

SECTION 1

OVERVIEW



ABOUT NSW HEALTH

PURPOSE

The purpose of NSW Health is to plan the provision of comprehensive, balanced and coordinated health services to promote, protect, develop, maintain and improve the health and wellbeing of the people of New South Wales. (Source: *Health Administration Act 1982* No 135, Section 5.)

VALUES

Our CORE values encourage collaboration, openness and respect in the workplace to create a sense of empowerment for people to use their knowledge, skills and experience to provide the best possible care to patients, their families and carers.

Collaboration

We are committed to working collaboratively with each other to achieve the best possible outcomes for our patients, who are at the centre of everything we do. In working collaboratively we acknowledge that every person working in the health system plays a valuable role that contributes to achieving the best possible outcomes.

Openness

A commitment to openness in our communications builds confidence and greater cooperation. We are committed to encouraging our patients and all people who work in the health system to provide feedback that will help us provide better services.

Respect

We have respect for the abilities, knowledge, skills and achievements of all people who work in the health system. We are also committed to providing health services that acknowledge and respect the feelings, wishes and rights of our patients and their carers.

Empowerment

In providing quality health care services we aim to ensure our patients are able to make well-informed and confident decisions about their care and treatment.

OVERVIEW

NSW Health is the largest health care system in Australia, and among the largest in the world. Every year, NSW Health cares for millions of people and oversees investment worth billions of dollars in patient care, building, equipment, technology and research. As of June 2018, NSW Health employs 117,047 full-time equivalent staff.

NSW is home to one third of the Australian population, and NSW Health has worked at state and local levels to address any systemic gaps and improve health outcomes.

The NSW Health Patient Safety First initiative is an ongoing program to maximise safety for patients, carers and staff in the health system. It is based on constant assessment of what patients tell us about their care, and other detailed oversight of performance. The message is clear: patient safety is a priority for everyone in the health system, every day.

NSW Health is also delivering a more integrated health system. Through the adoption of new approaches to care delivery, services are connected across many different providers and focused on individual patient needs as well as cost effectiveness.

STRATEGIC PRIORITIES

There are a number of NSW Premier's Priorities and State Priorities to grow the economy, deliver infrastructure, protect the vulnerable and improve health, education and public services across NSW. Reporting on these priorities allows the Government to measure and deliver projects that create a stronger, healthier and safer NSW.

Within health, priorities have been developed to improve results for patients and the community. The NSW State Health Plan provides an overarching framework to guide NSW Health to meet these priorities, as well as its statutory functions. The Plan ensures the system delivers the right care, in the right place, at the right time.

Our work to continue building a 21st century health system that is sustainable, purposeful and most importantly delivers the best care for the people of NSW is contained in eight strategic priorities for NSW Health. These priorities also present the framework for change, shaping what we need to achieve in our hospitals, for our workforce, in research and innovation, e-health and infrastructure.

The strategic priorities for NSW Health are:

- keep people healthy
- provide world-class clinical care where patient safety is first
- integrate systems to deliver truly connected care
- develop and support our people and culture
- support and harness health and medical research and innovation
- enable e-health, health information and data analytics
- deliver future-focused infrastructure and strategic commissioning
- build financial sustainability and robust governance.

Section 2 of this report outlines key achievements for 2017-18 against each of the strategic priorities.

CHALLENGES

Australia has a system of health care recognised as being one of the most effective in the world. The NSW public health system is a critical part of this. But like health systems throughout the world, NSW Health must prepare itself to manage future challenges.

These include:

- demand for services arising from technological advances
- an ageing population using services more frequently
- a changed disease burden, from acute care to chronic and complex conditions that require more dynamic management.

HEALTH PORTFOLIO MINISTERS

The Hon. Brad Hazzard MP became the Minister for Health on 30 January 2017. Minister Hazzard is the co-ordinating Minister for the Health Cluster and is the Minister for Medical Research, a role he also assumed from 30 January 2017.



