

Statement of Priorities

2018–19 Agreement between the Minister for Health and
Mercy Hospitals Victoria Ltd.

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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 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 2018-19*.

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 2018-19* provides an extra \$2.77 billion over 5 years for health, mental health, ambulance and aged care services across Victoria, including:

- \$1.6 billion over four years to meet hospital services demand to respond to growing patient demand across Victoria
- \$583.8 million over four years for mental health and drug services
- \$362.2 million over four years to improve access to elective surgery, to respond to demand, reduce waiting times and to maintain the current performance of Victoria's health service system.
- \$50 million (in 2017-18) for a *Winter Blitz* package to support health services to prepare for the 2018 winter flu season.
- \$55.1 million over four years for an additional 90 paramedics to meet increases in demand for ambulance services.

To support this investment, the Andrews Labor Government is funding an \$1.3 billion acute health capital, infrastructure and equipment program.

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

To bring God's mercy to those in need.

Our Values

Our values are central to everything that we do, these are:

- Compassion - being present for others at their time of need
- Hospitality - we welcome people with warmth and offer comfort
- Respect - we respect the sacredness of the gift of life. Each person is valued and treated with justice, dignity and integrity
- Innovation - we strive to create a dynamic environment, which encourages creativity and diversity
- Stewardship - to build and strengthen the ministry and all resources entrusted to us
- Teamwork - we will work together to progress the mission of mercy

Service profile

Mercy Hospitals Victoria Ltd was established by the Sisters of Mercy and is listed in Schedule 2 (Denominational Hospitals) of the Victorian Health Services Act 1988. Services provided in agreement with the state are in line with the ethos of the Sisters of Mercy.

Mercy Hospitals Victoria Ltd is part of Mercy Health, a Catholic community benefit organisation that operates public hospitals, aged care and community services. As a Catholic health care provider we believe in the sacredness and dignity of each person at every stage of life and are committed to providing compassionate care to all people, regardless of culture or religion. The professional, holistic care we give is guided by our values of compassion, hospitality and respect.

Mercy Hospitals Victoria Ltd operates a number of distinctly different services namely Mercy Hospital for Women, Werribee Mercy Hospital, Mercy Mental Health, Mercy Palliative Care and Mercy Health O'Connell Family Centre. Mercy Hospitals Victoria Ltd provides acute care, sub-acute care, specialist women's and newborn care, mental health, early parenting services, palliative care and community based services.

These services are under a single management structure and in many cases share a number of supports and resources. As an organisation we are committed to working collaboratively with the Government and other stakeholders in advocating and responding to the health needs of our community.

Strategic planning

The Mercy Health Strategic Framework 2018-2022 has been endorsed by the Mercy Health Board and provides the framework and strategic priorities for Mercy Health over the next four years. A detailed Long Term Plan which articulates more specific achievables is being finalised and will be available at www.mercyhealth.com.au/

Strategic priorities

In 2018-19 Mercy Hospitals Victoria Ltd (MHVL) will contribute to the achievement of the Victorian Government's commitments by:

Goals	Strategies	Health Service Deliverables
<p>Better Health 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 neighborhoods and communities encourage healthy lifestyles</p>	<p>Better Health</p> <p>Reduce statewide risks</p> <p>Build healthy neighborhoods</p> <p>Help people to stay healthy</p> <p>Target health gaps</p>	<p>Progress the staged expansion of the Mercy Health Breast Milk Bank that will enable donated breastmilk to be collected and distributed at Neonatal Intensive Care Units at other Victorian tertiary women's and children's services.</p> <p>Implement the Strengthening Hospital Responses to Family Violence (SHRFV) initiative, including:</p> <ul style="list-style-type: none"> • embedding the SHRFV whole-of-hospital model for identifying and responding to family violence internally; • implementing a Family Violence Workplace Support Program (part of the SHRFV model) to support staff experiencing family violence; • implementing screening for family violence in antenatal settings.
<p>Better Access 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>Better Access</p> <p>Plan and invest</p> <p>Unlock innovation</p> <p>Provide easier access</p> <p>Ensure fair access</p>	<p>Improve hospital access for people living in the south west of Melbourne by:</p> <ul style="list-style-type: none"> • commissioning the Stage 1C expansion of Werribee Mercy Hospital; <p>finalising master planning options to facilitate future stages of development at Werribee Mercy Hospital.</p>

