2005/06

Annual Report
NSW Department of Health

NSW HEALTH

Front cover artwork: *Journey of Healing* **by Kylie Cassidy**

The *Journey of Healing* mural, depicting Rights, Respect and Reconciliation, represents NSW Health's commitment to Reconciliation.

In recognition of Reconciliation, and to commemorate the Journey of Healing Day in 2004, the NSW Department of Health commissioned the mural around the theme of Rights, Respect and Reconciliation. *Journey of Healing* was unveiled at the NSW Department of Health's Journey of Healing Day, 26 May 2005. The mural hangs in the foyer of the NSW Department of Health, 73 Miller Street, North Sydney.

The NSW Department of Health Director-General, Elders from Aboriginal communities, senior executives, Department staff and community members, were invited to contribute to the mural, each adding their unique style to the landscape. The painting then went on its own journey to a number of places where community members, Aboriginal Health Workers, families and friends added their dots. Overall, more than 300 people were involved in painting the mural.

In the artist's own words:

The different colours represent the colours of the living landscape, moving from darker to lighter tones. Many styles can be seen in the painted dots, as diverse as the many people who contributed to the work. Instead of using specific colours to show any one group, the central figures are painted in purple to represent all peoples.

Dotted lines lead to the centre of the work. Each line shows a journey on the way to reconciliation, a journey of discovery for each individual person. The larger dots on the lines represent discovering something new. Each of us can be open-minded and learn something new at every stage of our journey.

To reach the centre, you need reconciliation within yourself first.
Then you can travel the journey with everyone else.

Letter to the Minister

The Hon John Hatzistergos MLC
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 2006
for presentation to Parliament.

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

Yours sincerely

Robyn Kruk
Director General
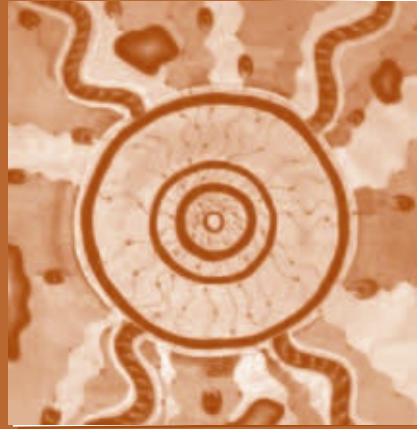
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Director General's year in review 2005/06

The year in review was one of significant challenge and change for the NSW public health system. As I reported last year, NSW Health embarked on a program to change the way health care is provided in this State. Our aim is to address the major challenges facing our health system, such as an ageing population, rising consumer expectations and the impact of new technologies. As you will find in this report, we continue to make progress in preparing for the impact of these and other pressures which are affecting the delivery of health services not just in Australia, but around the world.

As I look back over the year I would first like to acknowledge the human face of health care in NSW and the dedication of our health workers. In April this year all eyes in Australia and around the world were on the small mining town of Beaconsfield in Tasmania. The rescue operation that successfully brought the two surviving miners above ground were aided by NSW's very own Special Casualty Access Team (SCAT) from the Ambulance Service NSW and other NSW Health clinical staff. SCAT members spent eight days there, working with other rescuers to help the trapped miners with survival skills for their prolonged entrapment and beyond.

Whether it is an interstate rescue operation like that in Beaconsfield, overseas medical assistance to places like the earthquake affected region in Java, or the very important day to day care of people in a myriad of places like our hospitals, community health centres and other health services, I continue to be inspired by the depth of compassion, dedication and commitment of the people who make our health system as good as it is.

In our efforts to ensure that the people of NSW continue to have access to high quality, affordable health care, we never lose sight of the individual patient who is the central focus of our care and commitment.

One of the biggest challenges facing the NSW public health system is to keep pace with the continuing increase in demand for health services. The skilled professionals in our health system work hard to meet this demand. At the same time they are making a real difference to peoples' health. NSW residents are now living longer, healthier lives than ever before, with falling infant mortality and declining numbers of deaths due to cancer and heart disease.

A new approach to mental health

One of the most important initiatives during the year was the launch, in June 2006, of a five year plan to transform the State's mental health services. Mental health has been identified as an important priority for the State Government and the NSW health system. The plan, titled *A New Direction in Mental Health*, is a new approach to providing services for people with mental illness which places greater focus on community based mental health services. A strong, better connected network of community mental health services is essential to delivering the care needed by people with mental illness and to their families.

The incidence of mental illness is rising across Australia and can affect any of us at any age, with devastating impact on our lives, as well as those of our families and friends. The new approach to mental health services in NSW will provide greater continuity of care and a more seamless delivery of services. It is aimed at improving all aspects of mental health services, including those relating to emergency care, community based assessment, older people with mental health needs and drug and alcohol misuse. The $939 million program will commence with $149 million in additional funding in 2006/07.

NSW has also placed the need for a new approach to mental health care on the national agenda. In 2006 the NSW Government initiated a national action plan on mental health at the Council of Australian Governments. The initiative is designed to strengthen Commonwealth, State and non-government programs to provide a better-coordinated system of care for people with mental illness.

A separate chapter on mental health initiatives is presented in the performance section of this Report to detail our commitment to improving mental health services across NSW.

Greater focus on prevention

One of the changes to the way health care is provided in NSW is a greater focus on improving health and preventing illness. We will continue to treat illness effectively, but if we are to reduce the impact of chronic disease in our community we must place greater emphasis on disease prevention and promoting healthy lifestyles and wellness.

Identifying and reducing health risk factors, such as smoking, obesity, poor nutrition and lack of physical activity, is a key step in this process. Overweight and obesity is a chronic medical condition associated with a broad range of debilitating and life threatening conditions. Large increases in obesity rates among Australians have the potential to erode many recent health gains. Recent studies estimate that 67 per cent of Australian men and 52 per cent of Australian women aged 25 years and over are overweight or obese. Rates of obesity in children are also rising dramatically.

In May 2006 the NSW Premier released the findings of the most comprehensive survey into the physical activity and eating habits of children and young people ever conducted in Australia. The NSW *Schools Physical Activity and Nutrition Survey* (SPANS) was conducted by the NSW Centre for Overweight and Obesity. It involved 93 government and non-government schools and almost 5,500 students aged between five and 16 years.

Despite the initiatives in schools over the past decade to increase levels of physical activity among students, the survey found that almost 25 per cent of children in NSW are overweight or obese, with the rate as high as 33 per cent in boys and girls aged nine to 12 years.

In an initiative aimed at supporting physical activity and improving nutrition for children NSW Health developed the *Healthy Kids* website, in partnership with the NSW Departments of Education and Training and Sport and Recreation and the Heart Foundation. This is a resource with information and ideas for parents and teachers on how to promote physical activity in children and tips for nutritious meals.

Aboriginal health

Aboriginal people have higher levels of health risk, poorer health, and a shorter life expectancy than non-Aboriginal people. NSW Health is working in partnership with other service providers and government agencies to reduce this 'health' gap.

Measures to improve the health of Aboriginal people include the *Aboriginal Vascular Health Program*, which is being implemented at 31 locations across NSW to improve prevention and management of vascular disease in Aboriginal people. This program has led, in turn, to the development of the *NSW Aboriginal Chronic Conditions Area Health Service Standards*. These have been developed to set evidence-based standards of practice for Area Health Services to improve accessibility and appropriateness of health services and programs for the prevention and management of chronic conditions in Aboriginal people. The standards have been broadened to include cardiovascular disease, diabetes, kidney disease and chronic respiratory disease.

Other initiatives to improve health outcomes for Aboriginal people include the *Aboriginal Maternal and Infant Health Strategy* and the *Aboriginal Maternal and Child Health program*, which have been developed to improve the health of Aboriginal women during pregnancy and to provide specific services for Aboriginal mothers and for children aged up to four years. Another key initiative is the *Aboriginal Family Health Strategy*, which is adapted to the specific needs of local communities to reduce the occurrence of family violence, sexual assault and child abuse in Aboriginal communities.

The NSW Collaborative Centre for Aboriginal Health Promotion adopts a strategic approach for Aboriginal health promotion by fostering leadership and coordination in key areas of capacity building, better practice, workforce development, partnerships and information systems for Aboriginal health promotion at the NSW state level. The Centre works with NSW communities to prevent the social, psychological and physical harms associated with alcohol and other drug use.

Keeping pace with demand

Measures to enable the NSW health system to respond effectively to increasing demand for services have been one of our key priorities in 2005/06. Our focus has been on making sure that health services are available when needed, are effective and coordinated to meet the individual needs of each patient.

We invested in clinical redesign and performance improvement in 2005/06 and this helped to lift performance in a number of key service areas. Emergency department attendances for the year, for example, increased by 9.5 per cent. Admissions to hospital from emergency departments increased by 7.8 per cent, and the number of booked surgical admissions to NSW Health facilities increased by 1.9 per cent. There was also a 2.9 per cent increase in the number of ambulance responses to emergencies during the year watched by an improvement in ambulance response times.

The number of general hospital beds and bed equivalents, including cots and bassinettes, in NSW public hospitals increased by 755 to 22,563 at June 2006. This total for general hospital beds and bed equavilents includes the 800 beds announced on 1 May 2005, a number of which were included in the June 2005 total for general hospital beds and bed equavalents.

To help meet increasing and ongoing demand pressures, it was announced in the 2006/07 Budget that funding to open the equivalent of 426 beds would be available in our public hospitals. These beds will expand capacity for elective surgery and other hospital admissions and make it easier for people to access treatment in busy emergency departments.

One of the strategies designed to provide greater ease of access to emergency departments is a program to co-locate after-hours GP clinics in hospitals across the State. This initiative will help to ease the pressure on Emergency Departments and deliver faster care for patients. The *Clinical Services Redesign Program* is one of NSW Health's important reform programs aimed to improve patient access and quality of care in priority areas such as surgery, mental health, cardiology and emergency departments.

Planning Better Health

In July 2004 the then Minister for Health announced the *Planning Better Health Program* which involved a range of administrative reforms. Among these was the abolition of Area Health Boards and the creation of eight Area Health Services managed by Chief Executives reporting to the Director General.

We continued to progress the Planning Better Health Reforms to deliver an estimated $100 million in administrative savings, which is being directed progressively into frontline health services.

The year in review was the first full financial year of the implementation of these initiatives, which commenced on 1 January 2005.

