

# 5 Clinical Governance

## 5.1 Clinical Governance Entities

### 5.1.1 Public Health Organisation Clinical Governance Units

Public health organisations are responsible for the quality and safety of the services provided by their facilities, staff and contractors. A common clinical governance framework has been embedded in public health organisations with local health districts and specialty networks having a consistent organisational structure, including a Clinical Governance Unit (CGU) directly reporting to the chief executive.

The roles of the CGUs are to develop and monitor policies and procedures for improving systems of care. CGUs contribute to the NSW Patient Safety and Clinical Quality Program by ensuring it is uniformly implemented across the State, and overseeing the risk management of patient safety and clinical quality by building upon existing incident management and investigation systems.

Where CGUs identify a concern with clinician performance, such must be reported to the chief executive for prompt action and management. Depending on the particular circumstances, such action might include; internal investigation; external investigation by a recognised expert; referral to the HCCC; referral to the professional registration council; or another appropriate agency (e.g. NSW Ombudsman, Department of Family and Community Services).

**Clinical governance framework, role of Clinical Governance Units and reporting requirements**

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### 5.1.2 Clinical Excellence Commission

The Clinical Excellence Commission (CEC) was established to promote and support improved clinical care, safety and quality across the NSW health system.

The mission of the CEC is to build confidence in healthcare in NSW by making it demonstrably better and safer for patients and a more rewarding workplace. The CEC has an important role in assisting public health organisations to achieve and maintain adequate standards of patient care through system analysis and improvement. It does this by working collaboratively with key partners to facilitate safe, quality care for patients.

Following new governance arrangements in 2011, the CEC has taken on a broader role, including:

- providing system wide clinical governance leadership with local health districts and specialty networks, including supporting the implementation and ongoing development of local quality systems;
- developing policy and strategy related to improvements of clinical quality and safety across the NSW public health system and promoting and supporting improvement in clinical quality and safety in public and private health services, particularly for Aboriginal communities;
- reviewing adverse clinical incidents arising in the NSW public health system and developing responses to those incidents including (but not limited to) co-ordinating responses to specific incidents with system or statewide implications and providing advice to the Ministry of Health on urgent or emergent patient safety issues and staff safety issues in a clinical setting;
- building capacity within the system to identify and respond to risks and opportunities.

**NSW Patient Safety & Clinical Quality Program**

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### 5.1.3 **Agency for Clinical Innovation**

The Agency for Clinical Innovation (ACI) works with clinicians, consumers and managers to design and promote better healthcare for NSW. It does this by:

- *Service redesign and evaluation* – applying redesign methodology to assist healthcare providers to review and improve the quality, effectiveness and efficiency of services.
- *Specialist advice on healthcare innovation* – advising on the development, evaluation and adoption of healthcare innovations from optimal use through to disinvestment.
- *Initiatives including Guidelines and Models of Care* – developing a range of evidence-based healthcare improvement initiatives to benefit the NSW health system.
- *Implementation support* – working with ACI Networks and healthcare providers to assist healthcare innovations into practice across metropolitan and rural NSW.
- *Knowledge sharing* – partnering with healthcare providers to support collaboration, learning capability and knowledge sharing on healthcare innovation and improvement.
- *Continuous capability building* – working with healthcare providers to build capability in redesign, project management and change management through the Centre for Healthcare Redesign.

ACI Clinical Networks, Taskforces and Institutes provide a unique forum for people to collaborate across clinical specialties and regional and service boundaries to design improved models of patient care.

A priority for the ACI is identifying unwarranted variation in clinical practice and working in partnership with healthcare providers to develop mechanisms to improve clinical practice and patient care.

### 5.1.4 **Bureau of Health Information**

The Bureau of Health Information (BHI) was established in 2010, to support transparency in health data and allow greater local control of information analysis.

The primary role of the BHI is to provide independent reports to government and the community on the performance of the NSW public sector health system. Performance measures include activity, access, effectiveness, efficiency, outcomes and safety and quality measures.

The key features of the BHI include:

- it operates at arms length from the local health districts, specialty networks and the NSW Ministry of Health;
- it provides a source of excellence for data about the NSW Health system for government, the community, and clinicians; and
- the ability to analyse data, commission research and extensively report on the quality, performance and effectiveness of services provided by NSW Health.

The BHI uses existing NSW Health data collections and, will over time, use other data sets to develop and report on the performance of NSW Health at a cascading level – whole of system, by local health network, by hospital and by clinical service. The BHI will, over time, also report benchmarked comparative data.

