

Statement of Priorities

2019-20 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 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

Our Mission

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

In 2018, the Mercy Health Board adopted a new strategic framework, which articulates our direction for the next four years. The Mercy Health Strategic Framework 2018-22 recognises the foundations on which we are built and our contemporary influences, which describe the context in which we operate.

The Mercy Health Strategic Framework 2018-22 is available online at <https://www.mercyhealth.com.au/our-organisation/reports/>

The Mercy Health Long-term Operational Plan 2018-22 provides a greater level of detail around our objectives by specifying key results and the measures we will use to track our progress.

Strategic priorities – Health 2040;

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

Better Health

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

Deliverables:

- Work with DHHS on the state-wide early parenting centre expansion initiative with respect to services delivered by Mercy Health O'Connell Family Centre.
- Expand the Mercy Health Breastmilk Bank to support neonates at Neonatal Intensive Care Units across Victoria.

Better Access

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

Deliverables:

- Commission a new Paediatric Ward at Werribee Mercy Hospital and grow paediatric services.
- Complete the Service Plan for Werribee Mercy Hospital.
- Progress initiatives that support implementation of an Electronic Medical Record.
- Commence service planning at Mercy Hospital for Women.

Better Care

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

Deliverables:

- Reduce unnecessary tests, treatments and procedures in line with the Choosing Wisely initiative.
- Implement Speaking Up For Safety™ training for clinical and non-clinical staff.

Specific priorities for 2019-20

In 2019-20 Mercy Hospitals Victoria Ltd. 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.

Increase access to psychological interventions for women experiencing perinatal mental health disorders by:

- (a) increasing the staffing profile for psychologists to provide post discharge support; and
- (b) increasing the number of psychology sessions available within the community.

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.

Incorporate DHHS' training principles into the Mercy Health Occupational Violence and Aggression (OVA) Framework, and include security risk assessments and risk control measures in the OVA risk register

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*.

Incorporate the 'Know Better Be Better' framework as a key plank in our anti bullying and harassment efforts.

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.

Work in partnership with North West Melbourne Primary Health Care Network to engage with the Sudanese and South Sudanese community to identify if Group Pregnancy Care is a suitable model of care.

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.

Develop and commence implementation of a new 'Innovate' Reconciliation Action Plan.

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.

- (a) Map and review all relevant policies and procedures relating to the implementation of the Multiagency Risk Assessment and Risk Management Framework (MARAM) and identify the training needs of affected staff.
- (b) Support the engagement and participation of Mercy Hospitals Victoria Ltd. staff with any further surveys of staff about 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.

Implement Mercy Health's Accessibility Action plan and monitor progress through the Equity and Inclusion Committee.

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.

Implement the actions identified in Mercy Health's 2019-2022 Environmental Management Strategy including developing data to establish our carbon footprint baseline and subsequent impacts on implementation of waste reduction and recycling projects. This includes but is not limited to the PVC recycling project in theatres, ICU and renal, as well as implementation of e-Waste recycling.

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

High quality and safe care

Key performance measure	Target
Infection prevention and control	
Compliance with the Hand Hygiene Australia program	83%
Percentage of healthcare workers immunised for influenza	84%
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 – patient's perception of cleanliness	70%
Healthcare associated infections (HAI's)	
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 ¹ per 10,000 occupied bed days	≤ 1

Key performance measure	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%
Maternity and Newborn	
Rate of singleton term infants without birth anomalies with APGAR score <7 to 5 minutes	≤ 1.4%

¹ SAB is Staphylococcus Aureus Bacteraemia

Key performance measure	Target
Rate of severe fetal 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 measure	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 measure	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%
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	1,460
Number of hospital initiated postponements per 100 scheduled elective surgery admissions	≤ 7 /100
Number of patients admitted from the elective surgery waiting list	5,720
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 2020

Effective financial management

Key performance measure	Target
Operating result (\$m)	\$0.00
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 ³ 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

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 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)
Acute Admitted		
Acute WIES	47,999	236,965
WIES DVA	360	1,856
WIES TAC	9	53
Other Admitted		20,303
Acute Non-Admitted		
Emergency Services		21,351
Genetic services		61
Specialist Clinics	129,289	35,538
Specialist Clinics - Private	406	92
Subacute & Non-Acute Admitted		
Subacute WIES - Rehabilitation Public	76	815
Subacute WIES - GEM Public	292	3,140
Subacute WIES - Palliative Care Public	332	3,560
Subacute WIES - Palliative Care Private	3	26
Subacute WIES - DVA	19	250
Transition Care - Bed days	2,186	344
Transition Care - Home days	1,464	84
Subacute Admitted Other		141
Subacute Non-Admitted		
Health Independence Program - Public	15,853	3,846
Health Independence Program - DVA		5
Subacute Non-Admitted Other		15
Other specified funding		250
Mental Health and Drug Services		
Mental Health Ambulatory	65,644	28,710
Mental Health Inpatient - Available bed days	28,489	27,837
Mental Health Service System Capacity	1	721
Mental Health Subacute	10,961	5,728
Mental Health Other		1,568
Drug Services		141
Primary Health		
Community Health / Primary Care Programs	607	66

Community Health Other		19
Other		
Health Workforce		4,552
Other specified funding		3,391
Total Funding		401,429

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

	Service category	Estimated National Weighted Activity Units (NWAU18)	Total funding (\$'000)
Activity based funding	Acute admitted services	51,152	347,605
	Admitted mental health services	0	
	Admitted subacute services	2,279	
	Emergency services	8,147	
	Non-admitted services	8,816	
Block Funding	Non-admitted mental health services	-	39,390
	Teaching, training and research		
	Other non-admitted services		
Other Funding		-	14,111
Total		70,394	401,106

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: 24 / 10 / 2019



Ms Virginia Bourke
Chair – Board of Directors
Mercy Hospitals Victoria Limited

Date: 24 / 10 / 2019