The Hon. Tanya Davies MP became the Minister for Mental Health, Minister for Women and Minister for Ageing on 30 January 2017.



NSW HEALTH STRATEGIC PRIORITIES 2017-18

1 Keep people healthy

- 1.1 Implement policy and programs to reduce childhood obesity
- 1.2 Ensure preventive and population health programs to reduce tobacco use
- 1.3 Embed a health system response to alcohol and drug use and work across government agencies
- 1.4 Reduce the impact of infectious disease on the community

2 Provide world-class clinical care where patient safety is first

- 2.1 Continue to embed quality improvement to ensure safer patient care
- 2.2 Deliver better value care
- 2.3 Foster engagement from consumers and carers to improve the customer experience
- 2.4 Ensure timely access to care, with a focus on emergency, surgery and Ambulance performance
- 2.5 Disseminate information to inform system performance and drive reform

3 Integrate systems to deliver truly connected care

- 3.1 Refine emerging models of integrated care for broader implementation in the community
- 3.2 Deliver mental health reforms across the system
- 3.3 Integrate the approach to End of Life and Palliative Care
- 3.4 Transition to the National Disability Insurance Scheme (NDIS) and embed disability inclusion
- 3.5 Determine NSW Health's future role in response to Aged Care reforms
- 3.6 Support vulnerable families and young people in the community and Out of Home Care

4 Develop and support our people and culture

- 4.1 Right People, Right Skills, Right Time: to grow and support a skilled workforce
- 4.2 Foster a culture that reflects our CORE values and respects diversity
- 4.3 Develop effective health professional managers and leaders
- 4.4 Improve health, safety and wellbeing at work

5 Support and harness health and medical research and innovation

- 5.1 Generate policy-relevant research
- 5.2 Drive research translation in the health system
- 5.3 Make NSW a global leader in clinical trials
- 5.4 Enable the research environment

6 Enable eHealth, health information and data analytics

- 6.1 Implement integrated paper-lite core clinical information systems
- 6.2 Foster eHealth solutions that support integrated health services
- 6.3 Enhance data management, analytics and health intelligence
- 6.4 Enhance patient, provider and research community access to digital health information