Incident Management Program

In May 2006 NSW Health released the *Incident Management Policy* as a key component in the incident management process. The policy is part of a statewide *Incident Management Program* that has been adopted to improve the quality of care in our health system and reduce harm to patients. Reporting adverse events is a particular focus of the program and all Area Health Services are now regularly and consistently receiving reports through the *Incident Information Management System.*

The *Incident Management Program* is providing NSW Health with information about system mistakes and failures and is assisting in determining how an incident occurred, why it happened and the underlying causes. Being open with patients and their families when something has gone wrong is an important part of the investigation and learning process.

NSW Health Workforce Summit

In November 2005 the NSW Minister for Health convened a NSW Ministerial Advisory Meeting to respond to the Productivity Commission's study of Australia's health workforce. The Ministerial Advisory Meeting was established to help develop strategies to address the shortage of health professionals, which represents one of the biggest challenges facing the health system. The other key workforce issue is the poor geographic distribution of health professionals. Rural and remote locations have 25 per cent of the population, but only 15 per cent of the GPs. This means that people in country NSW do not have the same level of access to health care as people living in the city.

NSW Health Climate Change Adaptation Project

NSW Health has been funded by the NSW Greenhouse Office to undertake a four year project to examine the impacts of climate change on human health. The aim of the project is to develop an *Adaptive Health Strategy* that better prepares the health system to reduce the burden that climate change will place on peoples health in NSW. The project commenced in 2005/06 and is part of a wider research program undertaken by NSW into greenhouse effects and adaptation strategies.

Summit on multi resistant organisms

The control and prevention of multi resistant infections is an issue facing all modern health systems. NSW Health has established an expert advisory group of leading microbiologists and infection control experts to prepare recommendations on how to improve the prevention

and management of multi resistant organisms in hospitals to protect patients and minimise the spread of infection. The group has been responsible for developing a detailed policy on multi resistant organism control and prevention and providing information for patients and relatives about multi resistant organisms.

In October 2005, a Multi Resistant Organism Summit was held in Sydney to gain consensus on the recommendations proposed by the expert advisory group. The summit was attended by leading experts on antibiotic resistant organisms, health consumers and health care professionals. It focused on the detection and containment of bacteria resistant to antibiotics that can cause serious disease among vulnerable patients in health care settings.

NSW is a national leader in the field of infection control and is the only state in Australia with such a comprehensive, mandatory system of monitoring health care associated infections.

Employment arrangements

An important development in 2006 saw the position of Director General of Health become the employer of all public health system staff, including staff of Area Health Services, statutory health corporations, and the Ambulance Service. This decision of the Government effectively insulated NSW public health system employees from recent federal industrial relations changes.

Future directions and challenges

The major system-wide planning project commissioned to develop long-range future directions for the NSW health system was nearing its conclusion in late June 2006.

In the final stage of consultations, 29 public forums were held around NSW involving over 1,300 people, and 31 consultation sessions were conducted with state-level groups involving over 600 participants. In addition, more than 1,500 individuals and groups forwarded a completed questionnaire or made a submission in response to a consultation document which was widely distributed and also available on-line from the NSW Health website.

All of the input received from members of the community and health staff was analysed and used to help finalise the *Future Directions for Health in NSW – Towards 2025*. These *Future Directions* are in turn being used as the framework for a *State Health Plan* to guide the development of the NSW health system towards 2010 and beyond.

The *State Health Plan* will draw on input from the NSW Health Care Advisory Council, the peak community and clinical advisory body providing guidance to the Government on issues in the health care system, and from the Health Priority Taskforces, which provide advice on policy directions and service improvements in high priority areas of health care.

The shortage of health professionals represents one of the biggest challenges facing the NSW health system and I continue to commit NSW Health to confront this challenge with proactive strategies to train, recruit and retain health professionals to deliver health services in our excellent public health system.

As our health system grows to meet the demands of the NSW population, NSW Health has made a commitment to improving conditions for and increasing the numbers of clinical staff in the State's public hospitals.

Most notable has been the achievements in nursing and midwifery, where the number of nurses working in the public hospital system was 40,456 as at the end of June 2006. This represents an increase of 6,452 additional nurses since January 2002. In the same period, the number of medical staff increased from 5,705 to 6,826.

The greatest asset in our public health system is the team of people, both paid and voluntary, who work to deliver health services to the people of NSW.

The NSW public health system is always well-represented in the list of winners for the NSW Premier's Public Sector Awards and they, together with the NSW Health Awards and Aboriginal Health Awards, are testimony to the hard work and dedication of our staff and their commitment to the communities they serve.

I thank everyone in NSW Health for their contribution over the past year. I also thank those organisations – community, non-government and government – that have worked in partnership with NSW Health to meet the health needs of the people of NSW.

I also thank the Minister for Health, the Hon John Hatzistergos MLC, for his support of NSW Health and its staff.

Robyn Kruk
Director General
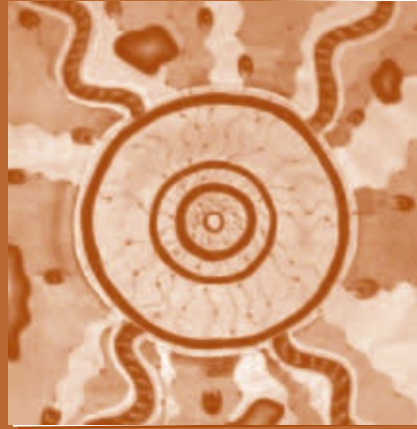
Governance

About us

NSW Department of Health

We work to provide the people of NSW with the best possible healthcare.

The NSW Department of Health supports the NSW Minister for Health, two Assistant Ministers and a Parliamentary Secretary to perform their executive and statutory functions, which include 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 Department of Health was established in 1982 under section 6 of the *Health Administration Act 1982*.

The NSW Department of Health has statewide responsibility for providing:

Advice to government

The Department supports the role and functions of the Minister for Health and the Ministers Assisting the Minister for Health (Cancer and Mental Health) by providing advice and other support functions.

Strategic planning and statewide policy development

The Department undertakes system-wide policy and planning in areas such as inter-government relations, funding, corporate and clinical governance, health service resources and workforce development.

Improvements to public health

The Department enhances the health of the community through health promotion, management of emerging health risks and protective regulation.

Performance management

The Department monitors performance of Health Services against key performance indicators and improvement strategies such as performance agreements and monitoring property, infrastructure and other asset management.

Strategic financial and asset management

The Department manages the NSW health system's financial resources and assets, coordinates business and contracting opportunities for the NSW health system and provides financial accounting policy for NSW Health.

Community participation

The Department liaises with and fosters partnerships with communities, health professionals and other bodies.

Employee relations

The Department negotiates and determines wages and employment conditions and develops human resource policies for the NSW health system.

Workforce development

The Department works in collaboration with national and state agencies and other stakeholders to improve health workforce supply and distribution.

Corporate support

The Department provides the resources and support needed to enable Department staff to effectively fulfil their roles.

Regulatory functions

The Department manages licensing, regulatory and enforcement functions to ensure compliance with the Acts administered by the Health portfolio.

Department of Health Priorities

The Department of Health identified eight priorities for 2005/06:

- improve access to services and clinical efficiency
- improve patient safety
- invest in a sustainable workforce
- improve mental health services
- improve the health of the population by reducing health risk
- improve Aboriginal health
- implement administrative, structural and corporate services reform
- pursue Commonwealth/State reforms, including aged care.

The NSW Department of Health Annual Report 2005/06 reports on our activities and achievements according to our vision, values, goals and priorities.

Healthy people – now and in the future

Why are we here?	To keep people healthy	To provide the health care people need	To deliver high quality health services	To manage health services well
What do we want to achieve?	More people adopt healthy lifestyles	Emergency care without delay	Consumers satisfied with all aspects of services provided	Sound resource and financial management
	Prevention and early detection of health problems	Shorter waiting times for non-emergency care	High quality clinical treatment	Skilled, motivated staff working in innovative environments
	A healthy start to life	Fair access to health services across NSW	Care in the right setting	Strong corporate and clinical governance
How do we get there?	Healthy People Strategy NSW Chronic Disease Prevention Strategy BreastScreen NSW NSW Immunisation Strategy Policy to Reduce Fall Injury Among Older People NSW Aboriginal Affairs Plan 2002 to 2012: Health Cluster Action Plan NSW Families First Strategy Actions from Drug Summit and Alcohol Abuse Summit	Sustainable Access Plan including: – Clinical Services Redesign Program – Predictable Surgery Program – Patient Flow Management – Emergency Demand Strategies – Integrated Management of Older Persons Older People's Framework Mental Health – Clinical Care and Prevention model Area Health Plans Rural Health Plan	NSW Health Patient Safety and Clinical Quality Program, including: – Clinical Excellence Commission – Clinical Governance Units – Incident Management System – Quality Assessment Program Clinical Service Frameworks, including Chronic Care Teaching and research	Shared Corporate Services Management Program Asset Management Reform Program Integrated Clinical Information Program (ICIP) NSW Health Workforce Action Plan NSW Health system restructure NSW Health Care Advisory Council and Area Health Advisory Councils Health Priority Taskforces

The Department of Health has produced a set of high-level performance indicators that reflect the goals of NSW Health and are reported in the Performance Section of this Annual Report.

What we stand for

Our corporate charter

Our vision, values, goals and priorities are a set of guiding principles for how we go about our work. Being clear about our role enables us to move forward together with common purpose and to work effectively with our partners.

NSW Health is an important part of the NSW community and a major priority of the NSW Government.

Our Vision

Our vision is for everyone in NSW Health to work together to achieve 'Healthy People – now and in the future'.

Our Values

The Department of Health's Statement of Values define our organisation. Our values underpin how staff deal with each other, with other organisations and the public. They also form the basis for our vision, planning and priorities.

The Department's Statement of Values is:

Fairness

We strive for an equitable health system and fairness in all our dealings.

Respect

We recognise the worth of individuals through trust, courtesy, sensitivity and open communication.

Integrity

We achieve ends through ethical means with honesty and accountability.

Learning and Creativity

We seek new knowledge and understanding and thinking with innovation.

Effectiveness

We pursue quality outcomes.

Our Goals

In the NSW public health system our focus is on our patients, their relatives and friends and other stakeholders. Simply, our focus is on meeting the health needs of the people of NSW within the resources available to us.

Our goals are to:

Keep people healthy

- More people adopt healthy lifestyles.
- Prevention and early detection of health problems.
- A healthy start to life.

