relating to mortality or readmission are now included in the new performance risk assessment.

Measures relating to compliance with data submission have been deleted, replaced or reallocated. For example, compliance with data submission for Victorian Health Care Experience Survey (VHES) and the Victorian Healthcare Associated Infection Surveillance System (VICNISS) has been deleted. Obligation to submit an annual basic asset management plan is now incorporated in the Policy and Funding Guidelines. As recommended by the Targeting Zero review, compliance with cleaning standards has been replaced with an VHES question relating to patient’s perception of cleanliness.

Performance thresholds have been deleted and targets or risk flags have been specified for all measures.

High quality and safe care related measures

Patient outcomes

Death in low mortality DRGs and sentinel events will now feature in the 2017–18 SOP (part B) and be reported in the Monitor report.

Any low mortality DRG or sentinel event will constitute a quality and safety risk flag and health services will be expected to notify the department and SCV of the outcomes of their investigation into these events.

Outliers relating to hospital acquired surgical site infections (SSI) will continue to be assessed and reported as a consolidated measure. However, performance against its subcategories will also be monitored. These include: SSI post cardiac bypass, SSI post hip prosthesis, SSI post knee prosthesis, SSI post C section and SSI post colorectal surgery.

Patient experience

The current measure of overall patient experience of acute inpatient care as determined from the Victorian Health Care Experience Survey (VHES) will remain unchanged, including the statewide target of 95 percent. Consistent with the increasing focus on patient experience, expected performance against this measure is very high. Accordingly, health services with rates below 90 percent against this measure will be flagged as poor performers.

In addition, a more detailed assessment of the key aspects of the overall patient experience will be undertaken. For example, the patient’s experience with their involvement in the care and treatment, or health care professionals explaining things in an understandable way. While there are no specific targets for these sub-measures, performance risk flags have been identified for each of the 4 aspects of the overall patient experience as outlined in Appendix 1.
Overall transition of care measure will remain unchanged, including the statewide target of 75 percent. However, the key questions that make up this composite measure will be disaggregated and performance monitored against each question. The Department is reviewing the question in relation to information received by the GP and will aim to introduce a replacement measure with the next PMF revision.

As indicated earlier, the current measure relating to patient’s reported experience of cleanliness will be updated to capture the patient’s opinion of cleanliness for both the ward or room they were in, as well as the toilets and bathrooms.

Improvement trends relating to patient experience will be determined based on performance results across the previous two quarters.

**Aboriginal health**

The current measure relating to post-natal care has been deleted, but two new measures relating to maternity care and health promotion outcomes for aboriginal mothers introduced as part of the new performance assessment (for example, perinatal mortality and smoking cessation at 20 weeks).

**Health promotion**

Every patient contact and/or admission provides an opportunity for promoting good health practices to patients and their families. Advice from healthcare professionals can make a significant contribution towards better health behaviour of patients, be it related to nutrition, smoking or physical activity. Consumer input and various community partnerships could also help in this manner.

Accordingly, health services are encouraged to demonstrate more active involvement in health promotion activities, initially through progress against the action statements identified in the SOP Part A.

**Strong governance, leadership and culture**

The aggregate safety culture measure is retained including the current target of 80 percent positive responses however the frequency of the People Matter Survey has been increased from bi-annual to annual.

In addition, performance against the eight individual safety culture questions will be monitored and reported in the new risk assessment tool. This approach is consistent with the Targeting Zero review, which recommends closer monitoring of performance for each of the eight questions making up the overall safety culture indicator. In particular, less than 80 percent positive responses to Question 8 (would you recommend a friend or relative to be treated as a patient here?) will be treated as a high performance risk.

Staff perception of safety including observed or experienced bullying will continue to be monitored primarily through the bullying questions outlined in the People Matter Survey with response rates reported in PRISM but also as part of the new performance assessment process. Associated questions relating to bullying complaints will be monitored and reported as part of the safe culture underlying risk assessment.

A similar approach is implemented for Occupational Violence rates as reported by Worksafe. These rates will continue to be reported in PRISM and significant concerns captured as part of the new performance risk assessment in the 3rd party reports/other intelligence sources assessment.

