Victorian health services performance framework

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The Department of Health and Human Services was established on 1 January 2015, bringing together the functions of health, human services and sport and recreation.

Our vision is to improve social and economic outcomes through programs designed to enhance the wellbeing of Victorians.

We know that all Victorians will come into contact with health and social services at some point in their lives and that there are critical links between wellbeing, vulnerability and social inclusion.

The health system provides universal healthcare for all, while social services provide targeted assistance to disadvantaged and vulnerable Victorians. Social services also play an important role in building cohesive and supportive communities that offer opportunities for participation.

The combined effort of these service systems working together can drive positive long-term change for individuals and families, particularly those with multiple and complex needs that span issues such as mental health, housing, drugs and alcohol, chronic health conditions, ageing and disability.

By working together, we will strive to build stronger, functional policy and service delivery connections to support the health and wellbeing of all Victorians, no matter what their personal circumstances or stage of life.
Our ministers

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

Jenny Mikakos MP
Minister for Families and Children
Minister for Youth Affairs

Martin Foley MP
Minister for Housing, Disability and Ageing
Minister for Mental Health

The Honourable John Eren MP
Minister for Sport

The Department of Health and Human Services supports the portfolios of:

- the Hon. Jill Hennessy, Minister for Health, and Minister for Ambulance Services
- the Hon. Jenny Mikakos, Minister for Families and Children, and Minister for Youth Affairs
- the Hon. Martin Foley, Minister for Housing, Disability and Ageing, and Minister for Mental Health
- the Hon. John Eren, Minister for Sport.

The department develops and delivers policies, programs and services that support and enhance the wellbeing of all Victorians.

With its service partners and the community, the department provides services and support to:

- help Victorians to be as healthy as they can be
- assist people to access opportunities that lead to positive, fulfilling lives
- build people’s capacity to participate in social, economic and community life
- contribute to a society that is inclusive, provides fair access to opportunity for all, and in which health and social inequality is minimised
- provide services and protection for the most vulnerable members of society, and build resilience to overcome the challenges that communities and individuals face
- provide integrated care that is responsive to the needs of individuals, families and local communities.
Purpose

The Victorian health services performance framework (the performance framework) outlines the approach used by the Department of Health and Human Services (the department) in organising, funding, monitoring and intervening in the provision of health services and programs to help meet the needs of the Victorian population.

The performance framework brings the following functions together:

- governance
- planning
- strategic and operational management
- funding
- performance information
- performance monitoring and intervention
- evaluation and reporting.

The performance framework is designed to promote transparency and accountability through the analysis, application and reporting of performance information. It will also inform policy, planning, development and implementation to support the health and wellbeing of all Victorians.

Coverage

The Victorian health services performance framework applies to:

• 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).

For the purposes of this framework, they are all referred to as health agencies. The performance framework also applies to other health service providers funded by the Victorian Government.

The 12 metropolitan health services and six major regional health services are defined under the Health Services Act 1988 as ‘public health services’. Together with Dental Health Services Victoria, they are governed by boards of directors as set out under s. 65S of that Act. The nine subregional health services, 11 local health services and 36 small rural health services are defined under the Health Services Act 1988 as ‘public hospitals’ and are governed by members who make up boards of management as set out under s. 33 of that Act. The seven multi purpose services are established under Part 4A of the Health Services Act 1988. They are governed by boards of management as set out under s. 115E of that Act and are subject to similar governance and performance policies as public hospitals.

Mildura Base Hospital is 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 to public hospitals set out in Part 3 and Part 3A of the Health Services Act 1988.

Ambulance Victoria was established under s. 23 of the Ambulance Services Act 1986 and is governed by a board of directors as set out under s. 17 of that Act.

The Victorian Institute of Forensic Mental Health was established under s. 117B of the Mental Health Act 1986 and is continued under the Mental Health Act 2014, operating under the name Forensicare. Forensicare is governed by a board of directors as set out under s. 67 of the Mental Health Act 2014.
Context

The goal of Victorian health system is to improve the health and wellbeing of all Victorians. In order to support the goal for the Victorian health system, the Government, department and service partners work to meet population health needs and deliver health outcomes. This is done through collaboratively working as a system to address social determinants of health and manage the delivery of health services and programs that are community focused, person centred, connected and safe within available resources.

