

# Statement of Priorities

2019-20 Agreement between the Minister for Health and Melbourne 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 40G, 65ZFA, 65ZFB and section 26 of the Health Services Act 1988.

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

A Statement of Priorities consists of four main 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 2019-20*.

High standards of governance, transparency and accountability are essential. In this context, the Victorian Government commits to publish Statements of Priorities in November each year and present data on the performance of our health system in the public domain.

## Strategic priorities

The Victorian Government is responsible for ensuring that a wide range of health care services are delivered to the Victorian community. The Department of Health and Human Services (the department) delivers policies, programs and services that support and enhance the health and wellbeing of all Victorians. By working together, we strive to build stronger functional, policy and service delivery connections to support the health, wellbeing and safety of all Victorians, no matter what their personal circumstances or stage of life.

## Government commitments

This year's \$25.6 billion *Victorian Budget* will help us continue our work in supporting the most vulnerable Victorians and provide more services locally.

- \$2.3 billion of additional funding for meeting hospital services demand
- \$321.9 million for the roll-out of free dental care to all Victorian government school students
- \$299.6 million for more paramedics, vehicles and stations
- \$136.2 million to deliver 500,000 specialist appointments in regional Victoria
- \$117.8 million to recruit and train more nurses, midwives and frontline health workers and make further ratios improvements that will see 1,100 nurses & midwives in Victorian public hospitals
- \$213.6 million for new parenting centres and more maternal and child health nurses
- \$116.5 million for medical research projects such as new cancer therapies
- A \$100 million boost to the Regional Health Infrastructure Fund to support hospitals and health facilities for rural and regional communities
- \$72 million on hospital and community based palliative care to ensure the end of life care choices of Victorians continue to be met
- \$67.6 million to meet critical mental health service demand
- \$1.5 billion to build a new Footscray Hospital
- \$59.5 million for a new rehabilitation centre at Bendigo Health
- \$31.4 million for an expansion of the Royal Children's Hospital
- \$2.4 million to plan for a new hospital in Melton

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

First in Care, Research and Learning

## Service profile

Melbourne Health is a leading public health service in Victoria with a history of providing the best possible care for our patients and consumers. We provide important state-wide acute and subacute health care and mental health services. In addition, we service our local community in the north and west areas of metropolitan Melbourne. We are committed to applying evidence based research to drive improvements in clinical outcomes and healthcare experience. With a focus on teaching and education, we encourage lifelong learning to enable our people to realise their potential.

Serving a population base of over 1 million, The Royal Melbourne Hospital (RMH) – Victoria's first public hospital – established in 1848 to answer the need for public health services for a rapidly growing town. For 176 years, we have provided a comprehensive range of acute, sub-acute and community public health services to our local community within Melbourne's west and north, and as well as regional and rural Victorians and interstate patients and consumers.

Today we provide care through three key services to the community which include The Royal Melbourne Hospital, one of Australia's pre-eminent hospitals, North Western Mental Health, the largest mental health provider in Victoria, and the Doherty Institute for infection and immunity.

### The Royal Melbourne Hospital (RMH)

As one of the largest hospitals in Victoria, The Royal Melbourne Hospital in Parkville provides a comprehensive range of state-wide and local health services across two campuses. Our City campus provides general and specialist medical and surgical acute services. Sub-acute services, including rehabilitation and aged care, outpatient and community programs are provided from our Royal Park campus.

The Royal Melbourne Hospital plays a key role within the broader Victorian health sector as a major Victorian referral service for specialist and complex care being one of the two designated adult state-wide providers for trauma. It also contains centres of excellence for tertiary services in several key specialties including neurosciences, nephrology, oncology, cardiology and genomics. It is also recognised as a world-class research and teaching organisation, built on an enduring partnership with The University of Melbourne that extends for almost 150 years.

### North Western Mental Health (NWMH)

North Western Mental Health (NWMH) is the mental health arm of Melbourne Health. It provides comprehensive hospital-based, community and specialist adult services across northern and western Melbourne, plus comprehensive programs for young people with mental health problems through Orygen Youth Health.

Services are delivered through six programs spanning 24 sites across the northern and western suburbs of Melbourne reaching communities based in Broadmeadows to the north, Preston to the east and Sunshine to the west. It also delivers a number of state-wide specialist services including the neuropsychiatry service and the eating disorder service. NWMH operates in partnership with Northern Health (Northern Hospital, Broadmeadows Health Service, Bundoora Extended Care and Craigieburn Health Service) and Western Health (Sunshine and Western Hospitals).