Provide the health care that people need

- Emergency care without delay.
- Shorter waiting times for non-emergency care.
- Fair access to health services across NSW.

Deliver high quality services

- Consumers satisfied with all aspects of services provided.
- High quality clinical treatment.
- Care in the right setting.

Manage health services well

- Sound resource and financial management.
- Skilled, motivated staff working in innovative environments.
- Strong corporate and clinical governance.

Our Principles

The following principles underpin NSW Health's accountabilities to deliver quality health services.

We will:

- Focus on our fundamental accountability to promote and protect the health of the people of NSW and to ensure they have access to basic health services.
- Perform effectively and efficiently in clearly defined functions and roles.
- Promote our values for NSW Health and demonstrate these values through leadership and behaviour.
- Take informed, transparent decisions and manage the risks we encounter on a daily basis.
- Develop our capacity and capability to ensure we provide effective and safe health services.
- Engage stakeholders and make accountability real for us all.

Corporate Governance

The NSW health system

Corporate Governance in health is the manner by which authority and accountability is distributed through the health system.

NSW Health's corporate governance focus is a direct result of the system-wide reforms of the past few years, and the recognised need to ensure consistent management practices and accountability across the health system.

The annual report is our key corporate governance progress report, detailing all areas of corporate governance achievements within the NSW Department of Health and within the context of NSW Health.

The NSW health system comprises the:

- NSW Minister for Health
- Minister Assisting the NSW Minister for Health (Cancer)
- Minister Assisting the NSW Minister for Health (Mental Health)
- Health Administration Corporation
- NSW Department of Health
- Area Health Services
- Ambulance Service of NSW
- Cancer Institute NSW
- Children's Hospital at Westmead
- Clinical Excellence Commission
- Other public health organisations.

NSW Minister for Health

The NSW Minister for Health is responsible for the administration of health legislation within NSW. Under the *Health Administration Act 1982*. The Minister formulates policies to promote, protect, maintain, develop and improve the health and wellbeing of the people of NSW, given the resources available to the State. The Minister is also responsible for providing public health services to the NSW community.

The Premier, the Hon Morris Iemma MP served as Minister for Health until August 2005. The Hon John Hatzistergos MLC was appointed the NSW Minster for Health on 10 August 2005.

Minister Assisting the Minister for Health (Cancer)

The Hon Frank Sartor MP served as the Minister Assisting the NSW Minister for Health throughout the reporting period. Mr Sartor is responsible for the Cancer Institute (NSW), which oversees the State's cancer control effort.

Minister Assisting the Minister for Health (Mental Health)

The Hon Cherie Anne Burton MP was appointed Minister Assisting the Minister for Health on 10 August 2005. Ms Burton is responsible for implementing the Government's five year plan for mental health in NSW.

Health Administration Corporation

Under the Health Administration Corporation (HAC) the Director General is given corporate status as the HAC for the purpose of exercising certain statutory functions, including acquiring and disposing of land and entering into contracts to support the functions of the Director General and the NSW Minister for Health.

NSW Department of Health

The NSW Department of Health supports the NSW Minister for Health, and the Ministers Assisting the Minister for Health, in performing their executive and statutory functions, which include 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.

Area Health Services

Area Health Services, statutory health corporations and affiliated health organisations are known in NSW as Public Health Organisations. They are established as distinct corporate entities under the *Health Services Act 1997*.

Area Health Services are responsible for providing health services in a wide range of settings, from primary care posts in the remote outback to metropolitan tertiary health centres.

Governance

There are eight Area Health Services:

- Greater Southern
- Greater Western
- Hunter and New England
- North Coast
- Northern Sydney and Central Coast
- South Eastern Sydney and Illawarra
- Sydney South West
- Sydney West.

Ambulance Service of NSW

The Ambulance Service of NSW is responsible for providing responsive, high quality clinical care in emergency situations, including pre-hospital care, rescue, retrieval and patient transport services.

Other public health organisations

There are seven statutory health corporations, which provide statewide or specialist health and health support services:

- Justice Health
- Children's Hospital at Westmead (Royal Alexandra Hospital for Children)
- Clinical Excellence Commission
- HealthQuest
- Health Support
- HealthTechnology
- Stewart House Preventorium.

There are 22 affiliated health organisations in NSW, which are managed by religious and/or charitable groups. They are an important part of the NSW public health system, providing a wide range of hospital and other health services.

Management

The Director General is the head of the NSW Department of Health which is also incorporated as a separate legal entity called the Health Administration Corporation. The Director General has a range of functions and powers under the *Health Services Act of 1997*, the *Health Administration Act 1982* and other legislation.

The Director General is committed to better practice as outlined in the *Corporate Governance and Accountability Compendium for NSW Health* and has processes in place to ensure the primary governing responsibilities of NSW Health are fulfilled in respect to:

- setting the strategic direction
- ensuring compliance with statutory requirements
- monitoring performance of health services

- monitoring the quality of health services
- industrial relations/workforce development
- monitoring clinical, consumer and community participation
- ensuring ethical practice.

The Management Board comprises the Department's senior management team, the Director General and Deputy Directors General. It meets fortnightly to strategically plan, agree on corporate priorities and major issues and to monitor progress on key performance indicators.

The Senior Executive Advisory Board meets monthly to exchange information and ensure the strategic direction is understood and promulgated across the health system. It comprises the Director General, Deputy Directors General, and Chief Executives of Area Health Services, the Ambulance Service, Clinical Excellence Commission, Cancer Institute NSW and other public health organisations.

These and other committees support the Director General to meet her corporate governance obligations and requirements in an efficient and effective manner.

Effective finance and business management practices are a key element of corporate governance responsibilities. The Finance, Risk and Performance Committee, chaired by the Director General, advises the Department, Minister for Health and the Budget Committee of Cabinet on the financial, risk and performance management of NSW Health.

The NSW Department of Health assists public health organisations maintain appropriate finance and business accountability by ensuring that:

- Regular review of plans and reporting/monitoring of financial information are based on the *Accounts and Audit Determination for Public Health Organisations and Accounting Manuals*.
- Budgets and standard finance information systems and processes are in place, are understood, and comply with centralised procedures and templates.
- Financial management is at a reasonable level, budget variance is monitored, reported and reviewed as potential risk, and the Accounts and Audit Determination is appropriate and up to date.

Area Health Service Chief Executives are accountable for efficient and effective budgetary and financial management, and must have proper arrangements in place to ensure the organisation's financial standing is soundly based. Key accountabilities include the achievement of targets; monitoring and reporting of results in an accurate, efficient and timely manner; and compliance with standards and practice.

Corporate Governance reporting

The establishment of the Corporate Governance and Risk Management Branch in the reporting year was an important step in promoting a stronger, organisational focus on corporate governance. The Branch has brought together risk management, regulatory affairs, corporate governance, external relations and employment screening and review and enabled a strategic perspective to policy and priority setting.

Consistent, system-wide policy and practice is being facilitated, with significant results this year including:

■ *Corporate Governance and Accountability Compendium for NSW Health* published.

■ Area Health Advisory Councils appointed for all eight Area Health Services, the Children's Hospital at Westmead and Ambulance Health Advisory Council.

■ Employment screening and review policies and procedures published.

■ Compliance system introduced for implementation of Premier's circulars and memoranda and Treasury circulars.

■ Commencement of training program for allegations management and employment screening.

■ Internal Audit conducted a number of Branch Audits across the four Divisions of the Department. These audits covered compliance, operational and management risks and the efficiency and effectiveness of internal controls. A number of other audits were initiated covering use of motor vehicles, capital budgeting, funding agreements and information systems.

Risk Management

The integration of corporate governance and risk management responsibilities has resulted in efficiencies and enabled a better approach to risk assessment and implementation of recommendations and findings. Achievements this year include:

■ Risk Management and Audit Committee established.

■ More coordinated approach established to investigate and deal with complaints to the Department concerning NSW Health matters.

■ An improved system for monitoring and acting on Reportable Incident Briefs was developed for implementation from 1 July 2006.

■ Positive and strengthened relationships established with Ombudsman's Office, Health Care Complaints Commission, Commission for Children and Young People, Independent Commission Against Corruption (ICAC) and Audit Office.

Risk Management and Audit Committee

The Risk Management and Audit Committee was established during the reporting year. The Committee comprises the Director General, the four Deputy Directors General, a member of the Information Management and Technology Strategic Reference Group, and Mr John Isaccs, as the independent Chairperson.

The purpose of this Committee is to assist the Director General perform her duties under relevant legislation, particularly in relation to the Department's internal control, risk management and internal and external audit functions, including:

■ assess and enhance the Department's corporate governance, including its systems of internal control, ethical conduct and probity, risk management, management information and internal audit

■ assess the Department's role in monitoring risk management and the internal control environment throughout NSW Health

■ monitor the Department's response to and implementation of any findings or recommendations of external bodies such as the Independent Commission Against Corruption, Ombudsman's Office, Coroner, Health Care Complaints Commission, Audit Office and the Commission for Children and Young People

■ monitor trends in significant corporate incidents

■ ensure that appropriate procedures and controls are in place to provide reliability in the Department's compliance with its responsibilities, regulatory requirements, policies and procedures

■ oversee and enhance the quality and effectiveness of the Department's internal audit function, providing a structured reporting line for the Internal Audit Branch and facilitating the maintenance of its independence.

Ethical behaviour

Maintaining ethical behaviour throughout the organisation is the cornerstone of effective corporate governance. Providing ethical leadership is an important ongoing task for NSW Health. Ethical leadership is about leading by example and providing a culture for the health service that is built upon a commitment to the core values of integrity, openness and honesty.

A new comprehensive Code of Conduct and support material for the NSW Health public system was released in 2005. This Code of Conduct applies to staff working in any permanent, temporary, casual, termed appointment or honorary capacity within any NSW Health facility. It was developed to assist staff by providing a framework for day to day decisions and actions while working in health services.

Governance

Monitoring health system performance

The Department of Health has produced a set of high-level performance indicators under the title *Healthy People – Now and in the Future*. These performance indicators reflect the goals of NSW Health: Keep People Healthy, Health Care People Need, Quality Health Care and Manage Health Services Well. These indicators are reported in the Performance Section of this Annual Report. They inform performance at the State level as well as drilling down to hospital level for local management.

The performance indicators provide a basis for a cascaded set of key performance indicators at the Area Health Service, facility and service levels. The indicators are a basis for an integrated performance measurement system, linked to Chief Executive performance contracts and associated performance agreements. They also form the basis for reporting the performance of the health system to the public.