7 Deliver future focused infrastructure and strategic commissioning

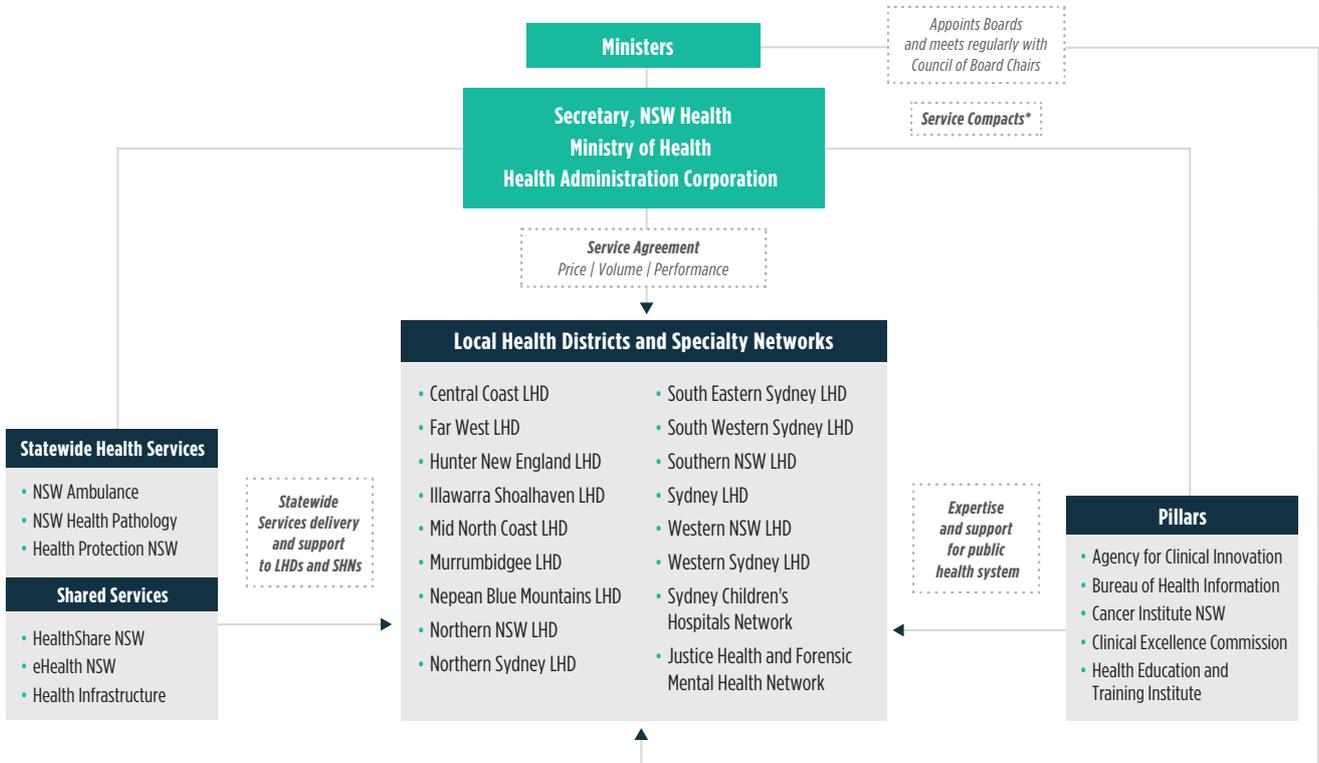
- 7.1 Improve system service planning capabilities to underpin infrastructure decisions
- 7.2 Utilise strategic commissioning more effectively
- 7.3 Deliver agreed infrastructure on time and budget
- 7.4 Focus on whole of lifecycle asset management to better manage risk

8 Build financial sustainability and robust governance

- 8.1 Secure financial benefits to meet Health's strategic deliverables
- 8.2 Ensure Health's delivery on Financial Management Transformation Program
- 8.3 Embed a new approach to strategic planning and the Ministry's role as system manager
- 8.4 Deliver effective regulatory, governance and accountability
- 8.5 Drive system-wide consistency in use of health shared services

NSW HEALTH ORGANISATIONAL STRUCTURE

NSW Health comprises both the NSW Ministry of Health (a public service department under the *Government Sector Employment Act 2013*) and the various NSW Health organisations making up the NSW public health system.



St Vincent's Health Network is an affiliated health organisation.
*Service Compact – Instrument of engagement detailing service responsibilities and accountabilities.

NSW Health currently comprises:

- NSW Ministry of Health
- Local health districts
- Justice Health and Forensic Mental Health Network
- The Sydney Children's Hospitals Network
- Health Protection NSW
- NSW Ambulance
- NSW Health Pathology
- Cancer Institute NSW
- Clinical Excellence Commission
- Health Education and Training Institute
- Agency for Clinical Innovation
- Bureau of Health Information
- HealthShare NSW
- eHealth NSW
- Health Infrastructure.

NSW MINISTRY OF HEALTH

The NSW Ministry of Health is a Department established under the *Government Sector Employment Act 2013*, section 22 and Schedule one, to support relevant ministers to perform their executive and statutory functions.

ROLE AND FUNCTION OF NSW HEALTH ORGANISATIONS

The role and function of NSW Health organisations are principally set out in two Acts, the *Health Administration Act 1982* and the *Health Services Act 1997*. This is complemented by a corporate governance framework which distributes authority and accountability through the public health system.

HEALTH ADMINISTRATION CORPORATION

Under the *Health Administration Act 1982*, the Secretary is given corporate status as the Health Administration Corporation for the purpose of exercising certain statutory functions. The Health Administration Corporation is used as the statutory vehicle to provide ambulance services and support services to the health system.