Goals	Strategies	Health Service Deliverables
		<p>Progress options for relocation of the Mercy Health O'Connell Family Centre.</p> <p>Refresh and progress our Reconciliation Action Plan to ensure the Aboriginal Community can equitably and safely access care that is culturally appropriate.</p>
<p>Better Care</p> <p>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>Better Care</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>Enhance patient safety, quality improvement and professional learning through the implementation of a revised Mortality and Morbidity Review Framework. This includes implementation of all structures and processes necessary to support the new Framework.</p> <p>Continue to work with the State Government to progress MHVL's bid for the implementation of an electronic medical record (EMR).</p> <p>Implement a Mercy Mental Health psychiatry training program for junior medical officers.</p> <p>Continue to advance Mercy Perinatal as an international centre for perinatal care, research and education.</p> <p>Join the Victorian Managed Insurance Authority 'Incentivizing Patient Safety' Program for maternity services.</p>

Goals	Strategies	Health Service Deliverables
		<p>Implement Schwartz Rounds to:</p> <ul style="list-style-type: none"> • support staff to talk about the social and emotional challenges of caring for patients; • create a safe environment for staff to share their experiences and support one another; <p>promote positive workplace behaviours.</p> <p>Review organisational policies, procedures, communications and training to ensure diversity is recognised and supported across patients and staff.</p> <p>Remove barriers to service or employment for those facing discrimination and/or inequitable access.</p>
Specific 2018-19 priorities (mandatory)	<p>Disability Action Plans</p> <p>Draft disability action plans are completed in 2018-19. <i>Note: Guidance on developing disability action plans can be found at https://providers.dhhs.vic.gov.au/disability-action-plans. Queries can be directed to the Office for Disability by phone on 1300 880 043 or by email at ofd@dhhs.vic.gov.au.</i></p> <p>Volunteer engagement</p> <p>Ensure that the health service executives have appropriate measures to engage and recognise volunteers.</p>	<p>Submit a draft Disability Action Plan to the Department of Health and Human Services by 30 June 2019.</p> <p>Undertake a review of the Health Services volunteer programs inclusive of orientation, on-boarding, education, off-boarding and recognition practices with the goal of improving the quality of the volunteering experience at Mercy Health.</p>

Goals	Strategies	Health Service Deliverables
	<p>Bullying and harassment</p> <p>Actively promote positive workplace behaviours and encourage reporting. Utilise staff surveys, incident reporting data, outcomes of investigations and claims to regularly monitor and identify risks related to bullying and harassment, in particular include as a regular item in Board and Executive meetings. Appropriately investigate all reports of bullying and harassment and ensure there is a feedback mechanism to staff involved and the broader health service staff.</p>	<p>Commence the process to implement a clinical safety and professional accountability program facilitated by the Cognitive Institute.</p>
	<p>Occupational violence</p> <p>Ensure all staff who have contact with patients and visitors have undertaken core occupational violence training, annually. Ensure the department's occupational violence and aggression training principles are implemented.</p>	<p>Build upon Mercy Health's existing Occupational Violence Framework 2017 and continue to implement the Department of Health and Human Services' Code Grey Standards by way of strengthening the code grey response procedure, training and reporting.</p>
	<p>Environmental Sustainability</p> <p>Actively contribute to the development of the Victorian Government's:</p> <ul style="list-style-type: none"> • policy to be net zero carbon by 2050 and improve environmental • sustainability by identifying and implementing projects, including • workforce education, to reduce material environmental impacts with • particular consideration of procurement and waste management, and • publicly reporting environmental performance data, including • measureable targets related to reduction of clinical, sharps and landfill • waste, water and energy use and improved recycling. 	<p>Improve environmental sustainability by:</p> <ul style="list-style-type: none"> • appointing a Sustainability Officer to support sustainability projects and enhance staff education; • embedding sustainability considerations in all procurement processes; • delivering on our commitments under the Sustainability Victoria Take 2 Pledge; • developing an approach to sustainability of health care models; <p>continuing a range of sustainability projects to reduce waste and increase recycling.</p>

Goals	Strategies	Health Service Deliverables
	<p>LGBTI</p> <p>Develop and promulgate service level policies and protocols, in partnership with LGBTI communities, to avoid discrimination against LGBTI patients, ensure appropriate data collection, and actively promote rights to free expression of gender and sexuality in healthcare settings. Where relevant, services should offer leading practice approaches to trans and intersex related interventions. <i>Note: deliverables should be in accordance with the DHHS Rainbow eQuality Guide (see at www2.health.vic.gov.au/about/populations/lgbt-health/rainbow-equality) and the Rainbow Tick Accreditation Guide (see at www.glhv.org.au)</i></p>	<p>Work with existing and new Mercy Health LGBTIQ consumer advisors and the 'Whole Self @ Mercy' Steering Committee in ongoing review of organisational policies, communications and training to promote diversity and LGBTIQ inclusivity.</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 2018-19 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