Corporate Governance achievements

■ The Director General became directly responsible for the provision of health support services for NSW Health, under the *Health Services Act 1997*. As a result, the Director General established the centralised units of HealthSupport to provide corporate services; HealthTechnology to provide IT and health technology services; and the Institute of Medical Education and Training (IMET) to provide medical education and training. These specialist units are streamlining services while at the same time providing cost efficiencies.

■ In March 2006 the *Ambulance Service Act 1990* was revoked and the Director General became directly responsible for the provision of ambulance services under the *Health Services Act 1997*.

■ In March 2006 amendments were made to the *Health Services Act 1997* and the *Public Sector Employment and Management Act 2002* whereby the Director General, as the NSW Health Service, became the employer of all public health system staff, including Area Health Services, statutory health corporations and the Ambulance Service.

■ The *NSW State Health Plan* to 2010 is being prepared to drive corporate priorities and set performance measures and targets.

■ Area Health Service plans and performance agreements were developed with standard formats and reporting requirements for consistent performance measurement and accountability.

■ In order to strengthen corporate governance reporting across the NSW health system the Department of Health issued a revised *Statement of Corporate Governance for Health Services*. The Statement incorporated additional requirements in the areas of financial management, clinical governance, general governance and oversight. Chief Executives of Area Health Services are required to complete the Statements which are then certified by Area Internal Audit Units.

Corporate Governance priorities

Selected priority strategies and projects in Corporate Governance and Risk Management and Internal Audit for 2006/07 include:

■ Reviewing the *Corporate Governance and Accountability Compendium for NSW Health*.

■ Continuing to review the risk management framework.

■ Implementing further efficiencies in employment screening and review, in particular online lodgement by private sector organisations.

■ Developing new standardised policies and procedures for boards and committee appointments.

■ Developing NSW Health governance arrangements for disaster/pandemic planning.

■ Enhancing Internal Audit management processes and reporting systems to better reflect adoption of the latest standards for Risk Management, Internal Auditing and Fraud Control.

Other specific corporate governance matters are reported as follows:

■ Commitment to service (Appendix 1)
■ Consumer participation (Appendix 2)
■ Code of conduct (Appendix 3)
■ Legislation (Appendix 4)
■ Financial management (p. x)
■ Leadership development (Appendix 7)
■ Workforce management (Appendix 7)
■ Committees, roles and responsibilities (Appendix 11)
■ Senior executive performance statements (Appendix 8)
■ Regulatory compliance index (p.288)

Clinical Governance, Consumer and Community Participation

Clinical governance, consumer and community participation are important elements of governance for NSW Health and is the cornerstone of quality health care.

Clinical governance places clinicians and their approach to patient care at the highest level of decision-making and accountability in NSW Health.

It is a systematic and integrated approach to the assurance and review of clinical responsibility and accountability. Clinical Governance is essential for achieving high levels of patient safety in our health services.

With the implementation of recent health reforms, clinical governance has been embedded into the NSW health system through the mandatory requirement for all Area Health Services to establish a consistent structure, including a Clinical Governance Unit (CGU) directly reporting to Chief Executives. The CGU is responsible for the rollout of the *NSW Patient Safety and Clinical Quality Program* within each Area Health Service and is supported by the Quality and Safety Branch and the work of the Clinical Excellence Commission. Under the Program, Area Health Services were required to implement the clinical governance functions from the Implementation Plan that commenced in June 2005.

Key functions include:

■ Supporting implementation of the Incident Information Management System.

■ Ensuring all deaths are reviewed and referred to the Coroner and other appropriate committees.

■ Supporting staff in implementing quality policies and procedures.

■ Providing a Senior Complaints Officer available 24 hours per day, seven days per week to ensure appropriate action is taken to resolve serious complaints.

■ Improving communication between clinicians and patients and their families.

■ Developing Area-specific policies associated with patient safety, ethical practice and management, and complaints handling.

The establishment of the Clinical Governance Units has facilitated both the management of clinical risk and the promotion of clinical quality by monitoring organisational performance against better practice standards.

Clinical, consumer and community participation

Health is an important issue to the community. NSW Health is committed to providing the best care possible to the community and seeking feedback and public comment on health initiatives and patient experiences. An important strategy in the system-wide reform agenda is to increase community and clinician participation in decision-making.

The Health Care Advisory Council, established in March 2005, is the peak community and clinical advisory body providing advice to the Director General and Minister on clinical services, innovative service delivery models, health care standards, performance management and reporting within the health care system. It is chaired by the Rt Hon Ian Sinclair AC and Professor Judith Whitworth AC.

The Minister asked the HCAC to address the following priorities for 2006:

■ Service Delivery Models

■ Early Intervention

■ Workforce

■ Mental Health

■ Quality in Health Care

■ State Health Plan

To date the HCAC has met six times and focused on three priorities: Service Delivery Models, Early Intervention, and Workforce.

The *Health Services Amendment Act 2004* enshrines permanent structures for community participation at the local area level in the form of Area Health Advisory Councils (AHACs). All Area Health Services are required to establish AHACs as their peak advisory body. AHACs comprise clinicians and members of the community working together to provide advice to Chief Executives on planning and health service delivery. Each AHAC is required to develop a Charterand report annually to the Minister and Parliament.

The Department of Health's Community and Government Relations Unit has responsibility for the development and implementation of consumer and clinician participation within NSW Health.

Governance

The Community and Government Relations Unit also provides secretariat support for the Health Care Advisory Council. It has a coordinating role for the Health Priority Taskforces (HPTs) and a role in supporting the implementation and functioning of the Area Health Advisory Councils.

What we do

Structure and responsibilities

Organisation chart

MINISTER FOR HEALTH
John Hatzistergos, MLC

MINISTER ASSISTING THE MINISTER FOR HEALTH (Cancer)
Frank Sartor, MP

MINISTER ASSISTING THE MINISTER FOR HEALTH (Mental Health)
Cherie Burton, MP

INTERNAL AUDIT

DIRECTOR GENERAL
Robyn Kruk, AM

OFFICE OF THE DIRECTOR GENERAL

- Parliament and Cabinet Unit

Strategic Development

Deputy Director General
Dr Richard Matthews

- Mental Health and Drug and Alcohol Programs
- Community Drug Strategies
- Futures Planning
- Inter-Government and Funding Strategies
- Primary Health and Community Partnerships
- Statewide Services Development

Population Health

Chief Health Officer
Deputy Director General
Dr Denise Robinson

- Centre for Aboriginal Health
- Centre for Chronic Disease Prevention and Health Advancement
- Centre for Epidemiology and Research
- Centre for Health Protection
- Centre for Oral Health Strategy
- Office of the Chief Health Officer

Health System Performance

Deputy Director General
Prof Katherine McGrath

- Clinical Quality and Patient Safety
- Clinical Services Redesign
- Demand and Performance Evaluation
- Health Services Performance Improvement
- Strategic Information Management

Health System Support

Deputy Director General
Robert McGregor, AM

- Asset and Contract Services
- Corporate Governance and Risk Management
- Employee Relations
- Executive and Corporate Support
- Finance and Business Management
- Legal and Legislative Services
- Media and Communications
- Nursing and Midwifery
- Workforce Development and Leadership

Governance

As at June 2006 the NSW Department of Health was administered through six main functional areas.

Director General

Robyn Kruk, AM

Robyn Kruk joined the NSW Department of Health as Director General in July 2002. She has extensive experience in senior executive roles across the NSW public sector. Robyn is a former Deputy Director General of The Cabinet Office and Premier's Department and the former Director General of the National Parks and Wildlife Service. Earlier in her career, Robyn worked as a psychologist and child protection specialist in the former Department of Youth and Community Services.

The Director General chairs the NSW Department of Health Management Board which is the key management meeting and forum for the NSW Department of Health. The Management Board considers and makes decisions on issues of Department and system-wide interest, including the NSW Health budget, the development of health policy and monitoring of health system performance.

Office of the Director General

The Office of the Director General provides high-level executive and co-ordinated administrative support to the Director General across a broad range of issues and functions.

The Office works with the Deputy Directors General and members of the NSW Health Executive to ensure the Director General receives advice that is accurate, timely and reflects a cross agency view on critical policy and operational issues.

The Office also supports the Director General to ensure she provides high quality, co-ordinated advice and information to the Minister for Health on matters of significant interest to the public, NSW Parliament and the NSW Cabinet.

Parliament and Cabinet Unit (PACU)

The Parliament and Cabinet Unit (PACU) provides support to the Minister for Health and the Director General to assist them to respond to the NSW Parliament, Cabinet and the central agencies of Government.

The PACU manages the preparation of material for the Minister and the NSW Department of Health for Estimate Committee hearings and other Parliamentary Committees and Inquiries. It co-ordinates responses on behalf of the Minister on matters considered by the Cabinet, questions asked in the NSW Parliament and requests from Members of Parliament.

The Unit also liaises between Parliamentary Committees, the Department and Area Health Services and assists the Director General and Executive with special projects as required.

Internal Audit

Provides financial and compliance audit and assurance services to Branches and key functions of the Department. Undertakes special investigations of matters within the Department as referred by the Minister, the Director General, NSW Auditor-General, Ombudsman and the Independent Commission Against Corruption. Provides specific audit, review and advisory services on information systems across NSW Health.

Strategic Development

Deputy Director General

Richard Matthews

Dr Richard Matthews carries the dual roles of Deputy Director General, Strategic Development, and Chief Executive of Justice Health. He joined the Department in November 2003 as Acting Deputy Director General, and was appointed in January 2006. Dr Matthews commenced his career in general practice and has developed a particular interest and expertise in drug and alcohol treatment.

Functions within the Department

The Strategic Development Division is responsible to the Director General for overall health policy development, funding strategies and the system-wide planning of NSW Health Services. The Division also supports the Health Care Advisory Council and a number of Health Priority Taskforces.

Mental Health and Drug and Alcohol Programs

Provides the comprehensive policy framework for mental health services developed in collaboration with Health Services, other government departments and non-government agencies, and the development and implementation of alcohol and other drugs policies across the health system. It also supports the maintenance of the mental health legislative framework.

The Office of Drug and Alcohol Policy (ODAP) was transferred to NSW Health from the Cabinet Office in August 2005 following a change of Ministerial responsibility. The NSW Government established ODAP to provide leadership, and to assist in the development and implementation of a government-integrated approach to drug programs and policies. The problems associated with drug use invariably raise a wide range of issues from education and prevention through treatment and rehabilitation to law enforcement.