The Government is committed to continuous performance improvement of the health system as an important contributor to delivering better outcomes for all Victorians. The performance framework supports this through linking individual, community and population health needs, the goals and objectives of Government and the key elements that facilitate the provision of services and support performance improvements locally and system wide.

Improving performance

In aligning the needs of the Victorian population and the goals and objectives of Government, the department oversees the delivery of health services. Through the performance framework the department monitors and intervenes to ensure continuous performance improvement and appropriate, safe and high quality service delivery. This includes:

- the development and implementation of policy and policy instruments such as regulations and programs.
- designing and developing the health system and overarching plans to guide service delivery.
- identifying and promoting service delivery best practice and facilitating partnerships, knowledge and tools to enhance performance.
- holding service providers to account through setting clear governance and service delivery requirements and expectations, monitoring and regulating, challenging performance and promoting transparency and accountability.
- identifying performance concerns and risks and taking action including reviewing and auditing service provider governance, operational effectiveness and sustainability.
Elements

The performance framework articulates the key elements in organising, funding and monitoring service providers and the business cycle against which the department assesses performance and compliance in the provision of services and programs, to meet the needs of the population. The elements of the performance framework (refer to figure 1) are:

- **Structure** – legislation and governance arrangements including the roles and responsibilities of the department and service providers.
- **Planning** – whole of government, department and service provider objectives and plans to support the health and wellbeing of Victorians including, policy and system and state wide plans to guide and support the delivery of health services and service provider strategic and operational plans.
- **Funding** – budget provisions and system-wide terms and conditions (for funding, administrative and clinical policy) of services and programs.
- **Measuring and Monitoring** – progress towards whole of government priorities, health system goals and outcomes and performance of services and programs.
- **Public Reporting** – transparent reporting of information on the health system and service and program delivery.

**Figure 1: Victorian health services performance framework**

The performance framework is actioned through key documentation and products that provide a comprehensive approach to managing performance. Each document provides specific detail as to its purpose and coverage, and indicates which elements of the performance framework it addresses. The following pages outline the key documentation supporting the elements of the performance framework.

**Structure**

**Legislation**

The legislative provisions covering the delivery of health services and programs are broad. The key legislation that informs the delivery of health services and programs in Victoria includes, but is not limited to, the Health Services Act, Mental Health Act, Ambulance Services Act, Public Administration Act, the
Financial Management Act, subordinate legislation including Regulations and Ministerial Directions as well as commonwealth legislation such as the *Aged Care Act 1997*.

**Victorian health services governance handbook**

The *Victorian health services governance handbook* sets out the legislative and governance arrangements for health agencies delivering services and programs. The handbook documents and summarises information about the roles and responsibilities of health services. It also consolidates statutory and policy-based elements, including those in the Health Services Act, other Acts, policy and administrative documents.

**Victorian clinical governance policy framework**

The *Victorian clinical governance policy framework*, in aligning with the *Victorian health services governance handbook*, sets out the key requirements for service oversight of clinical risk and the provision of safe services in more detail. The framework provides a coordinated plan of action for the department, key stakeholders and service providers to develop the capacity of the health system to deliver sustainable, patient-focused, high-quality care.

**Code of conduct for Victorian public entities**

Health service directors and health service board members are required to follow the Victorian Public Sector Commission (VPSC) code of conduct for directors of public entities, including the proper use of information.

**Planning**

**Policy and programs**

The department develops policy and policy instruments, such as programs, that detail government-wide direction and address specific aspects of the health sector or particular issue areas. Policy development involves the formulation of initiatives to support government priorities and responses to various factors such as population need, macro environmental aspects and system and service delivery performance.

**System and statewide plans**

The department develops system and statewide plans to support the government's vision for the Victorian health system and inform the delivery of health services. These plans align with government priorities, whole-of-government plans and policy and determine the type and location of health services to be delivered. System and statewide plans include, but are not limited to; statewide design and infrastructure plans and health design, service and infrastructure plans to support population need, regional service delivery and service streams.

**Service provider plans**

Service providers develop strategic and operational plans to help guide the delivery of services and programs and meet the needs of their communities.

Strategic plans cover a period of three to five years and are concise documents that describe the organisation’s purpose, vision, objectives and longer-term strategies to deliver on their vision and objectives in line with government policy and system and statewide plans.