A number of entities have been established under the Health Administration Corporation to provide these functions including:

Health Infrastructure

Health Infrastructure is responsible for the delivery of NSW Health's major capital works, under the auspices of a board appointed by the Secretary.

Health Protection NSW

Reporting to the Chief Health Officer, Health Protection NSW is responsible for surveillance and public health responses in NSW, including monitoring the incidence of notifiable infectious diseases and taking appropriate action to control the spread of diseases. It also provides public health advice and response to environmental issues affecting human health.

HealthShare NSW

HealthShare NSW provides a range of shared services to NSW public health organisations under the auspices of a board appointed by the Health Secretary, including financial, human resources, procurement, linen, food services, disability equipment services managed by EnableNSW, and non-emergency patient transport services.

eHealth NSW

eHealth NSW is responsible for providing direction and leadership in technology-led improvements in patient care across NSW Health in consultation with local health districts and specialty networks.

NSW Ambulance

NSW Ambulance is responsible for providing responsive, high quality clinical care in emergency situations, including pre-hospital care, rescue and retrieval.

NSW Health Pathology

NSW Health Pathology is responsible for providing high quality pathology services to the NSW health system through five clinical and scientific networks.

LOCAL HEALTH DISTRICTS

Local health districts are established as distinct corporate entities under the *Health Services Act 1997*. They provide health services in a wide range of settings, from primary care posts in the remote outback to metropolitan tertiary health centres. Eight districts cover the greater Sydney metropolitan region, with seven covering rural and regional NSW.

STATUTORY HEALTH CORPORATIONS

Under the *Health Services Act 1997*, there are three types of statutory health corporations subject to control and direction of the Secretary and Minister for Health:

1. Specialty health networks
2. Board governed organisations
3. Chief executive governed organisations.

During the reporting period, the following statutory health corporations provided statewide or specialist health and health support services:

Specialty health networks

There are two specialty health networks: The Sydney Children's Hospitals Network (Randwick and Westmead) and the Justice Health and Forensic Mental Health Network.

Agency for Clinical Innovation

The Agency for Clinical Innovation is a board-governed statutory health corporation responsible for engaging clinicians, and for designing and implementing best practice models of care by working with doctors, nurses, allied health professionals, health managers and consumers.

Bureau of Health Information

The Bureau of Health Information is a board-governed statutory health corporation responsible for providing independent reports to government, the community and health care professionals on the performance of the NSW public health system.

Cancer Institute NSW

The Cancer Institute NSW is a board-governed organisation established under the *Cancer Institute (NSW) Act 2003*, and is deemed to be a statutory health corporation. The Institute is responsible for improving the prevention and management of cancer and improving the quality of life for people with cancer and their carers.

Clinical Excellence Commission

The Clinical Excellence Commission is a board-governed statutory health corporation, responsible for building capacity and capability to improve quality and safety within our health services.

Health Education and Training Institute

The Health Education and Training Institute is a chief executive-governed statutory health corporation, responsible for coordinating education and training for NSW Health.

AFFILIATED HEALTH ORGANISATIONS

At 30 June 2018, there were 15 affiliated health organisations in NSW managed by religious and/or charitable groups as part of the NSW public health system. These organisations are an important part of the public health system, providing a wide range of hospital and other health services