Learner’s perception of safety including observed or experienced bullying as identified from the mandatory Best Practice Clinical Learning Environment (BPCLE) survey will be used to provide additional context to potential safety culture or bullying concerns identified from the People Matter Survey and/or other reports.
**Timely access to care**

The measure relating to the twenty per cent longest waiting category 2 and twenty per cent longest waiting category 3 patient removals from the elective surgery waiting list has been replaced with a new metric that measures the proportion of patients on the waiting list who have waited longer than clinically recommended time, regardless of ‘ready for surgery’ status.

**Ambulance Victoria**

In line with Ambulance Victoria’s new service model, measures relating to CERT response times and clinical practice compliance have been deleted. However, to retain a more comprehensive view of the emergency activity performance a number of new response times measures have been introduced relating to emergency Priority 0.

Targets have also been updated for call referrals, stroke and trauma patient transport, cardiac survival to hospital and on hospital discharge. Refer Appendix 1.
Appendices

Appendix 1 - Performance Risk Assessment measures
Appendix 2 – Underlying risks assessment
Appendix 3 – The new risk assessment tool
Appendix 4 – Guide to the risk assessment tool
## Appendix 1 - Performance Risk Assessment measures

### High quality and safe care

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<th>KPI description</th>
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<td><strong>Accreditation</strong></td>
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<tr>
<td>Healthcare accreditation</td>
<td>Accreditation</td>
<td>Accreditation against the National Safety and Quality Health Service Standards (or equivalent for AV and Forensicare)</td>
<td>Accredited * #</td>
<td>SOP/monitor</td>
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<td>Residential aged care accreditation</td>
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<tr>
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<td>80% #</td>
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<td>Healthcare worker immunisation</td>
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<td>75% *#</td>
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<tr>
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<td>Patient Experience</td>
<td>% Inpatients overall experience at Thomas Embling Hospital</td>
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<tr>
<td>Program</td>
<td>KPI</td>
<td>KPI description</td>
<td>Target / Risk trigger</td>
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<tr>
<td>% Community patients overall experience at Community Forensicare Mental Health Services</td>
<td>% Community patients overall experience at Community Forensicare Mental Health Services</td>
<td>90%</td>
<td>Forensicare SOP/Monitor</td>
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<td>Number of SSI post hip prosthesis</td>
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<td>Inspire</td>
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<td></td>
<td>Number of SSI post knee prosthesis</td>
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<td></td>
<td>Number of SSI post C section</td>
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<tr>
<td>ICU CLABSI</td>
<td>Number of patients with ICU central line-associated blood stream infection (CLABSI)</td>
<td>Nil</td>
<td>SOP/Monitor</td>
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<td>SAB</td>
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<td>≤ 1/10,000</td>
<td>SOP/Monitor</td>
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</tr>
<tr>
<td>Sentinel Events</td>
<td>Number of Sentinel Events</td>
<td>Nil #</td>
<td>SOP/Monitor</td>
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<tr>
<td>Mortality</td>
<td>Number of deaths in low mortality DRGs</td>
<td>Nil</td>
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<tr>
<td>Adverse Events</td>
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<td>Percentage of adult acute mental health inpatients who are readmitted within 28 days of discharge</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>Rate of seclusion events relating to a child and adolescent acute mental health admission</td>
<td>≤ 15/1,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rate of seclusion events relating to an adult acute mental health admission</td>
<td>≤ 15/1,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rate of seclusion events relating to an aged acute mental health admission</td>
<td>≤ 15/1,000</td>
<td></td>
</tr>
<tr>
<td>Post-discharge follow-up</td>
<td></td>
<td>Percentage of child and adolescent acute mental health inpatients who have a post-discharge follow-up within seven days</td>
<td>75%</td>
<td>SOP/Monitor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of acute mental health adult inpatients with post-discharge follow-up within seven days</td>
<td>75% #</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of acute mental health aged inpatients who have a post-discharge follow-up within seven days</td>
<td>75%</td>
<td></td>
</tr>
<tr>
<td>Maternity and newborn</td>
<td>APGAR score</td>
<td>Rate of singleton term infants without birth anomalies with APGAR score &lt;7 to 5 minutes</td>
<td>≤1.6%</td>
<td>SOP/Monitor</td>
</tr>
<tr>
<td></td>
<td>FGR</td>
<td>Rate of severe foetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks</td>
<td>≤ 28.6%</td>
<td>SOP/Monitor</td>
</tr>
<tr>
<td>Aboriginal Health</td>
<td>Mortality</td>
<td>Perinatal Mortality</td>
<td>13.6/1000 (3 years rolling average)</td>
<td>BP3</td>
</tr>
<tr>
<td>Health prevention</td>
<td>Smoking cessation rate (before and after 20 weeks)</td>
<td>37.6%</td>
<td>Victorian Perinatal Services Performance Indicators report (PSPI)</td>
<td></td>
</tr>
<tr>
<td>Program</td>
<td>KPI</td>
<td>KPI description</td>
<td>Target / Risk trigger</td>
<td>Reported</td>
</tr>
<tr>
<td>---------</td>
<td>-----</td>
<td>----------------</td>
<td>----------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Continuing care</td>
<td>FIM efficiency</td>
<td>Functional independence gain from admission to discharge relative to length of stay. Expressed as a combined measure that includes both GEM and rehabilitation results</td>
<td>≥ 0.39 (GEM) and ≥ 0.645 (Rehab)</td>
<td>SOP/Monitor</td>
</tr>
<tr>
<td>Patient satisfaction</td>
<td></td>
<td>Percentage of emergency patients satisfied or very satisfied with the quality of care provided by paramedics</td>
<td>95%</td>
<td>AV SOP/Monitor</td>
</tr>
<tr>
<td>Pain reduction</td>
<td></td>
<td>Percentage of patients experiencing severe cardiac or traumatic pain whose level of pain was reduced significantly</td>
<td>90%</td>
<td></td>
</tr>
<tr>
<td>Stroke patients transport</td>
<td></td>
<td>Percentage of adult stroke patients transported to definitive care within 60 minutes</td>
<td>90%</td>
<td></td>
</tr>
<tr>
<td>Trauma patients transport</td>
<td></td>
<td>Percentage of major trauma patients that meet destination compliance</td>
<td>85%</td>
<td></td>
</tr>
<tr>
<td>Cardiac survival to hospital</td>
<td></td>
<td>Percentage of adult cardiac arrest patients surviving to hospital</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Cardiac survival on hospital discharge</td>
<td></td>
<td>Percentage of adult cardiac arrest patients surviving to hospital discharge</td>
<td>25%</td>
<td></td>
</tr>
</tbody>
</table>

