



WORKSHOP 3

GOVERNANCE & SERVICE QUALITY FOR HEALTH & COMMUNITY SERVICES

A VHA Conference | 19 & 20 May 2010 | Hilton on the Park

VHA Business Activities & Key Issues Briefing

Trevor Carr
CEO, VHA

Sara Duncan
Manager, Research
and Policy, VHA

Bill Newton
CEO, General
Practice Victoria

Corporate & Principal Sponsor



Major Sponsors



Session Sponsors



Award Sponsors



stateservicesauthority

"Optimising health outcomes for all Victorians"



The Australian Centre for
Healthcare Governance

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

The Australian Centre for Healthcare Governance (ACHG)

- A new initiative of the Victorian Healthcare Association (VHA).
- ACHG will provide the healthcare sector with:
 - Knowledge of the process of healthcare governance
 - Guidance and support to build individual and group knowledge to ensure that significant governance responsibilities are fulfilled
 - A range of opportunities for individual and groups to participate in governance forums and networks

www.healthcaregovernance.org.au

"Optimising health outcomes for all Victorians"



The Australian Centre for
Healthcare Governance

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

The Australian Centre for Healthcare Governance (ACHG)

Information sharing through:

- i. A separate ACHG website with navigational aides to the 'store' of governance information collected and developed by the VHA
- ii. An annual healthcare governance publication
- iii. An annual healthcare governance forum
- iv. Information sheets
- v. Sharing opinion
- vi. Providing a question and answer forum
- vii. Linkages and promotion of complementary learning opportunities

"Optimising health outcomes for all Victorians"



The Australian Centre for
Healthcare Governance

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Healthcare Governance Australia

- A commercial arm of ACHG
- Internal and external consultants
- External consultants through affiliation model
- Targeted to the responsibilities of governance and those who operationally responsible for supporting boards

www.healthcaregovernance.org.au



The Australian Centre for
Healthcare Governance

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

The Australian Centre for Healthcare Governance (ACHG)

Membership

- All VHA members receive complimentary membership
- Discreet membership options for individuals and organisations



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Victorian State Budget 2010/11

Wins:

- Capital allocation 73:27
- Improved indexation rates
- Investment in regional hubs
- Investment in children's services



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Victorian State Budget 2010/11

Disappointments:

- No commitment to a 10 year plan, but.....
- No indication that the productivity/ efficiency dividend is to cease (contradiction of this)
- Primary healthcare and prevention



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Victorian State Budget 2010/11

Acute

- \$ = 10.38%
- Separations = 2.34% and WIES 1.83%
- Specialist clinics = 5.17%
- Emergency presentations = 3.65%
- Sub-acute 6% - 12.5%

Analysis:

- Appears to represent price correction
- WIES deflation



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Victorian State Budget 2010/11

Mental Health

- \$ = 6.65%, separations 2.86%, PDRSS = 16%

Aged Care

- \$ = 8.2%, most targets <2.5%

Analysis:

- Appears to represent price correction



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Victorian State Budget 2010/11

Primary Healthcare

- \$ = 20% on 2008/09 (2009/10 bushfire money)
- Service hrs = 7.6% (2 years), 0% (1 year)
- SVU = 4.4% (2 years)
- Dental = 1.6% two year increase, 5.6% SVU

Analysis:

- Devalued community health service hours
- Price correction in 2 year comparison
- Dental SVU increasing > service
- Service growth is modest at best

"Optimising health outcomes for all Victorians"



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Victorian State Budget 2010/11

Small Rural Health Services

- \$ = 6.3%, SVU -= 9.2%

Analysis:

- Price kicker, correction to past devaluation

A curious coincidence or bean counter logic?

Program	2004/05	2006/07	2008/09	2010/11
Acute \$	5271.0	6072.8	7015.7	8391.3
Acute %	67.0	67.0	66.9	68.0
Ambulance \$	340.9	387.0	494.4	564.1
Ambulance %	4.3	4.3	4.7	4.6
Mental Health \$	684.9	782.7	883.8	1007.8
Mental Health %	8.7	8.6	8.4	8.2
Aged Care \$	695.8	806.9	915.5	1054.1
Aged Care %	8.8	8.9	8.7	8.5
Primary Health \$	262.3	297.9	330.3	396.9
Primary Health %	3.3	3.3	3.1	3.2
SRHS \$	298.6	382.0	442.9	481.2
SRHS %	3.8	4.2	4.2	3.9
Public Health \$	211.8	212.4	280.7	304.3
Public Health %	2.7	2.3	2.7	2.5
Drug Services \$	107.2	120.2	123.9	135.7
Drug Services %	1.4	1.3	1.2	1.1
Total \$	7872.5	9061.9	10487.2	12335.4