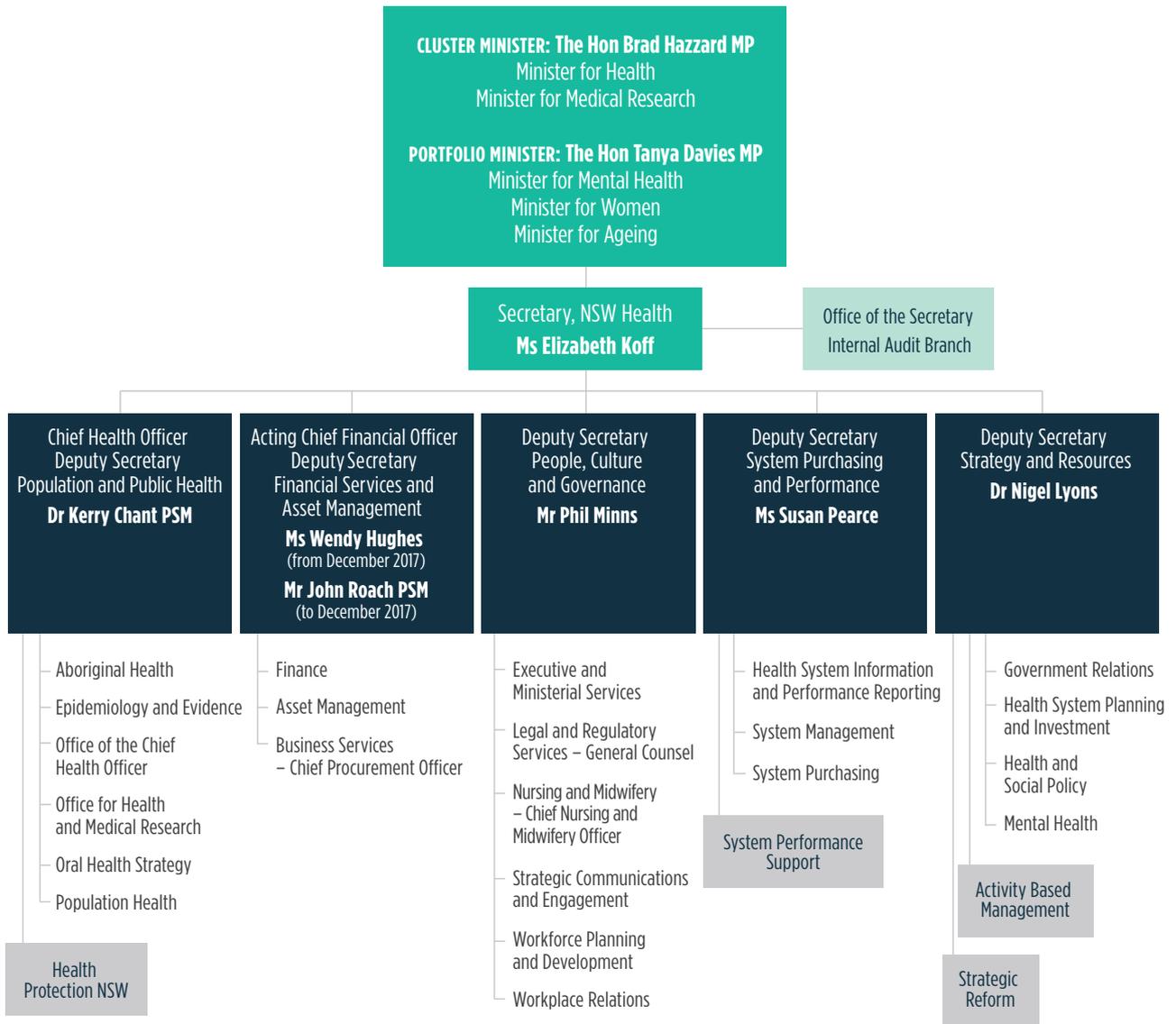
ST VINCENT'S HEALTH NETWORK

Section 62B of the *Health Services Act 1997* enables an affiliated health organisation to be declared a Network for the purposes of national health funding. St Vincent's Hospital, the Sacred Heart Health Service at Darlinghurst and St Joseph's Hospital at Auburn have been declared a NSW Health Network.

NSW MINISTRY OF HEALTH

The Ministry of Health supports the Secretary, the NSW Minister for Health, who is the Health Cluster Minister and the Minister for Medical Research, and the Minister for Mental Health, the Minister for Women and the Minister for Ageing to perform their executive government and statutory functions. This includes promoting, protecting, developing, maintaining and improving the health and wellbeing of the people of NSW, while considering the needs of the state and the finances and resources available.

