

# Statement of Priorities

2017-18 Agreement between the Secretary of the  
Department of Health and Human Services and  
Castlemaine Health

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# 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 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 2017-18*.

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 2017–18* provides an extra \$1.67 billion over four years for health, mental health and aged care services across Victoria, including:

- \$1.3 billion over four years from 2017-18 to respond to growing patient demand across Victoria.
- \$325.7 million over four years for mental health and investment in forensic mental health services.
- \$319.8 million over four years from 2017-18 to provide additional elective surgery funding.
- \$215.1 million over five years from 2016–17 to implement the recommendations of *Targeting zero* to put patient safety first.
- Building on the investment of \$526 million in November 2016, a further \$26.5 million will help ambulances respond to every emergency even sooner.

To support this investment, the Andrews Labor Government is funding capital projects worth \$428.5 million across Victoria.

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

A well run and trusted organisation that engages with the community to provide high quality health services.

## Service profile

Castlemaine Health provides a broad range of acute, subacute, primary and community health and residential aged care services.

Key features of the service profile include maternity services, surgical and medical services, Urgent Care Unity, Subacute inpatient services, Subacute Ambulatory Care Services, Residential Aged Care beds, Commonwealth Home Support Program and a range of community based services.

## Strategic planning

Castlemaine Health strategic plan 2014 - 2019 is available online at [www.castlemainehealth.org.au](http://www.castlemainehealth.org.au).

## Strategic Priorities

In 2017-18 Castlemaine Health will contribute to the achievement of the Government's commitments by:

Goals	Strategies	Health Service Deliverables
<p><b>Better Health</b> A system geared to prevention as much as treatment</p> <p>Everyone understands their own health and risks</p> <p>Illness is detected and managed early</p> <p>Healthy neighbourhoods and communities encourage healthy lifestyles</p>	<p><b>Better Health</b></p> <p>Reduce statewide risks</p> <p>Build healthy neighbourhoods</p> <p>Help people to stay healthy</p> <p>Target health gaps</p>	<p>Further develop plans to reduce falls including installation of improved nurse call systems, regular trending of falls data and individual analysis of falls to determine preventative strategies.</p> <p>Identify gaps in mental health support / services and implement strategies to reduce those gaps through the Mt Alexander Health Alliance and in collaboration with Bendigo Health Mental Health Services.</p> <p>Support the awareness and prevention of bowel cancer in collaboration with Castlemaine Community Groups.</p> <p>Increase the referrals to Castlemaine Health's Cancer Survivorship Service in collaboration with Castlemaine &amp; District Community Health service.</p> <p>Develop and implement activities, in collaboration with other service providers, with Castlemaine Secondary College that encourage and support healthy lifestyles and access to services.</p>
<p><b>Better Access</b> Care is always there when people need it</p> <p>More access to care in the home and community</p> <p>People are connected to the full range of care and support they need</p> <p>There is equal access to care</p>	<p><b>Better Access</b></p> <p>Plan and invest</p> <p>Unlock innovation</p> <p>Provide easier access</p> <p>Ensure fair access</p>	<p>Review Castlemaine Health's service profile through extensive community and stakeholder engagement.</p> <p>Develop a Hospital in the Home program in conjunction with the GPs.</p> <p>Review the palliative care service model to enhance and promote the care of our clients at home with a life-threatening illness.</p> <p>Implement a "Whole of Hospital Model" in Family Violence prevention and support in conjunction with Bendigo Health.</p> <p>Establish Lesbian, Gay, Bisexual, Transgender and Intersex inclusion and diversity education for staff utilising HOW2 training. Ensure these diversity questions are included in the patient admission process.</p>

Goals	Strategies	Health Service Deliverables
<p><b>Better Care</b> Target zero avoidable harm</p> <p>Healthcare that focusses on outcomes</p> <p>Patients and carers are active partners in care</p> <p>Care fits together around people's needs</p>	<p><b>Better Care</b></p> <p>Put Quality First</p> <p>Join up care</p> <p>Partner with patients</p> <p>Strengthen the workforce</p> <p>Embed evidence</p> <p>Ensure equal care</p> <p><b>Mandatory actions against the 'Target zero avoidable harm' goal:</b></p>	<p>Further develop open disclosure processes in line with the Australian Open Disclosure Framework.</p>
		<p>Further develop the review of clinical incidents to assist with the identification of underlying system issues and root causes and use of this information to improve safety.</p>
	<p>Develop and implement a plan to educate staff about obligations to report patient safety concerns.</p>	<p>Provide regular education sessions to staff in relation to incident reporting and quality activities evolving from patient safety concerns.</p>
	<p>Establish agreements to involve external specialists in clinical governance processes for each major area of activity (including mortality and morbidity review).</p>	<p>Provide regular peer reviews for Urgent Care, Midwifery, Subacute and Theatre, supported by the Loddon Mallee Regional Clinical Council.</p>
	<p>In partnership with consumers, identify three priority improvement areas using Victorian Healthcare Experience Survey data and establish an improvement plan for each. These should be reviewed every six months to reflect new areas for improvement in patient experience.</p>	<p>Review car parking for clients, develop an improvement plan and measure impact.</p>
		<p>Review menu and heating of meals, develop an improvement plan and measure impact.</p>
<p>Review pre-surgery information on expected impact on usual activity post-surgery (especially for patients with young children), amend documentation and measure impact.</p>		