Futures Planning Unit

Leads a statewide futures planning process which will set the strategic directions for the NSW public health care system for the next 20 years.

Inter-Government and Funding Strategies

Leads and manages strategic relationships with the Australian Government, other state and territory governments, private sector and other strategic stakeholders.

Responsible for ensuring that a comprehensive framework for the funding and organisation of the NSW health system is in place to translate government priorities for the health system into effective strategies, and to ensure that the system is able to respond to changes in its environment.

Provides advice on distribution of resources to health services, develops tools to inform allocation of resources from health services to facilities, and provides leadership in the development and implementation of state and national health priority policies and programs.

NSW Institute of Rural Clinical Services and Teaching

Established as a key recommendation in the NSW Rural Health Report with the Institute's Executive Committee formally convened in 2004. The Institute aims to work with rural Area Health Services to provide information and knowledge about rural and remote health and the rural and remote health workforce; develop the research capacity in rural and remote areas; develop and maintain strong networks between rural and remote health service staff and services; develop appropriate training, education and development opportunities for rural and remote health staff; and support and promote excellence in rural clinical practice by identifying, supporting and sharing good practice in rural health service delivery, including models of service delivery appropriate for rural and remote areas.

Primary Health and Community Partnerships

Develops and reviews primary and community health programs and fosters partnerships with the community and non-government organisations. The Branch also supports the Health Care Advisory Council and coordinates the work of the Health Priority Taskforces.

Statewide Services Development

Develops NSW Health policy, planning tools, frameworks, clinical plans and strategy development for a range of acute and specialty health services with statewide implications. Collaborates with the Assets and Contract Services Branch to develop strategic planning for capital infrastructures. Collaborates with rural Area Health Services, and the NSW Rural Health Priority Taskforce, to ensure implementation of the NSW Rural Health Plan.

Population Health

Chief Health Officer
Deputy Director General

Dr Denise Robinson

Dr Denise Robinson was appointed to the position of Chief Health Officer in June 2005. She had been acting in this capacity since February 2005. Before joining the Department of Health in early 2003 as Deputy Chief Health Officer, Dr Robinson had extensive management experience in NSW, holding a number of senior positions in Area Health Services.

Functions within the Department

Population Health works with NSW communities and organisations to promote and protect health and prevent injury, ill health and disease. It monitors health and implements services to improve life expectancy and quality of life. It develops, maintains and reports on population health data sets, implements disease and injury measures, promotes and educates about healthier lifestyles, and protects health through disease prevention services and legislation. It ensures the quality use of medicines and the safe use of poisons.

Centre for Aboriginal Health

Develops, coordinates and influences policy, strategic planning, services and program design which are culturally inclusive and accessible to the Aboriginal population in NSW to improve their health and wellbeing. The Centre acts as a specialist resource for NSW Health to provide appropriate cultural and sensitive advice on Aboriginal issues.

For the purposes of the Annual Report, when referring to Aboriginal and Torres Strait Islander health issues in NSW, the word Aboriginal is used in line with the NSW Health policy directive 2003/55.

Centre for Epidemiology and Research

Monitors the health of the population of NSW, supports the conduct of high quality health and medical research by providing infrastructure funding, and promotes the use of research to inform policy and practice through the following branches:

- Health Ethics
- Health Survey Program
- Population Health Indicators and Reporting
- Population Health Information
- Public Health Training and Development
- Research and Development Policy
- Surveillance Methods.

Centre for Health Protection

Identifies and helps reduce communicable and environmental risks to the population's health and regulates standards of care and safety in the health care sector through the following branches:

- AIDS and Infectious Diseases
- Communicable Diseases
- Clinical Policy
- Environmental Health
- Pharmaceutical Services
- Private Health Care.

Centre for Chronic Disease Health Prevention and Health Advancement

Develops, manages and coordinates the strategic prevention response to national and state health priority issues through the following branches:

- Injury Prevention Policy
- Nutrition and Physical Activity
- Health Promotion Strategies and Settings
- Strategic Research and Development
- Tobacco and Health.

Centre for Oral Health Strategy

Develops and coordinates oral health policy for the State, and monitors population oral health prevention and service delivery programs in NSW.

Health system performance

Deputy Director General

Professor Katherine McGrath

Professor McGrath worked as a clinician, academic, laboratory director and Divisional Chair in Victoria and NSW before she was appointed Chief Executive Officer of Hunter Area Health Service and honorary Professor of Pathology at the University of Newcastle in 1997. Professor McGrath was appointed to her current position in March 2004.

Functions within the Department

The Health System Performance Division aims to improve the patient journey by driving performance improvements in the health system. It works to achieve agreed performance measures for improved services for patients and works in partnership with Area Health Services and hospitals to develop and implement new models of care and ensure all clinical services are planned and managed systematically and cost effectively.

Develops strong relationships and communications with frontline clinicians and managers to help them implement effective patient-centred improvements and provides expert advice on the performance of NSW Health to the Director General, the Minister and a range of external state and national agencies.

Health Service Performance Improvement

Works with Area Health Services to improve patient access to services. Allocates resources strategically to maximise performance, demand management and patient flow.

Provides strategic advice and identifies obstacles affecting implementation of service improvement strategies. Manages Area Performance Agreements.

Strategic Information Management (SIM)

Coordinates statewide future standards and directions for NSW Health Information Management and Technology (IM&T) to enable quality IM&T capability accross the State for the benefit of patients. The IM&T strategy is underpinned by an investment strategy for the NSW Healthelink portfolio which aims to implement all core clinical and corporate applications as well as the supporting infrastructure across NSW. This includes pilots of the first Australian Electronic Health Records.

Clinical Quality and Patient Safety

Provides strategic leadership for clinical quality and patient safety. Is responsible for consistent implementation of the *NSW Patient Safety* and *Clinical Quality Program* which sets standards for Area Health Service quality systems. Develops policies on quality and safety for statewide implementation. Develops and reports on system wide quality indicators. Monitors, analyses and acts on serious clinical incidents and oversees statewide clinical governance issues. A single, statewide electronic Incident Information Management System (IIMS) underpins the statewide Incident Management program.

Demand and Performance Evaluation

Responsible for developing an information, analysis and reporting infrastructure to improve health outcomes and performance. Manages the major data collections of the NSW health system, including data collections for admitted patients, emergency departments and elective surgery waiting lists.

Responsible for analysis of performance data, departmental business sponsorship and governance of the design, development and operation of information systems to better meet stakeholder needs, and provides support in researching, designing and developing customised information products for stakeholders.

Clinical Services Redesign Program

Leads the development and implementation of major health service delivery reform initiatives across the NSW health system. These reforms have already brought substantial improvements in patient access to emergency departments and to elective surgery. Ensures a coordinated approach to the redesign of clinical services, and engages local and frontline staff and consumers in the design process.

Health System Support

Deputy Director General

Robert McGregor, AM

Robert McGregor has extensive experience at a senior management level in the NSW public sector, having occupied a number of chief executive officer positions. He rejoined the NSW Department of Health as Deputy Director General, Operations in 1997 and was appointed to his current position in November 2003.

Functions within the Department

Health System Support manages and provides strategic advice on financial, employee relations, asset and procurement, workforce, governance and risk, nursing and legal issues in the health system, provides corporate and executive support services for the Department and ensures the health system operates within available funds.

Asset and Contract Services

Provides leadership in asset management and procurement policy development. Manages the Asset Acquisition Program across the health system, and directs specific asset and procurement projects to support the efficient delivery of health services.

Corporate Governance and Risk Management

Provides a comprehensive framework for corporate governance and risk management for the conduct of Departmental business and to guide and monitor these functions in the NSW public health system.

Risk Management and Regulatory Affairs

Develops and maintains the regulatory framework for NSW Health and provides the health system with a source of expert advice and professional support on regulatory matters and risk management.

Corporate Governance and External Relations

Develops and maintains a corporate governance framework for NSW Health, and manages relationships with key external agencies.

Employment Screening and Review

Undertakes employment screening of all new NSW health system employees and students. Provides training, advice and other support to public health organisations to manage employment screening and investigations of health service employees regarding allegations of abuse of children and others.

Employee Relations

Deals with system-wide industrial relations issues for the health system, including the conduct of arbitrations, negotiating and determining wages and employment conditions for the NSW Health Services, administration for the Health Executive Service, and human resource and OH&S policy development for the health system.

Executive and Corporate Support

Executive Support Unit

Provides advice and information to the Director General and Minister in response to matters raised by, or of interest to the public, Members of Parliament, central agencies and various Ministerial Councils.

Shared Services Centre

Provides internal support services to the Department and its employees in areas including office equipment, fleet vehicles, computer network and email services, mailroom services and building management.

Corporate Personnel Services

Develops and implements the Department's human resources strategy. Provides support and guidance to staff on all personnel and payroll issues.

Finance and Business Management

Provides strategic financial management, monitoring, reporting and budgetary services for the NSW health system, including financial policy, financial analysis, financial reviews, insurance/risk management, GST/tax advice and monitoring key performance indicators for support services.

Legal and Legislative Services

Legal Branch

Provides comprehensive legal and legislative services for the Department and Minister, specialist legal services and privacy policy support for the health system, compliance support and prosecution services for NSW Health.

Health Professionals Registration Boards

Provides registrar and administrative services to nine health professional registration boards.

Media and Communications

Provides leadership in communications initiatives across the public health system. Issues health messages to health professionals and the general community through targeted campaigns, publications, the internet and the media.

Nursing and Midwifery

Provides leadership and advice on professional nursing and policy issues. Monitors policy implementation, manages and evaluates statewide nursing initiatives, and allocates funding for nursing initiatives.

Workforce Development and Leadership

Plans, develops, facilitates, communicates and evaluates health workforce strategies across the NSW health system to improve health outcomes for the people of NSW.
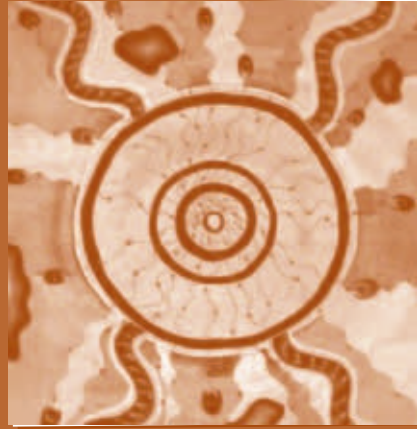
Performance

How we compare

There have been significant health gains for people in NSW over the last 20 years

People in NSW are now living longer, healthier lives with falling infant mortality and declining numbers of deaths due to cancer and heart disease.