The reports and other data will be available to the public, clinicians, health care managers, media and researchers with an interest in health system performance.

The BHI works closely with the Clinical Excellence Commission, the Australian Institute of Health, the NSW Ministry of Health and other health performance information analysis groups to strengthen and enhance the quality and capability of health system performance analysis and reporting in NSW.

## 5.2 Health District / Service Clinical Management and Advisory Structures

### 5.2.1 Clinical management structures

For clinical governance and quality assurance structures and processes to be effective, it is important that they operate at all levels of the organisation and that those staff providing front line patient care are aware of and working within these structures and processes.

The successful implementation of clinical governance requires:

- the identification of clear lines of responsibility and accountability for clinical care and ensuring these are communicated throughout a public health organisation; and
- the development of strong and effective partnerships between clinicians and managers.

A key accountability of the chief executives of public health organisations is to ensure that the clinical governance and quality assurance structures and processes are known, respected and followed by all staff.

To attract clinicians with leadership capability to clinical management roles, the positions need to be genuinely supported by management, and recognised and promoted as having influence. At the local health district level, it is important that clinical stream director roles (where they are established), have well-defined responsibilities and their relationship to the health district management structure (at both hospital and local health district level) is clearly identified.

At the hospital level, the roles and responsibilities of general managers and heads of departments need to be clearly defined. Similarly, where hospitals function as part of a network, there should be clearly defined responsibilities and lines of communication between key personnel.

There should also be clear rules of engagement between clinical stream directors, general managers and the local health district executive to ensure that all parties have appropriate input into the development, operation and standard of clinical services within their stream/facilities and across their local health district.

### 5.2.2 Bodies established under by-laws

Model By-Laws for Local Health Districts establish a number of clinical governance bodies and provide for a number of functional and advisory committees including:

- A Health Care Quality Committee of the Board;
- Medical Staff Councils and Medical Staff Executive Councils ;
- Hospital Clinical Councils and/or Joint Hospital Clinical Councils; and
- a Local Health District Clinical Council.

### *Local Health District Clinical Council*

The role of the local health district clinical council is to provide a forum for discussing strategic planning, priorities for service development, resource allocation, clinical policy development and providing professional (expert) clinical guidance (where appropriate and when needed).

Local health district councils facilitate the input of clinicians into the strategic decision making process and bring together the local health district executive, clinical stream directors and general managers of hospitals/hospital networks on a regular basis.

Under the Model By-Laws the council provides the board and the chief executive with advice on clinical matters affecting the local health district, including on:

- improving quality and safety in the hospitals within the local health district;
- planning for the most efficient allocation of clinical services within the local health district;
- focusing on the clinical safety and quality of the health system for Aboriginal people;
- translating national best practice into local delivery of services;
- working with representatives from local communities to develop innovative solutions that address local community needs; and
- such other related matters as the board or chief executive may seek advice on from time to time.

The Model By-Laws also provide that LHD Clinical Councils can be given additional functions to enable them to operate as Local Council Groups within Commonwealth requirements.

### *Hospital Clinical Councils / Joint Hospital Clinical Councils*

Local health clinical councils operate at hospitals or hospital networks to promote clinician engagement in local management decision making. These forums are multi-disciplinary (i.e. involve medical, nursing and allied health staff).

The objectives of a hospital clinical council are to:

- provide a local structure for consultation with, and involvement of, clinical staff in management decisions impacting public hospitals and related community services;
- be a key leadership group for its public hospital or hospital network and work with the management team in ensuring that the hospital/s deliver high quality health and related services for patients;
- facilitate effective patient care and service delivery through a co-operative approach to the efficient management and operation of public hospitals with involvement from medical practitioners, nurses, midwives and allied health practitioners and clinical support staff; and
- be a forum for information sharing and providing feedback to staff (through the members of the councils) on issues affecting the hospital(s).

In determining whether to establish individual hospital clinical councils or joint hospital clinical councils, the chief executive and board have regard to:

- the size and budget of the public hospitals within the local health district;
- the number of clinical staff working at each public hospital within the local health district;
- whether a joint structure is the most practicable alternative for smaller hospitals; and
- whether the relevant hospitals are under a common executive management structure.

### *Medical staff councils*

Under the Model By-Laws local health districts are to establish a medical staff council (in the case of a statutory health corporation) and a medical staff executive council and at least two medical staff councils (in all other cases).

**Establishment, composition and role of Medical Staff Councils**

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Medical staff councils are to be composed of visiting practitioners, staff specialists, career medical officers and dentists with appointments to the public health organisation or the public hospital/s which the council represents.