## 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 2017-18 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 <https://www2.health.vic.gov.au/hospitals-and-health-services/funding-performance-accountability/performance-monitoring>

### High quality and safe care

Key performance indicator	Target
<b>Accreditation</b>	
Accreditation against the National Safety and Quality Health Service Standards	Full compliance
Compliance with the Commonwealth's Aged Care Accreditation Standards	Full compliance
<b>Infection prevention and control</b>	
Compliance with the Hand Hygiene Australia program	80%
Percentage of healthcare workers immunised for influenza	75%
<b>Patient experience</b>	
Victorian Healthcare Experience Survey – percentage of positive patient experience responses	95% positive experience
Victorian Healthcare Experience Survey – percentage of very positive responses to questions on discharge care	75% very positive experience
Victorian Healthcare Experience Survey – patients perception of cleanliness	70%
<b>Adverse events</b>	
Number of sentinel events	Nil
Mortality – number of deaths in low mortality DRGs <sup>1</sup>	Nil
<b>Maternity and Newborn</b>	
Rate of singleton term infants without birth anomalies with Apgar score <7 to 5 minutes	≤ 1.6%
Rate of severe foetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	≤ 28.6%
<b>Continuing Care</b>	
Functional independence gain from an episode of GEM <sup>2</sup> admission to discharge relative to length of stay	≥ 0.39
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645

<sup>1</sup> DRG is Diagnosis Related Group

<sup>2</sup> GEM is Geriatric Evaluation and Management

## Strong governance, leadership and culture

Key performance indicator	Target
<b>Organisational culture</b>	
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%

## Effective financial management

Key performance indicator	Target
<b>Finance</b>	
Operating result (\$m)	0.00
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 <sup>3</sup> activity performance to target	100%
Adjusted current asset ratio	0.7 or 3% improvement from health service base target
Number of days of available cash	14 days

<sup>3</sup> 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 2017-18 of the *Department of Health and Human Services Policy and funding guidelines 2017*.

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)
<b>Acute Admitted</b>		
WIES Public	2,278	11,342
WIES Private	523	1,950
WIES DVA	58	290
WIES TAC	21	88
Other Admitted		267
<b>Acute Non-Admitted</b>		
Emergency Services		1,086
Specialist Clinics - Public	1,650	454
Specialist Clinics - DVA		4
<b>Subacute &amp; Non-Acute Admitted</b>		
Subacute WIES - Rehabilitation Public	241	2,509
Subacute WIES - Rehabilitation Private	83	803
Subacute WIES - GEM Public	65	681
Subacute WIES - GEM Private	22	212
Subacute WIES - DVA	26	327
<b>Subacute Non-Admitted</b>		
Palliative Care Non-admitted		329
Health Independence Program - Public		2,443
Health Independence Program - DVA		25
<b>Aged Care</b>		
Residential Aged Care	55,324	2,689
HACC	6,355	270
<b>Other</b>		
Health Workforce	8	364
Other specified funding		900
<b>Total Funding</b>		<b>27,032</b>

## 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 2017 to 30 June 2018 with funding continued to be linked to actual activity levels.

The Commonwealth funding contribution outlined the 2017–18 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 2017 – 30 June 2018

	Service category	Estimated National Weighted Activity Units (NWAU17)	Total funding (\$)
Activity based funding	Acute admitted services	2,904.00	22,096,502
	Admitted mental health services	-	
	Admitted subacute services	1,053.65	
	Emergency services	-	
	Non-admitted services	919.04	
Block Funding	Non-admitted mental health services	-	369,864
	Teaching, training and research		
	Other non-admitted services		
Other Funding		-	4,295,280
<b>Total</b>		<b>4,876.70</b>	<b>26,755,639</b>

#### 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 the 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 2017*;
- 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 2017-18 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.

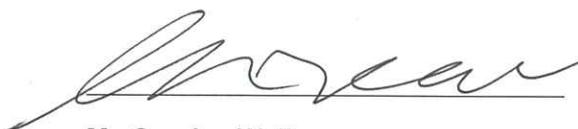
## Signature

The Secretary 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.



**Andrew Crow**  
Assistant Director, Rural Health as  
Delegate for the Secretary of the  
Department of Health and Human  
Services

Date: 2 1 10 /2017



**Ms Carolyn Wallace**  
Chairperson  
Castlemaine Health

Date: 2 1 10 /2017