**Strong governance, leadership and culture**

<table>
<thead>
<tr>
<th>Risk</th>
<th>KPI description</th>
<th>Target/Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Culture</td>
<td>Safety culture</td>
<td>Percentage of staff with an overall positive response to safety cultures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Staff encouraged to report patient safety concerns</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Patient care errors are handled appropriately</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Suggestions about patient safety are acted upon</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Culture conducive to learning from errors</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Management driving safety centred organisation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Training new and existing staff</td>
</tr>
</tbody>
</table>
## Risk

<table>
<thead>
<tr>
<th>Risk</th>
<th>KPI description</th>
<th>Target/Risk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Trainees are adequately supervised</td>
<td>80%*#</td>
</tr>
<tr>
<td></td>
<td>Would staff recommend a friend or relative to be treated as a patient there</td>
<td>80%*#</td>
</tr>
<tr>
<td>Staff engagement</td>
<td>Low response rates to People Matter Survey</td>
<td>&lt;=30%*#</td>
</tr>
<tr>
<td>Bullying</td>
<td>% staff who personally experienced bullying at work in last 12mths / PMS responses</td>
<td>Risk flag &gt;= 20/PMS responses*#</td>
</tr>
</tbody>
</table>

### Learner’s experience

<table>
<thead>
<tr>
<th>Safety</th>
<th>% learners feeling safe at the organisation / total number of respondents</th>
<th>Risk flag &lt;= 80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wellbeing</td>
<td>% learners having a sense of wellbeing at the organisation /total number of respondents</td>
<td>Risk flag &lt;= 80%</td>
</tr>
<tr>
<td>Bullying</td>
<td>% who reported experiencing or witnessing bullying at the organisation/total number of respondents</td>
<td>Risk flag &gt;= 20%</td>
</tr>
</tbody>
</table>