The NSW Ministry of Health is also the system manager for the NSW public health system.



Legend Health Systems Support Group

NSW HEALTH EXECUTIVE TEAM

Chief executives of local health districts, specialty networks, statutory health corporations and the Health Administration Corporation form the NSW Health executive team. The roles and responsibilities of chief executives are set out in the *Health Services Act*.

Local health districts

Chief executives of local health districts and specialty networks are employed by the Health Executive Service (part of the NSW Health Service) by the Secretary under Section 116 of the *Health Services Act* on behalf of the NSW Government.

The role of the chief executive is set out in section 24 of the *Health Services Act*. The chief executive manages and controls the affairs of the local health district. The chief executive can commit the district contractually and legally and is the employer delegate for all staff working in the organisation. Chief executives are, in the exercise of their functions, accountable to their board.

Statutory health corporations

Under Section 51 of the *Health Services Act*, the chief executive manages the affairs of a board-governed statutory health corporation, and is, in the exercise of his or her functions, subject to the direction and control of the organisation's board. As with local health districts and specialty networks, the chief executive is also the employer delegate for staff working at the organisation.

Senior Executive Forum

The NSW Health Senior Executive Forum brings together chief executives from across the health system to consider health issues of system-wide interest, including the NSW Health budget, development and implementation of health policy and monitoring of health system performance.

NSW MINISTRY OF HEALTH EXECUTIVE TEAM

SECRETARY

Ms Elizabeth Koff

*BSc, Dip Nut&Diet (USyd),
MPH(Monash), GAICD*

Secretary, NSW Health



Elizabeth Koff has held a number of senior executive planning and operational roles within the NSW health system, most recently Chief Executive of The Sydney Children's Hospitals Network (2010-2015).

In February 2015, she commenced in the role of Deputy Secretary, Strategy and Resources at the NSW Ministry of Health.

In May 2016, Ms Koff was appointed Secretary, NSW Health.

POPULATION AND PUBLIC HEALTH

Dr Kerry Chant PSM

MBBS, FAFPHM, MHA, MPH

Chief Health Officer and Deputy Secretary Population and Public Health, NSW Ministry of Health



Dr Kerry Chant is a public health physician. Prior to her appointment as Chief Health Officer and Deputy Secretary of Population and Public Health, she was Director of Health Protection and Deputy Chief Health Officer. Dr Chant has extensive public health experience, having held senior positions in NSW public health units since 1991. She has a particular interest in blood borne virus infections, communicable diseases prevention and control, and Aboriginal health. Dr Chant was appointed to the role of Chief Health Officer on 1 February 2009.

Division overview

The Population and Public Health Division leads the strategic direction, planning, monitoring and performance of population health services across NSW. Strategic areas of focus include alcohol and other drugs, tobacco control, overweight and obesity, HIV, sexually transmitted infections and viral hepatitis, end of life care, organ donation and data analytics that drive actionable insights. The division works in partnership with Aboriginal organisations and communities, and other parts of NSW Health to ensure the health system meets the needs of Aboriginal people, a priority population for NSW Health.

The Chief Health Officer works closely with the Office for Health and Medical Research on NSW strategic priorities for health and medical research. Health Protection NSW reports to the Chief Health Officer, and coordinates activities to prevent and control threats to health, both from communicable diseases and from the environment.

The division responds to the public health aspects of major incidents and disasters in NSW and supports population health services to create social and physical environments that promote health. It transforms data into information, provides statewide record linkage, monitors the health of the population to identify trends, evaluates the impact of health services and improves health through reducing health inequity.

FINANCIAL SERVICES AND ASSET MANAGEMENT

Ms Wendy Hughes *B.Bus, CPA*
Acting Chief Financial Officer and Deputy Secretary, Financial Services and Asset Management, NSW Ministry of Health (from December 2017 to August 2018)



Wendy Hughes has more than 20 years of senior financial executive experience, in both the public and private sectors. She was appointed as Deputy Chief Financial Officer in March 2015 and acted in the Chief Financial Officer and Deputy Secretary role from December 2017.