The NSW public health system is considered to be one of the best in the world and compares favourably with other health systems in Australia and in other developed nations.

The overall effectiveness of NSW Health services can be assessed by comparing key health indicators with similar health services both in Australia and overseas using data from the Australian Institute of Health and Welfare (AIHW), the Australian Bureau of Statistics (ABS), the World Health Organisation (WHO) and the Organisation for Economic Co-operation and Development (OECD). This enables service performance to be reviewed in relation to national and international peers, and provides a context within which more specific achievements can be examined.

Information is included on the following indicators:

- life expectancy – international and state comparisons
- age standardised death rates – state comparisons
- total expenditure on health – international and state comparisons
- public health activity spending – state comparisons
- selected hospital activity data – state comparisons.

The Organisation for Economic Co-operation and Development (OECD) releases useful health statistics that can be used to provide a better understanding of Australia's health system performance in relation to countries with similar social and economic structures. Since the last NSW Department of Health Annual Report 2004/05, the OECD has released its 2005 and 2006 publications of key health indicator results. Along with data from the World Health Organisation (WHO), this section provides a brief comparison of results from selected OECD countries in three important indicators of health system performance – life expectancy at birth, infant mortality, and health expenditure.

Caution is needed when comparing international health data. Even though it may appear that countries are using the same health indicators, they may in fact be using different inputs, have different definitions of the indicator or have varying degrees of coverage of what they are measuring. It should also be remembered that countries make choices about how they will fund their health systems, the mix of public and private funding, the level of health insurance available, and the availability of health professionals to provide health services. These choices impact on the range of services provided and the financial resources allocated to health.

While we only compare Australia with OECD countries, where social and economic structures are similar, there will always be differences in some of the social determinants of health, such as living and working conditions, that are beyond the ability of health service providers to directly influence.

As well as using international comparisons, comparisons with other Australian states and territories are valuable in establishing a contextual picture of the NSW health system. The Australian Institute of Health and Welfare, and the Australian Bureau of Statistics provide data for a variety of indicators. Two of the more valuable indicators are cause of death and health expenditure (overall and public-health specific).

Care should be taken when comparing states and territories. Individual health systems vary considerably from state to state depending on the population size. The structure of populations also differs between states and territories, for example, the proportion of Aboriginal people in the population (Aboriginal people have a lower life expectancy, experience disability at a higher rate and have a reduced quality of life due to ill health than non-indigenous Australians). Some states and territories also have a larger proportion of people living in rural and remote areas than NSW. This means health services are designed differently to account for a smaller but more geographically spread population. Finally, it is important to note that when comparing state and territory health data the degree of coverage of the data may differ. Problems with data capture often mean that not all activity can be reported in official statistics.

Life expectancy at birth

Life expectancy at birth is the average number of years a newborn can expect to live if the existing mortality patterns remain during the individual's lifetime. It is one of the most common indicators used worldwide to gain insight into a population's health. There are many influences upon the life expectancy of a population, for example socio-economic factors such as level of income or education, environmental issues such as pollution and water supply, as well as health-related behaviors, such as smoking and alcohol consumption.

The graph following shows the NSW and Australian rates of life expectancy compared with other states and territories, and selected OECD countries.

Graph 1. Life expectancy at birth (years) for selected OECD countries and Australian states and territories, 2004
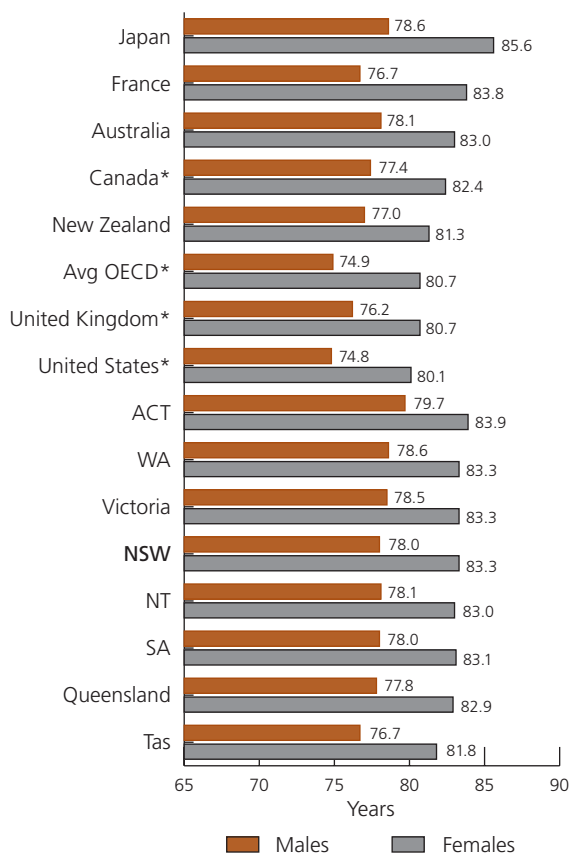
	Males	Females
Japan	78.6	85.6
France	76.7	83.8
Australia	78.1	83.0
Canada*	77.4	82.4
New Zealand	77.0	81.3
Avg OECD*	74.9	80.7
United Kingdom*	76.2	80.7
United States*	74.8	80.1
ACT	79.7	83.9
WA	78.6	83.3
Victoria	78.5	83.3
NSW	78.0	83.3
NT	78.1	83.0
SA	78.0	83.1
Queensland	77.8	82.9
Tas	76.7	81.8

Years

Source: OECD Health Data, 2006 (*2003 data) and Australia's Health 2006, Australian Institute of Health and Welfare (**2002–04 data)
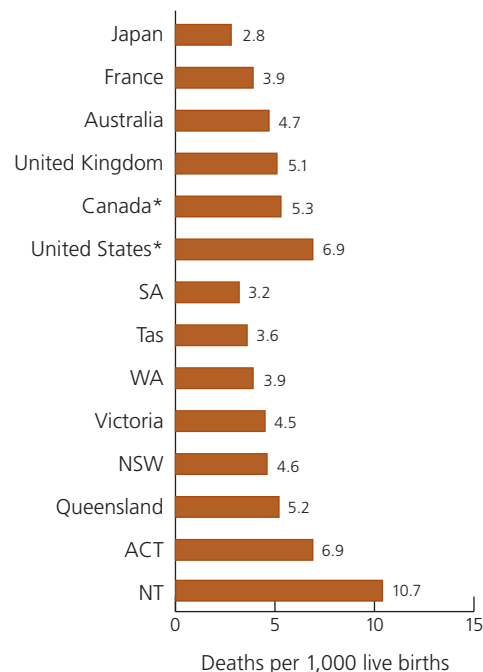
Australia's life expectancy at birth has increased continually since the early twentieth century. Today, Australians have one of the best rates amongst OECD countries and in fact, the world. NSW shares with the rest of the country a longer life expectancy than a number of countries including New Zealand, Canada, the United States and the United Kingdom. In NSW, the average life expectancy for males born in the years 2002–04 was 78 years and for females 83.3 years. The NSW rates are similar to other states and territories as well as the Australian rate of 83 for females and 78.1 for males.

Infant mortality

The infant mortality rate refers to the number of deaths of infants (children less than one year old) per 1,000 live births in any given year. It is internationally recognised as an indicator of population health and is often used in understanding an area's state of health development. It is also seen as a good indicator of the quality of antenatal care, the effectiveness of obstetric services and the quality of infant care in the hospital and in the community, as well as being an indicator of maternal health.

The graph below shows the latest OECD data on infant mortality alongside state and territory rates from the AIHW.

Graph 2. Infant mortality rates for selected OECD countries and Australian states and territories, 2004

	Deaths per 1,000 live births
Japan	2.8
France	3.9
Australia	4.7
United Kingdom	5.1
Canada*	5.3
United States*	6.9
SA	3.2
Tas	3.6
WA	3.9
Victoria	4.5
NSW	4.6
Queensland	5.2
ACT	6.9
NT	10.7

Deaths per 1,000 live births

Source: OECD Health Data, 2006 (*2003 data) and Australia's Health 2006, Australian Institute of Health and Welfare (although included in the previous chart, New Zealand is excluded here as the OECD published no 2004 or 2003 data)

Australia has seen a steady improvement in infant mortality over time. In 2004, the Australian rate was 4.7, a decrease of 11 per cent since 1991. However, despite steady improvements, Australia still only sits in the middle of infant mortality rankings in the OECD countries. Like life expectancy at birth, infant mortality rates in Australia fare much better than the United Kingdom and the United States.

NSW's infant mortality rate at 4.6 was slightly better than the Australian rate as well as the rates of Queensland, the ACT and the Northern Territory. It improved by 13 per cent between 2001 and 2004.

Health expenditure

Comparisons of health expenditure between countries and states can be made by examining expenditure as a proportion of GDP. This measures a nation's or state's spending on health goods, services and capital investment as a proportion of overall economic activity. However, movements in GDP or health expenditure can cause instability in the health–GDP ratio. Health expenditure per capita is an alternative measure that allows comparisons without the misleading effect of GDP movements and population size changes.

A comparison of Australia's health expenditure with other OECD countries indicates the relative efforts being made to meet the need for health goods and services in countries with similar economic and social structures. However, caution is recommended in the interpretation of results, given that differences may exist between countries in terms of what is included as health expenditure.

Table 1. Total expenditure on health for selected OECD countries, 2003

Country	Per capita (US$)	As % of GDP
Australia	2,519	9.5
Canada	2,669	9.9
France	2,981	10.1
Japan	2,662	7.9
New Zealand	1,618	8.1
United Kingdom	2,428	8.0
United States	5,711	15.2

Source: WHO, The World Health Report, 2006
Total expenditure from the WHO includes both government (public) and private expenditure.

The total expenditure on health in Australia as a percentage of Gross Domestic Product was 9.5 per cent in 2003. This continues the increasing trend seen on previous years (1999 – 8.7, 2000 – 9.0, 2001 – 9.2, 2002 – 9.3). It is predicted that the ageing of the Australian population will continue to put pressure on total expenditure on health services and the increase in recent years will continue to grow. NSW trends (below) have shown the same picture of increase and, like the rest of Australia (and most OECD countries), this is likely to continue.

