

Annual Report 2006/07

NSW Department of Health



Letter to the Minister

The Hon Reba Meagher MP
Minister for Health
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Minister

In compliance with the terms of the Annual Reports (Departments) Act 1985, the Annual Reports (Departments) Regulation 2005 and the Public Finance and Audit Act 1983, I submit the Annual Report and Financial Statements of the NSW Department of Health for the financial year ended 30 June 2007 for presentation to Parliament.

Submission of the Department's report by 31 October was not possible due to the late emergence of a number of issues requiring resolution by the Department:

- ▶ The clarification of the accounting treatment of Commonwealth conditional grants provided directly to Institutes under the control of health services.
- ▶ The arbitration decision concerning NSW/ACT patient flows handed down on 14 September 2007 required the recognition of additional expenses.
- ▶ The revision of aero medical commitments of the Ambulance Service to disclose all material contracts placed prior to 30 June 2007.
- ▶ The need to recognise vaccination inventory for the Department (parent) recognising the considerable increases in funding recently provided by the Commonwealth for this initiative.

All these accounting issues have now been satisfactorily addressed for 2006/07 audit.

Copies are being sent to the Auditor General, Members of Parliament, Treasury and other key government departments.

Yours sincerely



Prof Debora Picone AM
Director General

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Director General's year in review 2006/07

I would like to pay tribute to the former Director General of Health, Ms Robyn Kruk AM for her five years of leadership of the NSW public hospital system.

In her previous role, Robyn provided sound management and leadership of our health system up to the time of her appointment to the position of Director General of the Department of Premier and Cabinet in May 2007.

Our health system faces many challenges and a need for changes in the way it delivers care to the people of New South Wales.

These challenges are around our ageing population, the care provided to the chronically ill, delivering a sustainable workforce, providing better services for those with mental illness, meeting the rise in demand for emergency department services and the increasing costs of medical technology.

Within our record \$12.5 billion health budget in 2007/08 there are enormous demands to provide quality health services for people no matter where they live in the State.

In response to these challenges, the NSW health system has developed the State Health Plan – Towards 2010 which was released in March 2007. This Plan sets seven strategic directions for the future and clearly lays out the health priorities over the next five years. These priorities are being reflected in our planning processes at both statewide and local Health Service levels. The seven strategic directions are reported on throughout this Department of Health Annual Report for 2006/07.

Together with the State Health Plan, NSW Health has a range of targets to meet under the NSW Government's State Plan which was released in November 2006.

Our goals under the State Plan are:

- S1 – Improved access to quality healthcare.
- S2 – Improved survival rates and quality of life for people with potentially fatal or chronic illness through improvements in health care.
- S3 – Improved health through reduced obesity, smoking, illicit drug use and risk drinking.
- F3 – Improved outcomes in mental health.
- F5 – Reduced avoidable hospital admissions.

To meet these goals and the targets of the State Health Plan we are developing new models of care designed to take pressures away from our emergency departments by ensuring better and more appropriate care – significantly for the elderly who make up the largest number of people seeking treatment at our hospitals.

We are also addressing a shortage of after-hours doctor services within the community by investing in after-hours GP clinics at, or close by, hospitals.

There is also the development of HealthOne facilities designed to provide better access to integrated primary and community health services. These innovative facilities will target people with chronic health conditions, many of whom spend periods of time in hospital when it's more appropriate for them to be cared for in the community.

We are also moving ahead with the Clinical Services Redesign Program (CSRP) that has been a major factor driving access and quality of service related improvement across the health system. Through consultation with frontline health care workers we are bringing improvements to the patient journey from the time of presentation at an emergency department, admission to a ward or operating theatre, back to the ward for recovery and then back to their homes in the community.

One of the culture changes I am committed to driving across the length and breadth of the NSW health system is our Open Disclosure Policy, to offer a consistent approach to communicating with the patient or their support person following a patient-related incident. We have already experienced considerable change where the clinical workforce is now encouraged to come forward to report any incidents or practices that they believe may compromise patient care.

The next step is to nurture a working environment where hospital staff engage in open dialogue to keep their patients informed and to provide feedback about investigations, including steps taken to prevent a similar incident occurring in the future.