Ms Hughes joined the Ministry of Health in 2011 as Director, Performance Support Office. Subsequently she took on the role of Director System Relationships and Frameworks, where she was instrumental in establishing the purchasing arrangements that are in place with local health districts and specialty health networks, including the negotiation of the annual Service Agreements.

Ms Hughes' CFO and Deputy Secretary role included oversight of finance and budgeting processes, strategic procurement reforms, and strategic system asset, property and facility management for NSW Health. Responsibilities included negotiating the annual recurrent funding and the monthly monitoring and cash management of NSW Health's 2018-19 \$22.9 billion expense budget and a \$2.2 billion capital works program.

Mr John Roach PSM *B.Bus (Acc), FCPA*
(to December 2017)



With more than 40 years' experience within the NSW Public Service, John Roach focused on improving financial management at an operational and executive level, including developing commercially focused approaches to the delivery of corporate services and public infrastructure.

Over the last 17 years, Mr John Roach has undertaken a range of executive roles in Health.

He was appointed as Chief Financial Officer NSW Health in 2009. In 2017, Mr Roach took on additional responsibilities and was CFO and Deputy Secretary until December 2017.

Division overview

The Financial Services and Asset Management Division leads a range of functions across Finance, Strategic Procurement and Asset Management.

The division supports sustainable resource allocation within the NSW public health system to underpin the delivery of patient care, and help health decision makers have access to the right information at the right time.

The division takes the lead role in managing and monitoring the financial performance of the NSW public health system. It is responsible for monitoring recurrent and capital expenditure against the annual budget allocation, and for reporting on NSW Health's financial performance to both the Ministry of Health executive and to the government.

Other key finance functions include responsibility for preparing NSW Health's consolidated annual financial statements, in accordance with statutory requirements and timeframes, financial accounting, funds management and reporting, insurance and risk management, revenue, financial services and Treasury reporting.

With respect to asset management, the division's responsibilities include establishing statewide asset management policies and strategies, leading asset management reform and providing asset portfolio management support.

The division has responsibility for strategic procurement oversight with a key focus of maximising value across the system to enable higher quality patient care. This is achieved through collaboration with a broad range of stakeholders and enabling better practice procurement.

PEOPLE, CULTURE AND GOVERNANCE

Mr Phil Minns *BEC (USyd); MEC (USyd)*
**Deputy Secretary, People,
Culture and Governance, NSW
Ministry of Health**



Phil Minns commenced in his current role of Deputy Secretary, People, Culture and Governance at the NSW Ministry of Health in November 2017, focusing on governance, culture, workforce and capability. Prior to his commencement, Leanne O'Shannessy acted in the role of Deputy Secretary, People, Culture and Governance (July to November 2017).

He joined NSW Health from the Public Service Commission (PSC), where he was Deputy Commissioner from 2015 to 2017. Prior to this, Mr Minns was Deputy Secretary, Government, Corporate and Regional Coordination, NSW Department of Premier and Cabinet (DPC) where he had worked since February 2012. At DPC, he was responsible for the corporate services and governance functions for the department as well as services to the Ministry, strategic events and communications.

Mr Minns joined DPC from the Department of Defence, where he was the inaugural Deputy Secretary, People Strategies and Policy, and a member of the Defence Committee from 2008 to 2012. With the Defence Committee, he developed 'Pathways to Change', an organisation-wide people strategy, to frame the department's and the services' response to cultural issues identified within the Australian Defence Organisation.

Mr Minns' career has blended time in senior corporate roles within the manufacturing sector and government as well as consulting to private and public sector organisations on organisational strategy, cultural change and a host of workforce focused strategies.

Division overview

The Deputy Secretary, People, Culture and Governance provides executive leadership and strategic direction to a diverse portfolio of corporate services, professional advisory and enabling services to support the achievement of NSW Health's strategic objectives, meeting the needs of health service management and delivery in NSW.