## **The Peter Doherty Institute for Infection and Immunity**

The Doherty Institute, our partnership with The University of Melbourne, aims to be a world-class institute that combines research into infectious disease and immunity with teaching excellence, reference laboratory diagnostic services, epidemiology and clinical services.

## **Strategic planning**

Melbourne Health Strategic Plan 2015-2020 is available online at:

[www.thermh.org.au/about/policies-publications/melbourne-health-strategic-plan-2015-2020](http://www.thermh.org.au/about/policies-publications/melbourne-health-strategic-plan-2015-2020)

Melbourne Health is in the process of developing its next Strategic Plan: ***Towards 2025.***

## Strategic priorities – Health 2040;

In 2019-20 Melbourne Health will contribute to the achievement of the Government's commitments within *Health 2040: Advancing health, access and care* by:

### **Better Health**

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**Goals:**

A system geared to prevention as much as treatment  
Everyone understands their own health and risks  
Illness is detected and managed early  
Healthy neighbourhoods and communities encourage healthy lifestyles

**Strategies:**

Reduce Statewide Risks  
Build Healthy Neighbourhoods  
Help people to stay healthy  
Target health gaps

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**Deliverables:**

- Complete a review of the health needs of those without a fixed address presenting to Royal Melbourne Hospital (RMH) Emergency Department and develop resources to improve health outcomes and staff awareness of referral pathways.
- Partner with the Victorian Aboriginal Health Service to conduct research on factors that affect the skin health outcomes for indigenous people.

### **Better Access**

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**Goals:**

Care is always being there when people need it  
Better access to care in the home and community  
People are connected to the full range of care and support they need  
Equal access to care

**Strategies:**

Plan and invest  
Unlock innovation  
Provide easier access  
Ensure fair access

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**Deliverables:**

- Implement the new model of a combined Rehabilitation and GEM in the Home as part of the RMH@Home program.
- Deliver stage 2 of the Electronic Medical Record - Connecting Care project with our partners across the four Parkville Health Services.

### **Better Care**

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**Goals:**

Targeting zero avoidable harm  
Healthcare that focusses on outcomes  
Patients and carers are active partners in care  
Care fits together around people's needs

**Strategies:**

Put quality First  
Join up care  
Partner with patients  
Strengthen the workforce  
Embed evidence  
Ensure equal care

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**Deliverables:**

- Co-design of the Electronic Medical Record patient portal with patients and consumers as active partners in care.
- Develop and implement tools and processes for assessment and intervention of patients presented with challenging behaviours in acute medical units.



## Specific priorities for 2019-20

In 2019-20 Melbourne Health will contribute to the achievement of the Government's priorities by:

### ***Supporting the Mental Health System***

Improve service access to mental health treatment to address the physical and mental health needs of consumers.

- Implement elements of the Equally Well: Victorian Physical Health Framework to support or reduce smoking for consumers.

### ***Addressing Occupational Violence***

Foster an organisational wide occupational health and safety risk management approach, including identifying security risks and implementing controls, with a focus on prevention and improved reporting and consultation.

Implement the department's security training principles to address identified security risks.

- Evaluate the effectiveness of key initiatives of the occupational violence work plan including; security rounding and staff training in leading responses to clinical aggression including Code Black.

### ***Addressing Bullying and Harassment***

Actively promote positive workplace behaviours, encourage reporting and action on all reports.

Implement the department's *Framework for promoting a positive workplace culture: preventing bullying, harassment and discrimination* and *Workplace culture and bullying, harassment and discrimination training: guiding principles for Victorian health services*.

- Launch the Melbourne Way leadership framework.
- Roll out the Raise the Bar initiative to each Divisional Leadership team on expected workplace behaviours and actions to live the Melbourne Health / Public Sector Values.

### ***Supporting Vulnerable Patients***

Partner with patients to develop strategies that build capability within the organisation to address the health needs of communities and consumers at risk of poor access to health care.

- Develop a community-led plan in response to the LGBTIQ+ community social media survey to create more inclusive services for LGBTIQ+ patients and visitors.

### ***Supporting Aboriginal Cultural Safety***

Improve the health outcomes of Aboriginal and Torres Strait Islander people by establishing culturally safe practices across all parts of the organisation to recognise and respect Aboriginal culture and deliver services that meet the needs, expectations and rights of Aboriginal patients, their families, and Aboriginal staff.