## Timely access to care

<table>
<thead>
<tr>
<th>Program</th>
<th>KPI</th>
<th>KPI description</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency care</td>
<td>40-minute transfer</td>
<td>Percentage of patients transferred from ambulance to ED within 40 minutes</td>
<td>90%*</td>
</tr>
<tr>
<td></td>
<td>Triage 1</td>
<td>Percentage of triage category 1 emergency patients seen immediately</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Triage 1–5</td>
<td>Percentage of triage category 1 to 5 emergency patients seen within clinically recommended time</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>ED &lt; 4 hours</td>
<td>Percentage of emergency patients with a length of stay in the ED of less than four hours</td>
<td>81%</td>
</tr>
<tr>
<td></td>
<td>ED &gt; 24 hours</td>
<td>Number of patients with a length of stay in the ED greater than 24 hours</td>
<td>0</td>
</tr>
<tr>
<td>Elective surgery</td>
<td>Cat 1 admit</td>
<td>Percentage of urgency category 1 elective surgery patients admitted within 30 days</td>
<td>100%</td>
</tr>
</tbody>
</table>

SOP/Monitor
<table>
<thead>
<tr>
<th>Program</th>
<th>KPI</th>
<th>KPI description</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cat 1, 2 &amp; 3 admit</td>
<td>Percentage of urgency category 1, 2 and 3 elective surgery patients admitted within clinically recommended time</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>Reducing long waiting elective surgery patients</td>
<td>Proportion of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category</td>
<td>5% or 15% proportional improvement from prior year</td>
</tr>
<tr>
<td></td>
<td>ESWL</td>
<td>Number of patients on the elective surgery waiting list</td>
<td>Health service specific</td>
</tr>
<tr>
<td></td>
<td>HiPS</td>
<td>Number of hospital initiated postponements per 100 scheduled elective surgery admissions</td>
<td>&lt;8/100</td>
</tr>
<tr>
<td></td>
<td>Admissions</td>
<td>Number of patients admitted from the elective surgery waiting list</td>
<td>Health service specific</td>
</tr>
<tr>
<td></td>
<td>Specialist clinics</td>
<td>Waiting time                                                                --------------------------------------------------------------------------------------------------------------------------------</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Waiting time for urgent patients referred by a GP or external specialist who attended a first appointment in the waiting period</td>
<td>SOP/Monitor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Waiting time for routine patients referred by GP or external specialist who attended a first appointment in the waiting period</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td>Ambulance Victoria</td>
<td>Response times statewide                                                                ---------------------------------------------------------------------------------------------------------------------</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of emergency (Code 1) incidents responded to within 15 minutes</td>
<td>AV SOP/monitor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of emergency (Priority 0) incidents responded to within 13 minutes</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Response times urban                                                                ----------------------------------------------------------------------------------------------------------------------</td>
<td>90%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of emergency (Code 1) incidents responded to within 15 minutes in centres with a population greater than 7,500</td>
<td>AV SOP/monitor</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Call referral                                                                ------------------------------------------------------------------------------------------------------------------------------</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of triple zero events where the caller receives advice or service from another health provider as an alternative to emergency ambulance response – statewide</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Clearing time</td>
<td>Average ambulance hospital clearing time</td>
<td>20 minutes</td>
</tr>
</tbody>
</table>
### Forensicare

<table>
<thead>
<tr>
<th>Program</th>
<th>KPI</th>
<th>KPI description</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Admissions TEH</td>
<td>Number of security patients admitted to Male Acute Units - Security</td>
<td>&gt;80</td>
</tr>
<tr>
<td></td>
<td>LOS TEH – Male acute Units – Security</td>
<td>Percentage of security patients discharged to prison within 80 days</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of security patients discharged within 21 days of becoming a civil patient</td>
<td>75%</td>
</tr>
</tbody>
</table>

### Effective financial management

<table>
<thead>
<tr>
<th>Program</th>
<th>KPI</th>
<th>KPI description</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>Operating result</td>
<td>Operating result as a percentage of total operating revenue</td>
<td>Health service specific*#</td>
</tr>
<tr>
<td></td>
<td>Creditors</td>
<td>Average number of days to paying trade creditors</td>
<td>60 days*#</td>
</tr>
<tr>
<td></td>
<td>Debtors</td>
<td>Average number of days to receiving patient fee debtors</td>
<td>60 days*</td>
</tr>
<tr>
<td></td>
<td>PP WIES</td>
<td>Public and private WIES activity performance to target</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>Adjusted current asset ratio (ACAR)</td>
<td>Variance between actual ACAR and target, including performance improvement over time or maintaining actual performance</td>
<td>0.7 or 3% improvement from HS base target*#</td>
</tr>
<tr>
<td></td>
<td>Number of days with available cash</td>
<td>Number of days a health service can maintain its operations with unrestricted available cash</td>
<td>14 days</td>
</tr>
</tbody>
</table>