All visiting practitioners, staff specialists, career medical officers and dentists of the public health organisation are members of the medical staff council. Sufficient medical staff councils should be established to ensure that all visiting practitioners, staff specialists, career medical officers and dentists of the public health organisation can participate, if they choose to.

The medical staff executive council or the medical staff council (if there is only one council) is to provide advice to the chief executive and board on medical matters.

Under clause 15 of Schedule 1 of the *Health Services Regulation 2013*, the Chair of the Medical Staff Council is entitled to attend Board meetings as an invitee.

### *Medical and Dental Appointments Advisory Committee*

The Model By-Laws also provide for establishing a Medical and Dental Appointments Advisory Committee (MADAAC) to provide advice, and make recommendations to the chief executive concerning matters relating to the appointment or proposed appointment of visiting practitioners or staff specialists.

**Establishment and role of Medical and Dental Appointments Advisory Committee and sub-committees**

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The MADAAC considers any application that has been referred to it for:

- appointment of a visiting practitioner or staff specialist; or
- a proposal to appoint a person as a visiting practitioner or staff specialist.

The MADAAC also provides advice, and where appropriate, makes recommendations to the chief executive concerning the clinical privileges (scope of clinical practice) which should be allowed to visiting practitioners, staff specialists and dentists.

The MADAAC committee may form sub-committees to provide advice or other assistance to enable it to perform its duties referred to in this clause.

The MADAAC committee must establish at least one subcommittee called the Credentials (Clinical Privileges) Subcommittee for the purposes of providing advice to the MADAAC on matters concerning the clinical privileges of visiting practitioners or staff specialists.

The minutes of the MADAAC should be submitted to the board for noting.

The chief executive is responsible for ensuring that the medical appointment process is also compliant with NSW policy PD2014\_008 Model Service Contracts – VMO & HMO.

## 5.3 Quality Assurance Processes

### 5.3.1 Incident management

#### Incident Management Policy (PD2014\_004)

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It is an underlying principle of the NSW Patient Safety and Clinical Quality Program that the public health system must operate in an environment of openness about failure, where errors are reported and acknowledged without fear or inappropriate blame and where patients and their families are told what went wrong and why.

The NSW Health incident management framework is set out in the Incident Management Policy (PD2014\_004). This policy outlines the roles and responsibilities across the NSW Health system with respect to the management of both clinical and corporate incidents.

The objectives of the Incident Management Policy Directive are to:

- assist health districts with timely and effective management of incidents;
- establish a standard approach to incident management including the establishment of performance indicators to monitor compliance;
- ensure a consistent and coordinated approach to the identification, notification, investigation, and analysis of incidents with appropriate action on all incidents;
- allow the lessons learned to be shared across the whole health system;
- provide an essential resource for developing the skills required to effectively manage all health care incidents;
- ensure health districts establish processes that comply with the legal aspects of health care incident management including provisions in the *Health Administration Act 1982* for SAC 1 reportable incidents, and RCA investigations as well as the management of Reportable Incident Briefs (RIB) submitted to the Ministry.

The Incident Management policy can be accessed at: [http://www.health.nsw.gov.au/policies/pd/2014/PD2014\\_004.html](http://www.health.nsw.gov.au/policies/pd/2014/PD2014_004.html). All staff have responsibilities for the elimination and minimisation of clinical and corporate risks that could emerge within the health service environment.

Management of incidents requires a number of steps to be taken, including:

- i) assessment of risks;
- ii) taking any action necessary to address the immediate risk;
- iii) short to mid-term actions to manage the incident and make improvements to local health district practices and systems.

To support the implementation of the policy and program, the electronic Incident Information Management System (IIMS) [based on the Advanced Incident Monitoring System (AIMS)] has been developed and implemented throughout the NSW Health system. IIMS has been established to provide a system for notification of all incidents, including those with corporate consequences.

Appropriate resources should be allocated to support the incident management program. Longer term actions to improve quality and safety should include analysis of incident data and best practice initiatives.

The *Health Administration Act 1982*, requires chief executives to appoint a team to undertake a Root Cause Analysis of serious clinical incidents allocated a Severity Assessment Code (SAC) of 1. The chief executive may also conduct an RCA on SAC 2, 3 or 4 events if this is considered justified.

#### Root cause analysis requirement: Health Administration Act 1982

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The *Health Administration Act 1982* also establishes a statutory privilege to protect the internal workings of Root Cause Analysis (RCA) Teams conducting investigation of serious clinical incidents (with a SAC of 1) via the Root Cause Analysis methodology.