- Submit the Reconciliation Action Plan.
- Undertake an Aboriginal and Torres Strait Islander health needs analysis and develop an action plan that includes planning and evaluating processes that ensure the cultural needs of Aboriginal people are addressed (in line with the Improving Care for Aboriginal Patients program).

### ***Addressing Family Violence***

Strengthen responses to family violence in line with the *Multiagency Risk Assessment and Risk Management Framework* (MARAM) and assist the government in understanding workforce capabilities by championing participation in the census of workforces that intersect with family violence.

- Embed family violence screening questions into the build of the Electronic Medical Record.
- Embed the SHRFV whole-of-hospital model for identifying and responding to patients who experience family violence.

### ***Implementing Disability Action Plans***

Continue to build upon last year's action by ensuring implementation and embedding of a disability action plan which seeks to reduce barriers, promote inclusion and change attitudes and practices to improve the quality of care and employment opportunities for people with disability.

- Partner with the Community Advisory Council to create a more inclusive experience at mealtimes; reducing barriers to mealtime by assisting with setup and menu food packaging in response to consumer feedback.

### ***Supporting Environmental Sustainability***

Contribute to improving the environmental sustainability of the health system by identifying and implementing projects and/or processes to reduce carbon emissions.

- Develop an Environmental Sustainability Strategy and progress implementation to meet our emissions reduction pledge.

## 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 2019-20 strengthen the focus on high quality and safe care, organisational culture, patient experience and access and timeliness in line with Ministerial and departmental priorities.

Further information is available at [www2.health.vic.gov.au/hospitals-and-health-services/funding-performance-accountability](http://www2.health.vic.gov.au/hospitals-and-health-services/funding-performance-accountability)

### High quality and safe care

Key performance measure	Target
<b>Accreditation</b>	
Compliance with the Aged Care Standards	Full compliance
<b>Infection prevention and control</b>	
Compliance with the Hand Hygiene Australia program	83%
Percentage of healthcare workers immunised for influenza	84%
<b>Patient experience</b>	
Victorian Healthcare Experience Survey – percentage of positive patient experience responses	95%
Victorian Healthcare Experience Survey – percentage of very positive responses to questions on discharge care	75%
Victorian Healthcare Experience Survey – patient's perception of cleanliness	70%
<b>Healthcare associated infections (HAI's)</b>	
Rate of patients with surgical site infection	No outliers
Rate of patients with ICU central-line-associated bloodstream infection (CLABSI)	Nil
Rate of patients with SAB <sup>1</sup> per 10,000 occupied bed days	≤ 1

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

<sup>1</sup> SAB is Staphylococcus Aureus Bacteraemia

Key performance measure	Target
Rate of seclusion events relating to an adult acute mental health admission	≤ 15/1,000
Rate of seclusion events relating to an aged acute mental health admission	≤ 15/1,000
Percentage of child and adolescent acute mental health inpatients who have a post-discharge follow-up within seven days	80%
Percentage of adult acute mental health inpatients who have a post-discharge follow-up within seven days	80%
Percentage of aged acute mental health inpatients who have a post-discharge follow-up within seven days	80%
<b>Continuing Care</b>	
Functional independence gain from an episode of rehabilitation admission to discharge relative to length of stay	≥ 0.645

## Strong governance, leadership and culture

Key performance measure	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%

## Timely access to care

Key performance measure	Target
<b>Emergency care</b>	
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%
Percentage of Triage Category 1 emergency patients seen immediately	100%
Percentage of Triage Category 1 to 5 emergency patients seen within clinically recommended time	80%
Percentage of emergency patients with a length of stay in the emergency department of less than four hours	81%
Number of patients with a length of stay in the emergency department greater than 24 hours	0
<b>Elective surgery</b>	
Percentage of urgency category 1 elective surgery patients admitted within 30 days	100%
Percentage of urgency category 1,2 and 3 elective surgery patients admitted within clinically recommended time	94%
Percentage of patients on the waiting list who have waited longer than clinically recommended time for their respective triage category	5% or 15% proportional improvement from prior year
Number of patients on the elective surgery waiting list <sup>2</sup>	3,600
Number of hospital initiated postponements per 100 scheduled elective surgery admissions	≤ 7 /100
Number of patients admitted from the elective surgery waiting list	8,550
<b>Specialist clinics</b>	
Percentage of urgent patients referred by a GP or external specialist who attended a first appointment within 30 days	100%
Percentage of routine patients referred by GP or external specialist who attended a first appointment within 365 days	90%

<sup>2</sup> the target shown is the number of patients on the elective surgery waiting list as at 30 June 2020

## Effective financial management

Key performance measure	Target
Operating result (\$m)	0.0
Average number of days to pay trade creditors	60 days
Average number of days to receive 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
Forecast number of days available cash (based on end of year forecast)	14 days
Actual number of days available cash, measured on the last day of each month.	14 days
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ \$250,000

<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 2019-20 of the *Department of Health and Human Services Policy and funding guidelines 2019*.