Operational plans cover a period of one year and describe the short-term activities and milestones that contribute to an organisation’s strategic objectives and goals. The plans describe the actions an organisation will take to deliver efficient, effective, safe, accessible and integrated services.
Funding

Policy and funding guidelines

The Department of Human Services policy and funding guidelines 2016 outline the department’s policy and service delivery objectives, the conditions of funding, and key accountability requirements that health service providers must comply with in addition to their contractual and statutory obligations. The guidelines also provide an overview of new initiatives and the health budget.

Service standards

Service standards are the key service delivery and accountability agreements between the Victorian Government and service providers.

Statements of Priorities (SoP) are the key service delivery and accountability agreements between the government and health agencies. Statements of Priorities facilitate the delivery of, or progress towards, government commitments, system-wide goals and health agency plans. They specify the key deliverables and performance targets to be achieved by health agencies within the allocated annual budget. The SoP may include acute, aged care, mental health, community care and other health programs. The Statements of Priorities are reviewed and agreed between the minister, or the Secretary of the department, and health agencies annually.

Service Agreements detail the contractual arrangements between the department and organisations not under a SoP receiving funding to deliver health services and programs. The agreements set out the key obligations, objectives, rights and responsibilities of organisations delivering services and the department in providing funding to organisations.

Measuring and monitoring

Victorian health agency monitoring and intervention

Victorian health agency monitoring and intervention applies to health agencies that have a SoP and to multi-purpose services with a tripartite agreement. It describes the department’s approach to monitoring and assessing the performance of health agencies and detecting, actively responding and intervening in relation to performance concerns and risk. This includes monitoring and assessing how well health agencies are responding to population need; collaboratively working to address the social determinants of health; providing services through transforming health inputs into health outputs; and determining how these align to support health outcomes.

Funded organisation performance monitoring framework

The Funded organisation performance monitoring framework: Overview for funded services applies to organisations that have a Service Agreement. The framework describes the department’s approach to monitoring and assessing the performance of organisations funded through Service Agreements, and detecting and actively responding to performance concerns or risk.

Public reporting

Publishing performance information is essential for accountability and transparency. It drives continuous improvement in performance and ensures trust and confidence in public sector service delivery. Performance information is reported via different mechanisms including the publication of system and service performance by the state and commonwealth and the publication and tabling of health agency annual reports.
Business cycle

The Victorian health services performance framework establishes a dialogue between the department and health service providers. The dialogue is aimed at aligning government priorities, plans and budget provisions with health service providers’ delivery strategies and actions to support health system performance. The business cycle takes account of longer-term design and planning requirements to ensure that service provision is continually evolving to meet the needs of the Victorian population.

The dialogue follows a cycle as indicated in Figure 2. The department and health service providers bring different aspects to the conversation at each point in the cycle. Particular components of the performance framework are more relevant to different stages in the cycle.

**Figure 2: Business cycle: aligning government priorities, plans and budget provisions with health service providers’ delivery strategies**

Through bringing together all the elements of the performance framework, the department aligns whole-of-government direction, departmental objectives and service delivery in order to meet the needs of the population. This enables the department to identify any issues or concerns with health services and where the department needs to intervene to address performance and take action.
Contact details

For general queries about the information provided in the *Victorian health services performance framework*, health services can contact the relevant health service performance lead or contact allocated to managing the organisation’s Statement of Priorities or Service Agreement or contact:

Assistant Director, Metropolitan Performance/Assistant Director Rural Health
Health Service Performance and Programs
Department of Health and Human Services
GPO Box 4057
Melbourne 3001
Ph.: (03) 9096 1309 / 9096 7711

For Ambulance Victoria queries:

Assistant Director, Ambulance Performance and Operations
Health Service Performance and Programs
Department of Health and Human Services
GPO Box 4057
Melbourne 3001
Ph.: (03) 9096 2658

For Forensicare queries:

Assistant Director, Mental Health Programs and Performance
Health Service Performance and Programs
Department of Health and Human Services
GPO Box 4057
Melbourne 3001
Ph.: (03) 9096 0459

For data submission issues:

Data Collections Unit
Department of Health and Human Services
GPO Box 4057
Melbourne 3001
Ph. (03) 9096 8141
Email: hdss.helpdesk@health.vic.gov.au