High quality and safe care

Key performance indicator	Target
Accreditation	
Accreditation against the National Safety and Quality Health Service Standards	Accredited
Infection prevention and control	
Compliance with the Hand Hygiene Australia program	80%
Percentage of healthcare workers immunised for influenza	80%
Patient experience	
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 – patients perception of cleanliness	70%
Healthcare associated infections (HAI's)	
Number of patients with surgical site infection	No outliers
Number of patients with ICU central-line-associated bloodstream infection (CLABSI)	Nil
Rate of patients with SAB ¹ per occupied bed day	≤ 1/10,000

Key performance indicator	Target
Adverse events	
Sentinel events – root cause analysis (RCA) reporting	All RCA reports submitted within 30 business days
Mental Health	
Percentage of adult acute mental health inpatients who are readmitted within 28 days of discharge	14%
Rate of seclusion events relating to an adult acute mental health admission	≤ 15/1,000
Percentage of adult acute mental health inpatients who have a post-discharge follow-up within seven days	80%

¹ SAB is Staphylococcus Aureus Bacteraemia

Key performance indicator	Target
Maternity and Newborn	
Rate of singleton term infants without birth anomalies with APGAR score <7 to 5 minutes	≤ 1.4%
Rate of severe foetal growth restriction (FGR) in singleton pregnancy undelivered by 40 weeks	≤ 28.6%
Proportion of urgent maternity patients referred for obstetric care to a level 4, 5 or 6 maternity service who were booked for a specialist clinic appointment within 30 days of accepted referral	100%
Continuing Care	
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 indicator	Target
Organisational culture	
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 indicator	Target
Emergency care	
Percentage of patients transferred from ambulance to emergency department within 40 minutes	90%
Percentage of Triage Category 1 emergency patients seen immediately	100%

Key performance indicator	Target
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
Elective surgery	
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 ²	1,150
Number of hospital initiated postponements per 100 scheduled elective surgery admissions	≤ 7 /100
Number of patients admitted from the elective surgery waiting list	5,865
Specialist clinics	
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%

² the target shown is the number of patients on the elective surgery waiting list as at 30 June 2019

Effective financial management

Key performance indicator	Target
Finance	
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 ³ activity performance to target	100%
Adjusted current asset ratio	0.7 or 3% improvement from health service base target
Forecast number of days a health service can maintain its operations with unrestricted available cash (based on end of year forecast)	14 days
Actual number of days a health service can maintain its operations with unrestricted available cash, measured on the last day of each month.	14 days
Measures the accuracy of forecasting the Net result from transactions (NRFT) for the current financial year ending 30 June.	Variance ≤ \$250,000

³ 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 2018-19 of the *Department of Health and Human Services Policy and funding guidelines 2018*.

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)
Acute Admitted		
WIES Public	43,476	210,121
WIES Private	3,610	12,853
WIES DVA	104	528
WIES TAC	3	13
Other Admitted		6,450
Acute Non-Admitted		
Emergency Services		16,767
Specialist Clinics	125,766	34,027
Specialist Clinics - Private	406	91
Subacute & Non-Acute Admitted		
Subacute WIES - Rehabilitation Public	79	834
Subacute WIES - GEM Public	304	3,212
Subacute WIES - Palliative Care Public	296	3,131
Subacute WIES - Palliative Care Private	3	27
Subacute WIES - DVA	35	450
Transition Care - Bed days	2,186	339
Transition Care - Home days	1,464	83
Subacute Non-Admitted		
Health Independence Program - Public	13,792	3,296
Health Independence Program - DVA		2
Subacute Non-Admitted Other		15
Mental Health and Drug Services		
Mental Health Ambulatory	60,263	25,446
Mental Health Inpatient - Available bed days	28,489	23,246
Mental Health Service System Capacity	388	363
Mental Health Subacute	10,961	5,623
Mental Health Other		831
Drug Services		211
Primary Health		
Community Health / Primary Care Programs	607	65

Community Health Other		18
Other		
Health Workforce	100	4,909
Other specified funding		7,038
Total Funding		359,989

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 2018 to 30 June 2019 with funding continued to be linked to actual activity levels.

The Commonwealth funding contribution outlined the 2018–19 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 2018 – 30 June 2019

	Service category	Estimated National Weighted Activity Units (NWAU18)	Total funding (\$'000)
Activity based funding	Acute admitted services	45,204	317,146
	Admitted mental health services	5,443	
	Admitted subacute services	2,114	
	Emergency services	6,746	
	Non-admitted services	8,014	
Block Funding	Non-admitted mental health services	-	36,506
	Teaching, training and research		
	Other non-admitted services		
Other Funding		-	4,595
Total		67,521	358,247

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 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 2018;
- 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 2018-19 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 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 Jill Hennessy MP
Minister for Health

Date: 28 / 8 / 2018



Mr Julien O'Connell AM
Board Chairman
Mercy Hospitals Victoria Limited

Date: 28 / 8 / 2018