The privilege will also apply if the chief executive directs an RCA to occur for a SAC 2, 3, or 4 clinical incident. Similar protections are also afforded to Quality Assurance Committees approved by the Minister.

### 5.3.2 Accreditation

In 2018 a new set of Aboriginal health focused actions across the standards were established. The ten National Safety and Quality Health Service (NSQHS) Standards address the following patient focused areas:

- Standard 1: Governance for Safety and Quality in Health Service Organisations
- Standard 2: Partnering with Consumers
- Standard 3: Preventing and Controlling Healthcare Associated Infections
- Standard 4: Medication Safety
- Standard 5: Patient Identification and Procedure Matching
- Standard 6: Clinical Handover
- Standard 7: Blood and Blood Products
- Standard 8: Preventing and Managing Pressure Injuries
- Standard 9: Recognising and Responding to Clinical Deterioration in Acute Health Care
- Standard 10: Preventing Falls and Harm from Falls

Each NSQHS Standard comprises a number of actions which are designated as either core (all core actions must be met to achieve accreditation) or developmental (developmental actions require activity but do not need to be fully met to achieve accreditation).

A health service must select an accrediting agency, approved by the Australian Commission on Safety and Quality in Health Care, to undertake its assessment against the NSQHS Standards over a three or four year cycle. If, at the time of an assessment, the accrediting agency determines that a health service does not meet a core action the health service has 90 days to implement quality improvement strategies to address the unmet action.

If, during an assessment, an accrediting agency identifies one or more *significant patient risks* the accrediting agency must notify the NSW Ministry of Health of this risk once identified. Examples of significant patient risks are described for each of the NSQHS Standards.

In addition to undergoing assessment against the NSQHS Standards by the accrediting agency, a health service is required, at each assessment, to provide to its accrediting agency evidence to demonstrate implementation of the NSQHS Standards. This evidence comprises information in response to measures relevant to the Standards.

## Accreditation – Resources and References

For further information on accreditation and the National Safety and Quality Health Services Standards visit the Australian Commission on Safety and Quality in Health Care website at:  
<http://www.safetyandquality.gov.au/our-work/accreditation/>

The NSQHS Standards can be accessed at: <http://www.safetyandquality.gov.au/publications/national-safety-and-quality-health-service-standards/>

Details about the evidence of implementation measures (page 13) are available under collection and reporting of accreditation evidence by accrediting agencies and can be accessed at: <http://www.safetyandquality.gov.au/our-work/accreditation-and-the-nsqhs-standards/information-for-health-service-organisations/#Collection-and-reporting-of-accreditation-evidence-byAAs>

Details about *significant patient risk* can be accessed at: <http://www.safetyandquality.gov.au/publications/advisory-a1301-notification-of-significant-risk/>

For information on NSW Health resources to support the accreditation and the National Safety and Quality Health Services Standards visit the Clinical Excellence Commission website at:  
<http://www.cec.health.nsw.gov.au/resources/nsqhs>

## Clinical Governance – Resources & References

For further information on the NSW Patient Safety and Clinical Quality Program visit the NSW Health website at: <http://www.health.nsw.gov.au/quality/index.asp>  
[http://www0.health.nsw.gov.au/policies/pd/2005/PD2005\\_608.html](http://www0.health.nsw.gov.au/policies/pd/2005/PD2005_608.html)

For a listing of policy directives and guidelines relating to clinical governance visit the NSW Health website at: <http://www0.health.nsw.gov.au/policies/owner/cec.html>

The NSW Health Enterprise Risk Management policy can be accessed at:  
[http://www0.health.nsw.gov.au/policies/pd/2015/PD2015\\_043.html](http://www0.health.nsw.gov.au/policies/pd/2015/PD2015_043.html)

## Useful websites

Clinical Excellence Commission: <http://www.cec.health.nsw.gov.au>

Agency of Clinical Innovation: <http://www.aci.health.nsw.gov.au>

Bureau of Health Information: <http://www.bhi.nsw.gov.au>

Health and Education Training Institute: <http://www.heti.nsw.gov.au>

Excellence and Innovation in Health Care: <http://www.eih.health.nsw.gov.au/>

## Local Documentation

*Health Services Act 1997* Model By-laws

Board and committee terms of reference or charter

Enterprise-wide risk management program specific to each local health district and specialty network

Local protocols to facilitate implementation of Ministry of Health policies and procedures; and the incident management program

Accreditation survey results