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Victorian State Budget 2010/11

To watch:

- % that flows to service delivery (2009/10 = 73%)
- Is the bureaucracy growing on the back of headlines?
- The message being sent – waiting lists, A & E as alternate to GP



"Optimising health outcomes for all Victorians"



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

COAG and Federal Budget

- 5 year commitment = \$7.3b – big, yes, but.....
- = \$1.46b pa = .1%GDP, and guess what.....
- 10 year trend line is .13% of GDP proportional growth
- Suggests health expenditure <10% GDP in 2016
- Realistic?
- Trend line = \$9.5b
- Question – are the reforms sufficient to deliver this?



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- How Did We Get To An Agreement
 - 2007
 - VHA Position Statements: Creating Healthier Communities
 - New Federal Government
 - 2008
 - VHA Position Statements: Optimising Primary Healthcare, GP Super Clinics, Planning for Optimal Health Outcomes
 - National Health and Hospitals Reform Commission, National Primary Healthcare Strategy External Reference Group, Preventative Health Taskforce
 - Member Consultations, VHA Submissions

"Optimising health outcomes for all Victorians"



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- How Did We Get To An Agreement
 - 2009
 - National Health and Hospitals Reform Commission, National Primary Healthcare Strategy External Reference Group, Preventative Health Taskforce Draft Reports
 - Member Consultations, VHA Submissions
 - Federal Government Consultations
 - COAG Discussions
 - VHA/GPV Joint Position on PHCO



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- How Did We Get To An Agreement
 - 2010
 - National Health and Hospital Network Proposals
 - Victorian Proposal *Putting Patients First: Working in Partnership to Deliver a Better Australian Health System*
 - COAG National Health and Hospital Network Agreement
 - A National Health and Hospitals Network for Australia's Future
 - Primary Healthcare Strategy
 - Government Response to Preventative Health Taskforce
 - VHA/GPV/Statewide PCPs Joint Position on PHCOs
 - VHA Waiting List and Population Health Position Statements

"Optimising health outcomes for all Victorians"



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- COAG Agreement
 - All states and territories apart from Western Australia have agreed to the health reform plans, which include the following features:
 - Commonwealth and state/territory funding to be placed in a joint funding pool dedicated to healthcare, which will be managed by the states
 - Commonwealth government to retain 30 per cent of current state GST revenues to fund hospitals, this funding will go into the joint funding pool
 - Commonwealth Government to take 100 per cent funding responsibility for all aged care and primary healthcare services (Victoria to retail HACC)
 - Implementation of Local Hospital Networks, to be determined by states in consultation with stakeholders
 - Extra Commonwealth funding will start from 1 July 2010



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- Local Hospital Networks
 - Victoria should remain similar to what it looks like at present
 - Health Minister and Department of Health have signalled no rationalisation of service boundaries
 - Block funding for sub regional and small rural health services
 - Boundaries to be decided by 31 Dec 2010



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- Primary Healthcare
 - Commonwealth Government will prepare a state-wide GP and primary healthcare plan to be agreed bilaterally
 - The Commonwealth Government will not alter delivery mechanisms for 5 years from 1 July 2011, without agreement from the state



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- Primary Healthcare Organisations (Medicare Locals)
 - Establish boundaries and final numbers consistent with LHN boundaries by 31 December 2010 bilaterally agreed between State Health Ministers and the Commonwealth Health Minister
 - PHCO governance and performance management developed by the Commonwealth Government in consultation with States



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- Bill Newton, CEO, General Practice Victoria
 - PHCO:s What Might They Mean for Victoria



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

- The Way Forward
 - VHA PHCO Member Consultation
 - Ministerial Primary Healthcare Roundtable
 - VHA/GPV Joint Forum
 - VHA Meetings with Department of Health and Ageing and Department of Health
 - Sectoral Peaks Meetings
 - PHCO Working Group

"Optimising health outcomes for all Victorians"



Victorian Healthcare Association

GOVERNANCE & SERVICE QUALITY
FOR HEALTH & COMMUNITY SERVICES

WORKSHOP 3

VHA Business Activities & Key Issues Briefing

Federal Reform

Discussion and Questions

Lunchtime Session

Clinical Placements in Victoria

Steve Kozel, Team Leader Education and Research,
Department of Health

Ballroom 1
12.35pm-12.55 today