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Kym Peake
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Dear Secretary

MINISTERIAL STATEMENT OF EXPECTATIONS – PRIVATE HOSPITALS UNIT

I am pleased to provide you with my Statement of Expectations for the Department of Health and Human Services' Private Hospitals Unit. This Statement of Expectations replaces the current Statement of Expectations that is in place for the Unit. It applies from the date of signature on this correspondence, until 30 June 2019, or until otherwise amended.

As Minister for Health I administer a range of Acts and Regulations designed to promote wellbeing and to protect the health of the Victorian community. In relation to private hospitals, day procedure centres and non-emergency patient transport, the key objective of the relevant Acts and Regulations are to ensure patient safety is effectively promoted and practised through appropriate compliance. Developing effective, efficient and proportionate regulation must be informed by these imperatives.

Improving regulatory practice

The Department of Health and Human Services' regulators must operate within a framework that enables them to maximise efficiency and effectiveness. Implementing outcomes and risk-based regulation will assist regulators to do this. To this end I note that the *Statement of Expectations Framework for Regulators* guidance document focuses on risk-based strategies as one of three mandatory regulatory improvement areas across Government. Therefore one of the Private Hospitals Unit's key improvements is to develop, implement and publish a risk-based regulator plan. This plan should be informed by the Department of Health and Human Services' *Better Regulatory Practice Framework*.

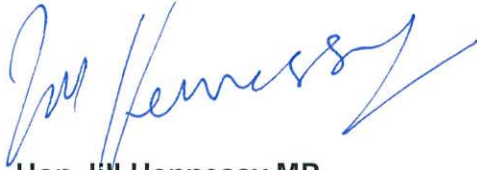
Publishing and reporting requirements

The Private Hospitals Unit is required to publish the attached Statement of Expectations performance improvements, and the Unit's response to these, on the Department of Health and Human Services website.

Reporting on the Unit's progress to achieve these Statement of Expectations performance improvements should be undertaken shortly after the conclusion of the 2017–18 and the 2018–19 financial years on the department's website.

I look forward to the Private Hospitals Unit working continuously towards achieving best practice in the administration and enforcement of regulation.

Yours sincerely



Hon Jill Hennessy MP
Minister for Health
Minister for Ambulance Services

19/12/2017

Encl.

Ministerial Statement of Expectations 2017–18 to 2018–19: Improvements for the Private Hospitals Unit

This Statement of Expectations, which applies from the date of signature on this correspondence to 30 June 2019, or until otherwise amended, sets out my expectations in relation to the Private Hospitals Unit's contribution to the Government's Regulation Reform Program. After consulting with the Private Hospitals Unit, I have identified the following performance objectives and opportunities for the Unit to improve its regulatory performance.

- Develop and implement updated Health Services (Private Hospitals and Day Procedure Centres) Regulations 2013 to support the implementation of recommendations in relation to private hospitals and day procedure centres from the Review of Hospital Safety and Quality Assurance in Victoria's final report, *Targeting zero: Supporting the Victorian hospital system to eliminate available harm and strengthen quality of care*. The updated Regulations will contribute to better regulatory oversight of private sector services including strengthening governance requirements and reviewing reporting requirements.

Risk-based regulation

- Develop, publish and implement a risk based Regulatory Plan that outlines the Private Hospitals Unit's:
 - key regulatory outcomes
 - key regulatory risks and how these are assessed and treated
 - performance indicators that can be used to guide the Unit's activity and evaluate its effectiveness
 - key stakeholders, ongoing communications, and planned communications activities.

Compliance related assistance and advice

- Work with other regulators such as the Department of Justice and Regulation and the Commission for Children and Young People to ensure private hospitals, day procedure centres and non-emergency patient transport providers understand their obligations under the Child Safe Standards. The Private Hospitals Unit will work with the sector and other regulators to advise them on how to meet their obligations under the Child Safe Standards.

Timeliness

- Ensure processes are in place to process and approve the following applications within 28 days (noting that under the *Health Services Act 1988* the statutory timeframe to approve applications is 60 days) of receiving a complete application:
 - Applications for Approval in Principle for building, altering or extending a private hospital or day procedure centre.
 - Applications to renew, vary, or transfer a private hospital or day procedure centre registration.

Accountability and transparency

- Develop and publish a one page plan that identifies the unit's key regulatory tools, stakeholders, outcomes and key performance indicators.

Stakeholder consultation and engagement

- Develop a targeted engagement strategy to seek feedback from private hospitals and non-emergency patient transport providers after they have undergone a regulatory inspection¹. Feedback will be sought on the conduct of inspections and the provision of compliance related assistance and advice to ensure continuous improvement.
- Update the Private Hospitals Unit stakeholder engagement plan. Outline how the unit will engage with regulated parties, intended beneficiaries of regulation and other key stakeholders to obtain feedback to factor into the Unit's continuous improvement as a regulator.

In developing actions to achieve these improvements and targets, the Private Hospitals Unit is expected to consult with business and the broader community as appropriate.

¹ Regulatory inspections of private hospitals and day procedure centres are conducted by authorised officers to monitor and ensure ongoing compliance with the *Health Services Act 1988* and the Health Services (Private Hospitals and Day Procedure Centres) Regulations 2013. The results of these inspections are important in informing the assessment of applications for renewal or variation of registration made under the Act.