* also captured in Ambulance Victoria’s SOP/Monitor
# also captured in Forensicare SOP/Monitor
### Appendix 2 – Underlying risks assessment

<table>
<thead>
<tr>
<th>Domain</th>
<th>Risk area</th>
<th>Key criteria for assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Quality and Safe Care</td>
<td>Rurality, including geographic or organisational isolation</td>
<td>Inability to attract experienced or independent board members, executives and senior clinicians&lt;br&gt; Limited back-up / succession planning capacity&lt;br&gt; Professionally isolated practitioners&lt;br&gt; Inability to manage poor performing clinicians who may be difficult to replace</td>
</tr>
<tr>
<td></td>
<td>Ability to respond to changes in community needs, particularly rapid growth in demand</td>
<td>Rapid increase in catchment population beyond physical and operational capacity (for example if located in or surrounding population growth corridors)&lt;br&gt; Flow on impact from significant local industry changes&lt;br&gt; Limited capacity to redesign services in line with changes in community profile or mix of services (up or down)</td>
</tr>
<tr>
<td></td>
<td>High reliance on Locums/Instability of Senior Clinical Role</td>
<td>Prolonged vacancies in senior clinical roles due to inability to attract or retain suitably qualified and experienced clinicians&lt;br&gt; Lack of senior clinical leadership (Director of Nursing/ Director of Clinical Services/Director of Medical Services roles not appropriately filled or appointment insufficient to requirement)</td>
</tr>
<tr>
<td></td>
<td>Reliance on new entrant IMGs</td>
<td>High reliance on international medical graduates (IMGs) due to inability to attract, recruit and retain Australian-trained junior doctors or Overseas-trained doctors with general registration&lt;br&gt; Limited supervision capacity commensurate to the number of junior staff on limited or provisional registration</td>
</tr>
<tr>
<td>Strong governance, leadership and culture</td>
<td>Board Governance</td>
<td>Lack of quorum or long standing gaps; Long tenures&lt;br&gt; Clinical or clinical governance expertise&lt;br&gt; General inexperience across the board</td>
</tr>
<tr>
<td></td>
<td>Leadership</td>
<td>Long executive tenure or recent turnover&lt;br&gt; Senior clinical engagement</td>
</tr>
<tr>
<td></td>
<td>Major capital works underway</td>
<td>Management distracted from core operation&lt;br&gt; Service continuity risks during works/transition/commissioning&lt;br&gt; Insufficient expertise in project management and/or change management</td>
</tr>
<tr>
<td></td>
<td>Safety culture</td>
<td>Evidence of bullying and poor management of complaints&lt;br&gt; Poor reporting culture of patient or staff safety incidents&lt;br&gt; High levels of staff disengagement, sick leave and turnover rates&lt;br&gt; Limited interest in consumers and their families including poor handling of complaints</td>
</tr>
<tr>
<td>Domain</td>
<td>Risk area</td>
<td>Key criteria for assessment</td>
</tr>
<tr>
<td>------------------------------</td>
<td>----------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Effective Financial Management| Financial problems  | History of financial problems including deteriorating operating result and cash position  
Inherent high costs structure to maintain service delivery  
Limited capacity to resolve emerging financial issues or not recognised and/or escalated in a timely manner  
Quality and timeliness of financial reporting and processes reflecting regular discrepancies / inaccuracies leading to a general lack of confidence in the data submitted |
## Appendix 3 – The new risk assessment tool

### Sample health service risk assessment: Quarter 1—2017–18

<table>
<thead>
<tr>
<th>Domain</th>
<th>Risk flags</th>
<th>Underlying risk factors</th>
<th>Other intelligence sources (including 3rd party reporting)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High quality and safe care</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hand Hygiene compliance rates</td>
<td>High reliance on locums/instability of senior medical workforce</td>
<td>Other flags/concerns from PSPI report</td>
</tr>
<tr>
<td></td>
<td>HCP Influenza vaccination rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICU CLABSI rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Strong leadership, governance and culture</td>
<td>Presence of bullying (as identified from People Matter Survey)</td>
<td>Board governance (for example: lack of quorum / long-standing gaps; lack of clinical or clinical governance expertise; general inexperience across the board; long tenures; absence of a quality and safety committee)</td>
<td>Other culture related feedback/concerns</td>
</tr>
<tr>
<td>Timely access to care</td>
<td>Patient waiting in ED (&gt; 4 hours)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Number of patients on the elective surgery waiting list</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective financial management</td>
<td>Operating result</td>
<td>History of financial problems (operating or cash)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Days of available cash</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Legend:**
- Red: Area of concern
- Green: Improving trend (either based on preceding periods or the same period in previous years)
- Orange: Worsening trend (either based on preceding periods or the same period in previous years)
## Risk assessment