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>		
Acute WIES	88,712	425,705
WIES DVA	411	2,122
WIES TAC	5,596	32,696
Other Admitted		37,112
<b>Acute Non-Admitted</b>		
Emergency Services		27,158
Genetic services		6,335
Home Enteral Nutrition	928	200
Home Renal Dialysis	104	5,966
Specialist Clinics	164,429	44,169
Specialist Clinics - DVA		3
Other non-admitted		62
Total Perinatal Nutrition	147	1,166
<b>Subacute &amp; Non-Acute Admitted</b>		
Subacute WIES - Rehabilitation Public	809	8,685
Subacute WIES - Rehabilitation Private	168	1,679
Subacute WIES - GEM Public	1,764	18,938
Subacute WIES - GEM Private	341	3,400
Subacute WIES - Palliative Care Public	288	5,422
Subacute WIES - Palliative Care Private	54	539
Subacute WIES - DVA	42	542
Transition Care - Bed days	10,568	1,661
Transition Care - Home days	12,448	717
Subacute Admitted Other		742
<b>Subacute &amp; Non-Acute Other</b>		
Other specified funding		220
<b>Subacute Non-Admitted</b>		
Health Independence Program - Public	106,521	24,629
Health Independence Program - DVA		50
Victorian Artificial Limb Program		2,083
Other specified funding		250
<b>Aged Care</b>		

Aged Care Assessment Service		3,335
Residential Aged Care	36,160	2,622
HACC		26
Aged Care Other		250
<b>Mental Health and Drug Services</b>		
Mental Health Ambulatory	271,013	130,223
Mental Health Inpatient - Available bed days	81,083	75,668
Mental Health Inpatient - Secure Unit	9,491	5,509
Mental Health Residential	22,646	2,191
Mental Health Service System Capacity	235	3,155
Mental Health Subacute	43,844	21,099
Mental Health Other		4,571
Drug Services		303
<b>Primary Health</b>		
Community Health / Primary Care Programs	1	3,372
Community Health Other		12,183
<b>Other</b>		
Health Workforce		19,167
Other specified funding		9,672
<b>Total Funding</b>		<b>945,751</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 2019 to 30 June 2020 with funding continued to be linked to actual activity levels.

The Commonwealth funding contribution outlined the 2019–20 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 2019 – 30 June 2020

	<b>Service category</b>	<b>Estimated National Weighted Activity Units (NWAU18)</b>	<b>Total funding (\$'000)</b>
Activity based funding	Acute admitted services	93,369	684,166
	Admitted mental health services	4,944	
	Admitted subacute services	9,581	
	Emergency services	11,857	
	Non-admitted services	13,512	
Block Funding	Non-admitted mental health services	-	175,565
	Teaching, training and research		
	Other non-admitted services		
Other Funding		-	85,119
<b>Total</b>		<b>133,263</b>	<b>944,849</b>

Note:

- Activity loadings are included in the Estimated National Weighted Activity Units (i.e. Paediatric, Indigenous, Remoteness, Intensive Care Unit, Private Patient Service Adjustment, and Private Patient Accommodation Adjustment).
- In situations where a change is required to Part D, changes to the agreement will be actioned through an exchange of letters between the Department and the Health Service Chief Executive Officer.
- Ambulance Victoria and Dental Health Services Victoria do not receive a Commonwealth funding contribution under the National Health Reform Agreement. Dental Health Services Victoria receives Commonwealth funding through the National Partnership Agreement.

## Accountability and funding requirements

The health service must comply with:

- All laws applicable to it;
- The National Health Reform Agreement;
- All applicable requirements, policies, terms or conditions of funding specified or referred to in the Department of Health and Human Services policy and funding guidelines 2019;
- 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 2019-20 financial year; and
- Relevant standards for 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. This includes the National Safety and Quality Health Service Standards ('NSQHS standards') as accredited through the Australian Health Service Safety and Quality Accreditation Scheme.

## Signature

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



**Hon Jenny Mikakos MP**  
**Minister for Health**

Date: 23/10/2019



**Ms Linda Nicholls AO**  
**Chairperson**  
**Melbourne Health**

Date: 23/10/2019