Table 2. Average health expenditure per capita constant price terms*, 2000/01 to 2003/04 (A$)

State/Territory	2000/01	2001/02	2002/03	2003/04	Average annual growth rate
NSW	3,414	3,525	3,648	3,795	3.6%
Vic	3,522	3,736	3,902	3,989	4.2%
Qld	3,528	3,475	3,453	3,562	0.3%
WA	3,217	3,293	3,429	3,530	3.1%
SA	3,440	3,532	3,742	3,882	4.1%
Tas	3,395	3,792	3,500	3,585	1.8%
ACT	3,623	3,785	3,962	4,173	4.8%
NT	3,761	3,808	4,264	4,402	5.4%
Australia	3,451	3,559	3,667	3,785	3.1%

*Constant price terms means the figures have been adjusted to reflect the prices of the reference year (2002/03), ie it removes the effects of inflation. 'Expenditure' includes government funded, health insurance, injury compensation and 'out-of-pocket' expenditure.

Source: Australia's Health 2006, Australian Institute of Health and Welfare

On average, Australia's annual growth in health expenditure has been 3.1 per cent between 2000/01 and 2003/04. NSW, at 3.6 per cent, is one of five states or territories that were above the national average growth rate. In 2003/04, NSW spent $3,795 per person on health, which was slightly higher than the national average of $3,785.

The health expenditure in states and territories will be influenced by the different health policy initiatives pursued by their governments. Broadly speaking, expenditure will align with population spread. However, the differences in policy and priorities will influence the distribution of health expenditure between states and territories. The factors mentioned earlier, such as the socio-economic makeup of a population, the proportion of Aboriginal people and remoteness issues will all influence expenditure distribution decisions. The table below illustrates how different states and territories distribute expenditure within public health activities.

Table 3. Total government expenditure on public health activities (current prices)
by state/territory, 2003/04 ($ million)

Activity	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Communicable disease control	68.8	47.8	46.2	23.0	18.1	7.4	4.9	16.5
Selected health promotion	52.5	74.8	16.6	25.3	16.3	5.8	4.6	3.3
Organised immunization	101.7	55.7	46.2	25.3	17.9	5.8	6.4	9.1
Environmental health	18.9	9.5	16.6	14.2	7.3	4.5	4.3	5.6
Food standards and hygiene	12.6	6.8	5.6	3.5	2.5	0.6	3.0	1.0
Breast cancer screening	37.3	23.9	22.5	9.9	8.3	3.8	1.7	1.1
Cervical screening	26.7	20.6	17.8	9.5	8.1	2.4	1.5	2.8
Prevention of hazardous and harmful drug use	37.6	35.5	32.6	23.0	17.4	7.1	9.5	9.1
Public Health research	25.8	29.2	12.3	10.9	9.3	2.4	1.6	1.9
Total	381.9	303.8	214.5	135.7	105.2	37.2	37.3	50.3

Source: National Public Health Expenditure Report 2001/02 to 2003/04, Australian Institute of Health and Welfare

In 2003/04, NSW spent $381.9 million on public activity to promote and protect the future health of the population.
This increased from $199.9 million in 2000/01. NSW contributed the highest proportion of public health spending
(27 per cent) of any state or territory on organised immunization initiatives.

Death rates

Cause of death information provides insights into events or issues that contribute to death. The table below outlines
the three most common causes of death in Australia in 2004. Together, Ischaemic heart disease, cerebrovascular
disease and lung cancer made up one third of all deaths in 2004.

Table 4. Standardised death rates per 100,000 people* by major cause of death, 2004

Cause of death	NSW	Vic	Qld	WA	SA	Tas	ACT	NT
Trachea, bronchus and lung cancer	34.8	33.5	36.5	33.9	35.1	36.8	36.3	24.9
– Change on 1994 rate	-15%	-27%	-9%	-20%	-19%	-15%	-149%	-33%
Ischaemic heart disease	117.4	106.1	130	113	105	119.8	145.6	86.1
– Change on 1994 rate	-72%	-76%	-67%	-82%	-78%	-78%	-42%	-105%
Cerebrovascular diseases	60.9	50.8	60.8	53	49.1	47.2	41.3	61.1
– Change on 1994 rate	-52%	-58%	-40%	-62%	-69%	-89%	-175%	-33%

*Of the mid-year population at 2002
Source: ABS Causes of death 2004 (3303.0)

Australia has made significant improvements in the rates
of death from major causes over the last 15 years.
In fact, in the latest OECD health data, Australia had the
highest improvement in Ischaemic Heart Disease between
1992 and 2002 of all OECD countries with data listed.

NSW has seen improvements in the ten years to 2004
in the three major causes of death. Generally speaking,
the rates of improvements are on par with other
states and territories. However, NSW experience the
second highest death rate of cerebrovascular disease
(which includes stroke) although this rate has seen
a 52 per cent improvement since 1994.

Hospital activity

Generally, public hospitals provide an array of health
services from urgent and life-threatening care in
emergency departments to elective surgery aimed at
improving quality of life. However, hospitals throughout
NSW vary considerably in size, services available and the
degree of specialisation. A large city hospital provides
different functions and operates differently to a small
rural hospital that may serve a much smaller but more
geographically spread population. Therefore, activity
figures will vary greatly between hospitals and states.
The table below collates public acute hospital data
from each state and territory and outlines a few of the
basic measures often used to illustrate the amount of
hospital activity.

Performance

Table 5. Acute Public Hospital activity by state or territory, 2004/05*

Activity	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
Number of Hospitals	222	143	173	91	78	24	3	5	739
Available or licensed beds	19,570	11,831	9,282	4,939	4,524	1,231	679	570	52,626
Emergency Department occasions of service (000s)	2,007	1,318	1,282	593	473	121	93	103	5,993
All admissions to hospitals (000s)	1,333	1,223	733	381	363	86	63	75	4,260
All admissions per 1,000 population	191.6	238.2	187.9	194.4	224	172.2	214.4	456.2	207.3
Admissions from the elective waiting list (000s)	197	129	108	49	36	13	8	5	549
Admissions from the elective waiting list per 1,000 population	29.3	25.9	27.7	24.7	23.9	28.5	26.6	28.1	27.2
Non-admitted occasions of service (000s)**	16,518	5,545	7,603	3,903	1,667	754	394	268	36,650

All data is for public acute hospitals (excludes psychiatric facilities)

*Caution is needed in comparing activity data due to the differences between states and territories in the coverage of data captured, particularly in the case of emergency department numbers.

**Non-admitted occasions of service include: dialysis, pathology, radiology and organ imaging, endoscopy and related procedures, other medical/surgical/obstetric, mental health, alcohol and drug, dental, pharmacy, allied health, community health, district nursing and other outreach. Emergency department figures are excluded.

Source: Australian Hospital Statistics 2004–2005, Australian Institute of Health and Welfare.

The number of beds available indicates a hospital's ability to provide inpatient care. Reflecting the size of the state's population, NSW has the largest number of public acute hospitals and beds of any state or territory. In fact, 37 per cent of available acute beds in Australia are in NSW. Admissions across all of Australia have grown over time, but not as quickly as the population which means admissions per 1,000 population has dropped. The number of admissions per 1,000 of population in NSW at 191.6 was lower than the national average and the third lowest of any state or territory.

Measuring beds and admissions does not account for the capacity of the hospital to provide other services that do not require the patient to be admitted. NSW has the highest level of emergency department and other non-admitted patient activity. In 2004/05, NSW had over two million emergency department attendances (34 per cent of the total emergency department activity in Australia) and over 16 million other non-admitted occasions of service (45 per cent of other non-admitted patient activity in Australia).

Summary

Australia performs well in some of the key international health indicators when compared with other OECD countries. NSW, as the largest health system in the country, is on par with overall Australian performance, therefore, also compares well internationally.
While comparisons are favorable, NSW Health is always striving to improve its good performance and continues to direct resources towards enhancing the health of the community. This has resulted in improvements in hospital activity through clinical redesign and other initiatives. Importantly, it has also enhanced protective regulation, health promotion and the management of emerging health risks. Consequently, comparative performance in health indicators, such as life expectancy and infant mortality, will continue to benefit from NSW Health's commitment to addressing the health needs of the NSW population.

Mental health programs

Mental health has been identified as an important priority
for the NSW health system

In June 2006 the NSW Government announced a five year plan to transform the State's mental health services. The plan, titled *A New Direction in Mental Health*, represents a new approach to providing services for people with mental illness and for their families and carers. The new approach places greater focus on community-based mental health services.

In 2006 NSW also initiated a national action plan on mental health at the Council of Australian Governments. This initiative is designed to strengthen Commonwealth, State and non-government programs to provide a better coordinated and connected system of care for people with mental illness.

The incidence of mental illness is rising in NSW and across Australia. In the past year approximately 1.1 million people in NSW experienced mental illness, of whom 170,000 had a severe mental illness.

Initiatives launched in 2005/06 to improve mental health services include:

- setting the agenda for improvement in mental health at the national Council of Australian Governments' meeting in February 2006
- establishing a 'New Directions for Mental Health' package with a $939 million program of additional expenditure over the next five years

- implementing the increased funding since March 2003 with an initial $241 million package and subsequent $22 million enhancement
- shifting the focus of mental health care from hospitals to community care to deliver better outcomes for people with mental illness
- implementing programs to improve awareness, prevention, early identification and detection of mental health problems
- establishing closer links between the NSW Mental Health and NSW Drug and Alcohol Programs. The Minister for Health assumed responsibilities for the coordination and management of NSW Government drug and alcohol programs, to better integrate mental health services with drug and alcohol services.

Estimated numbers of people
with mental illnesses by severity

Severe   Moderate   Mild
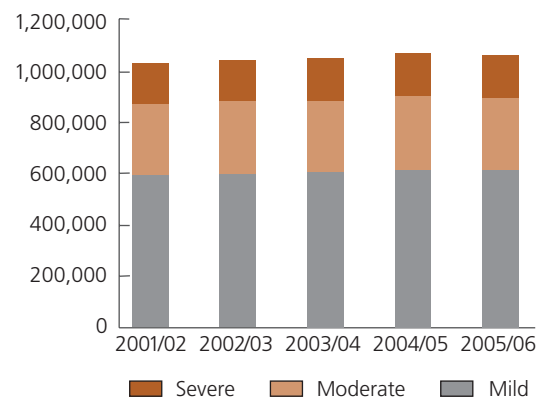
Investment in mental health services

The five year funding package announced in June 2006 is aimed at transforming the State's mental health services and recruiting additional mental health staff to NSW hospitals and community services.