The Deputy Secretary is responsible for leading the development, integration and review of capability-based talent management strategies and a values-based cultural framework across NSW Health.

The division drives the implementation of governance frameworks across the Health cluster including structures, decision making processes and control systems. It leads a diverse range of critical and integrated functions and services including nursing and midwifery, legal and regulatory services, and system wide employment policy for the NSW Health system. The division is also responsible for communication and media; and supporting Ministerial, Parliamentary and Cabinet processes, which enable effective and efficient administration of the Ministry of Health.

SYSTEM PURCHASING AND PERFORMANCE

Ms Susan Pearce *B App Sci (Nursing), Dip Law*
**Deputy Secretary, System
Purchasing and Performance,
NSW Ministry of Health**



Susan Pearce started her career in Far West Local Health District in 1991 as a registered nurse. She has extensive experience in senior leadership roles at a hospital, district, pillar and ministry level across a range of functions including workforce, operations and as the former NSW Chief Nursing and Midwifery Officer.

Ms Pearce has been fundamental in delivering transformational change within NSW Health and continues to build on the critical partnerships between all elements of our health system to ensure strong performance and accountability. She was appointed Deputy Secretary on 20 November 2015.

Division overview

The System Purchasing and Performance Division leads the monitoring and management of overall health system performance and coordinates the purchasing arrangements with NSW public health services. It is a critical interface with local health districts, specialty health networks, the pillars and other health organisations to understand and support the delivery of high quality and safe care for the people of NSW.

The division's functions are divided between teams devoted to:

- System Information and Analytics
- System Purchasing
- System Performance Support
- System Management

The division is leading the development of the Safety and Quality Framework in partnership with the Clinical Excellence Commission. This initiative will further assist NSW Health in driving safety and quality and enhance monitoring and reporting of safety and quality indicators.

The health system information and performance reporting function enables the Ministry of Health to be an effective health service purchaser and system manager through high-quality data, analysis and performance reporting; and ensures that NSW Health meets its reporting obligations and maintains high standards of public accountability.

The division directs the activity purchasing process, and leads the development of annual Service Agreements to align public health service delivery with NSW Health priorities. It is responsible for the performance and purchasing frameworks that sustain the governance of public health organisations and support organisations.

The division supports performance improvement strategies and statewide initiatives to improve service delivery. In particular, the division has oversight of the management of surgery waiting lists, specialist outpatient services, hospital in the home and emergency access service delivery.

STRATEGY AND RESOURCES

Dr Nigel Lyons *B.Med (Hons) MHA* **Deputy Secretary, Strategy and Resources, NSW Ministry of Health**



Dr Nigel Lyons has more than 30 years of experience in the NSW health system, as a clinician, manager and executive.

In October 2016, he became Deputy Secretary, Strategy and Resources at the NSW Ministry of Health. Dr Lyons is responsible for strategic health policy development, inter-jurisdictional negotiations and funding strategies, system-wide planning of health services including mental health, and setting the direction for child and family health policy.

He has also held other executive roles in NSW Health including Chief Executive, NSW Agency for Clinical Innovation and Chief Executive, Hunter New England Area Health Service.

Division overview

The Strategy and Resources Division works with national and state governments to develop accurate classifications and improve pricing and funding mechanisms for the sustainability of health funding in NSW.

It reviews planning and procurement of capital infrastructure to deliver more contemporary investment strategies across NSW Health.

The division also supports the NSW Health response to aged care and disability reforms and works with the Commonwealth, local health districts and other key providers to influence and respond to reforms in the aged care and disability sectors.

In addition, it implements mental health reforms, including collaboration with the Department of Premier and Cabinet to implement the response to the Mental Health Commission's Strategic Plan, across the whole of NSW Government and the NSW public health system.

In line with managing government relations, the division also supports the Australian Health Ministers' Advisory Council, the NSW Health Ministers' Advisory Committee and the NSW response to matters before the COAG Health Council.

