



**Jillian Skinner**  
Minister for Health

## **MEDIA RELEASE**

Thursday, 15 September 2016

### **PARTNERSHIPS TO DELIVER HOSPITAL UPGRADES SOONER**

Five major regional hospital redevelopments will be delivered faster and provide even more state-of-the-art health services under a new plan to partner with established non-government hospital operators.

Health Minister Jillian Skinner today invited Expressions of Interest (EOIs) from non-government hospital operators to deliver redevelopments of Maitland, Wyong, Goulburn and Shellharbour hospitals and to support the delivery of services at the redeveloped Bowral Hospital.

The NSW Government committed more than \$1 billion at the 2015 State election to redevelop or upgrade the five hospitals, with works to get underway this term.

Under the partnership plan, successful operators would construct the hospitals then run them on behalf of the NSW Government, with all public patients continuing to have access to publicly-funded, world-class healthcare.

Mrs Skinner said the redevelopments would be delivered faster by combining the strength and experience of the public sector with the innovation and efficiency of non-government hospital operators.

“These communities have been waiting for decades. These innovative partnerships will deliver upgraded hospitals with more services and choices for care, which will be provided at the highest standards,” Mrs Skinner said.

“The NSW Government will continue to cover the cost of public patients, who will receive free hospital treatment, just as they do now.

“If we are to manage a growing and ageing population with increasingly complex health needs, we must have a sustainable health system. Partnering with non-government hospital operators will allow us to maintain quality healthcare while delivering the best value for NSW taxpayers.”

Only hospital operators with a proven track record of successfully delivering health services will be considered for partnerships.

Current permanent staff who want to work for the new hospitals will be offered a position, provided an equivalent position exists. Any staff member who migrates will

have a two-year employment guarantee.

With the new hospitals expected to employ more than 1,000 additional staff, this will provide a great opportunity for staff to work in modern public hospital facilities.

The NSW Government has announced more than \$5 billion for new health infrastructure projects during this term and is on track to deliver its election commitments.

More information on the EOI process can be found at the NSW eTendering website: <https://tenders.nsw.gov.au>

## **NSW HEALTH FACT SHEET**

The NSW Government is seeking to extend our partnership approach with non-government hospital operators to build and operate new or expanded hospitals.

Non-government operators will construct proposed redevelopments at Maitland, Wyong, Goulburn and Shellharbour hospitals. Interest is also sought for a partner to support the redevelopment of Bowral Hospital.

### **Public patients**

- The partnerships that result will ensure that patients receive the same high quality of service regardless of their status as public or private patients.
- Under any contract entered into, hospital operators will be required to treat every public patient that presents to the hospital.
- There will be no change to the way public patients receive their free healthcare.

### **Value for money**

- A rigorous evaluation process of the proposals received for the designated projects will be undertaken in accordance with existing guidelines.
- If a proposal does not demonstrate value for money as well as providing additional value and benefits, then the NSW Government will not proceed with the partnership approach and the hospital redevelopment will be delivered using traditional means.
- By partnering with a non-government operator on the Northern Beaches Hospital, the NSW Government has been able to identify a benefit of more than \$1.5 billion or 39% over the 20 year contract compared to a standard public sector delivery.
- Savings generated through partnerships with non-government operators will be reinvested in health services.

## **Ensuring quality health care**

- Non-government operators will have the same obligations to deliver high quality health care as public hospitals.
- Potential operators will be required to demonstrate a track record and ongoing capability to deliver high quality outcomes for patients. Any contract entered into to deliver health services to the NSW public will include performance criteria benchmarked to existing national and state standards.
- Operators will be accountable to the Local Health District, who will manage the contract to ensure appropriate performance.

## **Delivery**

- There is no change to NSW Government's election commitment to deliver health facilities. The NSW Government has committed to spending more than \$5 billion on health capital builds during this term of government.
- Projects already announced will commence, as previously indicated, during this term of government.
- Accelerating capital investment to provide enhanced services is a key objective of the program. As part of the evaluation process, the hospital operator's capacity and ability to deliver within a specified timeframe will be considered.

## **Process**

- The NSW Government is seeking expressions of interest (EOI) from non-government hospital operators that have proven capability in the delivery of health services to participate in a potential program of projects. Following assessment of the response to the EOI, a subsequent Request for Proposal (RFP) will be conducted.
- The EOI will seek interest from non-government hospital operators to design, construct, operate and maintain identified health facilities.
- The EOI will open on 15 September 2016. Hospital operators will be notified of the outcome at the completion of the EOI assessment.
- The RFP will be an interactive tender process that will result in the State negotiating with and awarding a contract to the preferred provider if it is shown to provide value for money. The release of individual RFP processes may be staged across several months.