### Risk rating for each domain

**High quality and safe care**
- **Medium**
  - Comments:
    - Three quality and safety KPIs not met this quarter
    - Currently SCV are looking at infection control issues in the hospital
    - Other quality and safety risks in maternity

**Strong leadership, governance and culture**
- **High**
  - Comments:
    - Recent exec turnover
    - Board governance concerns
    - High bullying rate reported in PMS
    - Report commissioned into culture at the health service

**Timely access to care**
- **Medium**
  - Comments:
    - Not meeting surgery wait list (but plan in place)
    - Not meeting NEAT target (but very high demand)
    - Most other access indicators OK and no other known issues

**Effective financial management**
- **Medium**
  - Comments:
    - Currently deficit operating position and savings initiatives won’t be all achieved (breakeven SOP target)
    - Issues with cash
    - Other finance indicators OK
    - History of lack of discipline in health service to control costs

### Monitoring and intervention (including actions)

**Monitoring, support and intervention levels**
- **High performer**
  - Standard monitoring
- **Performance support**
  - Intensive monitoring

**Reasons for monitoring, support and intervention level**
- Potential risk to patient outcomes relating to infection control
- Cultural and leadership concerns
- Slow progress on access and financial performance remediation
- Requires closer monitoring

**Actions / interventions**
- Performance improvement plan in progress, including:
  - Recommendations from the culture review
  - Seek advice from SCV on infection control issues and progress to remedy
  - Must continue to work with the department on the financial and access issues
## Appendix 4 – Guide to the risk assessment tool

### Assess risk categories by domain

#### Risk measures
For each domain, calculate risk level.

<table>
<thead>
<tr>
<th>Percentage of Targets Not Met</th>
<th>Risk Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10%</td>
<td>Low risk</td>
</tr>
<tr>
<td>10–30%</td>
<td>Medium risk</td>
</tr>
<tr>
<td>Over 30%</td>
<td>High risk</td>
</tr>
</tbody>
</table>

#### Underlying risk factors
For each domain, calculate risk level.

<table>
<thead>
<tr>
<th>Significant Underlying Risks</th>
<th>Risk Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>No significant risks</td>
<td>Low risk</td>
</tr>
<tr>
<td>Some significant risks</td>
<td>Medium risk</td>
</tr>
<tr>
<td>Significant underlying risks</td>
<td>High risk</td>
</tr>
</tbody>
</table>

#### Third party reports and other intelligence sources
For each domain, calculate risk level.

<table>
<thead>
<tr>
<th>Significant Outstanding Concerns</th>
<th>Risk Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>No major concerns</td>
<td>Low risk</td>
</tr>
<tr>
<td>Some concerns</td>
<td>Medium risk</td>
</tr>
<tr>
<td>Significant outstanding concerns</td>
<td>High risk</td>
</tr>
</tbody>
</table>
Determine risk ratings and performance outcome

**Risk rating for each domain of performance**

Use the combined risk levels from the left-hand side to determine the risk rating for each domain.

<table>
<thead>
<tr>
<th>All low risk</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any medium risk, no high risk</td>
<td>Medium</td>
</tr>
<tr>
<td>Any high risk</td>
<td>High</td>
</tr>
</tbody>
</table>

**Monitoring, support and intervention level**

Use the risk ratings for the domains to determine the monitoring and intervention level.

- **High performer**
  - Better than target
  - Low risk across all domains
  - Industry leader

- **Standard monitoring** (with or without risk mitigation plan)
  - Low risk across all domains OR
  - One or more domains Medium risk with risk mitigation plan for each in place and working

- **Performance support**
  - High risk on any domains OR
  - Medium risk with risk mitigation plan in any domain not working

- **Intensive monitoring**
  - High risk on two or more domains