Open Disclosure is also about providing any information arising from an incident or its investigation relevant to changing systems of care in order to improve patient safety.

Under the former Director General's leadership during 2006/07, many initiatives were undertaken to change the way we approach health care.

Nurse recruitment

A record \$1.8 million NSW nursing recruitment campaign was undertaken during November and December 2006 with the specific aims of attracting school leavers, people seeking a career change, and former nurses looking to a return to nursing. The campaign included television commercials, newspaper, magazine and cinema advertisements.

This campaign was undertaken at a time when there was a record 40,748 nurses and midwives permanently employed in full time and part time positions in NSW public hospitals. An increase of 6,744 or nearly 20 per cent over four years.

Hospitalists

A new style of doctor was introduced in NSW hospitals with pilot programs operating in 11 hospitals. The position of hospitalist offers a new career path for doctors who do not want to become specialists, but wish to increase their skills across a number of speciality areas.

For example, doctors providing experience across emergency, aged and community care and coordination of patient care across different specialties. Hospitalists are working closely with specialist medical teams, particularly for acutely and chronically ill patients many of whom are elderly and have complex care needs.

Electronic Health Record

The successful pilot of electronic health records, Healthelink, was extended from the Hunter New England to Sydney's Greater West in 2006/07. The pilot program is now available to eligible children under 15 years of age who live in a selected area from Parramatta to Penrith and present to the Children's Hospital at Westmead.

Healthelink securely centralises a patient's records electronically, allowing health professionals to access updated records at any time and from any location participating in the trial. Electronic health records will make a big difference to patients and healthcare

staff by providing instant access to the patient's medical history, removing the need to wait while paper records are retrieved.

Health Infrastructure Board

The Premier announced the establishment of the Health Infrastructure Board to manage and oversight the delivery of the massive, five year, \$3 billion NSW Government hospital building program.

The Chair of the new Board is Bob Leece, a former Deputy Director General of the Olympic Coordination Authority.

Hospital projects to be overseen by the Health Infrastructure Board include:

- ▶ The Newcastle Mater Hospital redevelopment
- ▶ Liverpool Hospital redevelopment
- ▶ Royal North Shore Hospital redevelopment
- ▶ Lismore, Orange and Auburn Hospital upgrades
- ▶ The development of new after hours GP clinics at or adjacent to hospitals.

Reinvestment in frontline health care

The amalgamation of 17 Health Services to eight new Health Services continues to pay dividends by freeing up savings for re-investment in frontline health care.

In 2006/07, some 18 months after the amalgamations first took place, \$70 million per annum was available for re-investing in front line health services as a direct result of efficiencies which saw more than 1,000 corporate administration positions removed, while the numbers of medical, nursing, allied health and ambulance staff have risen.

Emergency Department Toolkit for treating children

During 2006/07, public hospital doctors and nurses were provided with a newly developed 'toolkit' to help provide better and safer care for sick children who arrive in emergency departments.

The Children's Emergency Care Project was developed in conjunction with the Clinical Excellence Commission

and the NSW Child Health Networks. The toolkit has introduced new guidelines for dealing with the 12 most common problems faced by health teams when treating infants and youngsters.

Surgery hotline

The Surgery Access Line was introduced statewide to assist patients to get earlier surgery when they are booked for elective surgical procedures.

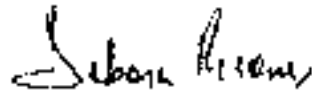
The toll-free Surgery Access Line – 1800 053 456 – operates from 8am to 6pm Monday to Friday.

The line is staffed by experienced people who are able to provide patients with advice about options that may be available for earlier treatment. Options may include surgery at the same hospital with a different surgeon or surgery at an alternative hospital.

Chief Health Officer's Report 2006

The life expectancy of NSW residents continues to grow according to the latest Chief Health Officer's Report released in December 2006.

Our people are living longer and enjoying better health with NSW life expectancy now on par with the world's top four countries. In 2004, life expectancy at birth was 78.9 years for males (up by 12.1 years since 1970) and 83.7 years for females (up by 10 years since 1970).



Professor Debora Picone AM
Director General