NSW: A New Direction for Mental Health, will deliver a $939 million program of additional expenditure in mental health services, commencing with $148.8 million in the 2006/07 financial year. It will provide mental health patients and their families and carers with better access to an expanded range of public mental health services in NSW.

This program includes:

- **$337.7 million** in new additional recurrent funding – 85 per cent of which will be dedicated to community based services
- **$263.3 million** in additional recurrent funding for the expansion of programmes and services that have previously been announced
- **$337.9 million** in capital works, including additional funding for new capital works, works-in-progress, and privately financed projects.

This new direction provides a better balance between hospital focused care and community care. NSW Health is also improving coordination between mental health services by strengthening links between the public, private and community sectors, between hospitals and GPs, and between the State and Federal Governments.

New Mental Health beds

Over the next five years, from 2006, 383 additional mental health beds will be established across NSW. This will include:

- over 164 new beds in metropolitan areas
- over 200 new beds in regional areas, which include:
  - 106 forensic beds (including the 82 bed redevelopment at Bloomfield)
  - 31 new specialist beds (including 12 psychiatric intensive care beds)
  - 26 new Psychiatric Emergency Care Centres beds (including six transiting from temporary to permanent beds)
  - 14 new Child and Adolescent beds.

Standardised suicide rates, by year of registration, NSW versus Australia 1991–2004

Performance
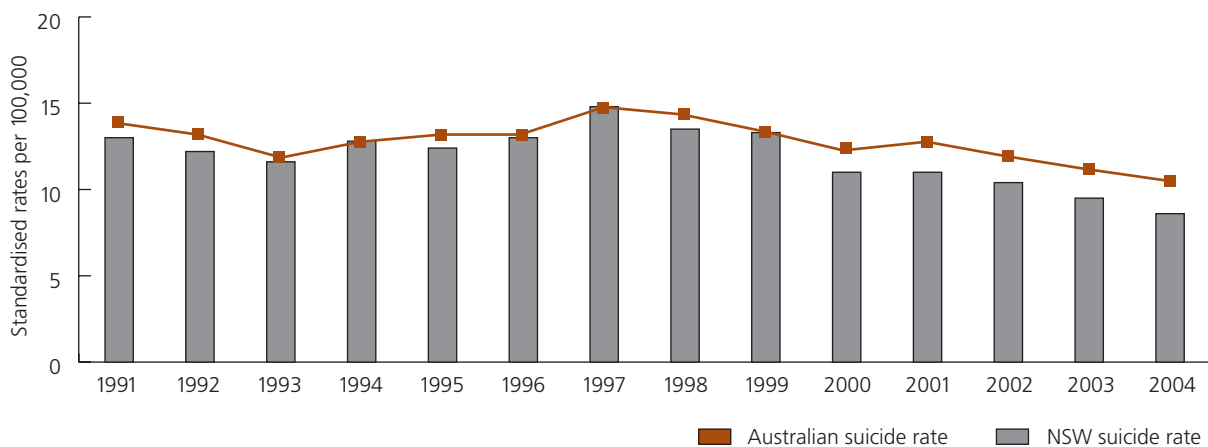
Improving mental health

The NSW Department of Health recognises the importance of activities to promote better mental health for everyone, prevent and minimise risk factors and intervene early to improve treatment outcomes.

We are working in partnership with stakeholders to increase community awareness and knowledge about ways to promote good mental health and to reduce the stigma associated with mental illness.

We are implementing programs that build resilience in young people, reduce the risk factors associated with drug use, and provide early intervention for people with mental illness to reduce long-term disability.

Suicide prevention

The Suicide Risk Assessment and Management Electronic Learning Initiative is an interactive multimedia CDROM and online learning program that was developed and released to health staff in Area Health Services. It is an additional resource developed from the *Framework for Suicide Risk Assessment and Management for NSW Health Staff.*

School-Link training program

The School-Link initiative is a joint initiative between child and adolescent mental health services and schools which aims to improve the early identification and treatment of mental health problems in children and adolescents in schools and TAFE institutions across NSW.

In 2005/06 approximately 2,000 clinicians participated in an advanced module of the School-Link Training Program about mental health and wellbeing among Aboriginal, culturally and linguistically diverse communities and same-sex attracted young people. Participants included school and TAFE counsellors, mental health workers and psychologists from the Department of Juvenile Justice and the Department of Community Services.

NSW Health co-morbidity forum

The NSW Health Co-morbidity Planning Forum was held in May 2006. This included senior clinicians, nurses and allied health staff from both the mental health and drug and alcohol fields, and representatives from general practice and family and carers organisations. Outcomes from the forum are being incorporated into an action plan for the management of people with drug and alcohol and mental health issues in NSW.

Family matters

In December 2005, the Minister for Health launched *Family matters: how to approach drug issues with your family*, a booklet designed to assist parents answer questions they may face when talking about drugs with their children. Available in English and 15 community languages, over 300,000 have been distributed through schools, community health centres, GPs, Community Drug Action Teams and other community organisations.

Mental health care people need

An effective, integrated care system for people with a mental illness provides the right care, in the right place and at the right time, to avoid escalation of illness and to promote recovery.

NSW Health is committed to improving and integrating the care system by significantly expanding the capacity of our services so that they can meet growing demand.

We are working to strengthen the connections between services, in particular by building better links with the private primary care sector, Australian Government and non-government service providers.

Psychiatric Emergency Care Units

In 2004, two pilot Psychiatric Emergency Care Centres (PECC) were established at Liverpool and Nepean Hospital Emergency Departments to provide 24-hour a day, seven-day a week mental health assessments on site as well as inpatient care.

In 2005/06, funding under the NSW Mental Health Emergency Care Program was allocated to establish PECC services at a further seven sites in metropolitan Area Health Services. A review of these services found that based on over 2,000 PECC presentations at Liverpool, Nepean, St Vincent's and St George hospitals the average waiting time from emergency department referral to mental health assessment was 49 minutes and the average stay in the PECCs was 35.3 hours (within the 48 hour inpatient stay target).

New Mental Health Beds

Funding was provided to establish an additional 64 new mental health beds, including 12 designated permanent PECC beds at St Vincent's and St George and four temporary PECC beds at Liverpool.

Mental Health Community Rehabilitation

The Mental Health Community Rehabilitation program commenced in January 2006 with funding of $2.45 million. This program involves the appointment of specialist service positions to provide expert individual rehabilitation programs and assessment. It also provides consultation and training for mental health clinicians in rehabilitation assessment and treatment and coordinated service delivery across mental health services and non-government organisation psychosocial rehabilitation programs.

Cannabis clinics

Cannabis clinics provide assessment, individual and group counselling programs, treatment and referral for cannabis dependent clients with a particular focus on young people and those with mental health issues.

In 2005/06 two new clinics were opened in Orange and Sylvania.

New courts for magistrates early referral into treatment program

The Magistrates Early Referral Into Treatment (MERIT) program covers 58 Local Courts and operates through all eight Area Health Services. MERIT teams provide targeted drug treatment to match the defendant's individual needs. In 2005/06, the MERIT program expanded to Cooma, Fairfield, Singleton and Newtown Local Courts.

Adolescent Community Forensic Mental Health Service

The Adolescent Community Forensic Mental Health Service was set up in Western Sydney in late 2005 with five full time staf. The purpose of this service is to screen young offenders within the criminal justice system for mental health problems as they access treatment, and includes diversion to mental health treatment.

Statewide Community and Court Liaison Service

The Statewide Community and Court Liaison Service was established to screen offenders coming before Local Courts for mental health problems and assess them for treatment needs. In 2005/06 15,059 clients were screened for mental health problems in the court cells. Of these, 1,934 received a mental health assessment. This represents 12.8 per cent of Local Court offenders – and 85 per cent of them were deemed to have had a severe mental illness/disorder. They were either diverted to hospital, community care or custodial mental health services.

Specialist Child and Adolescent Mental Health Day Program

The specialist child and adolescent mental health day program was opened at Orange in May 2006. The program is based at the Bloomfield Hospital campus and incorporates an integrated day program and acute inpatient unit. It provides more intensive community based treatment than was previously available and will ultimately offer a greater range of treatment options for rural children and adolescents with mental health problems and their families.

Quality mental health care

A major priority of NSW Health is to enhance rehabilitation and support services for people with mental illness to participate in the community, education and employment.

Rehabilitation and support services promote recovery across all settings – inpatient to community – to enable patients to live their life to the fullest potential, avoiding unnecessary relapse and reducing the need for hospitalisation.

We are committed to improving referral pathways and links between clinical, accommodation, personal and vocational support programs and expanding support for families and carers.

Mental Health Act review

The *Mental Health Act 1990* is currently being reviewed. The review was prompted by calls from mental health consumers, their families and health professionals and was a key recommendation of the Select Committee Inquiry into Mental Health Services in New South Wales.

Following an extensive consultation process a redraft of the *Act* is in final stages. The *Act* is being reworded to make it more readily understandable to patients, carers and health workers. It will enhance information sharing provisions for family and carers, clarify information sharing around risk, streamline current admission provisions, establish explicit provisions relating to restraint and transport and consolidate community treatment orders.

Child and Adolescent Mental Health Care

$4 million in recurrent enhancement funding was allocated for priority child and adolescent mental health services across NSW, with $400,000 to each Area Health Service, including the Children's Hospital at Westmead and Justice Health.

Housing and Accommodation Support Initiative (HASI)

HASI is a successful program that reduces or prevents hospital admissions and reintegrates people with mental illnesses back into the community. Secure, affordable housing is linked to clinical and psychosocial rehabilitation services for people with a range of mental illness and disability. The program is founded on a statewide partnership between the Department of Housing, NSW Health and the non-government sector.

The expansion of the HASI program ensures a range of housing and accommodation support is available for people with mental illness, from people who live in public housing and have regular access to mental health specialists to those who need high level support in their homes.

By June 2006 more than 700 HASI places were available to people with mental illness. Positive outcomes from the HASI program include:

- 90 per cent reduction in hospitalisation for people in the program
- 85 per cent successfully maintained their tenancy
- 71 per cent improved mental health and 78 per cent more positive about themselves
- 60 per cent improved physical health and 67 per cent improved diet
- 83 per cent participating in at least three community activities
- 23 per cent without friends on entering the program but 94 per cent reported friendships two years later
- 81 per cent were happy with their family relationships.

HASI has a target of 967 places by 30 June 2008.

Aboriginal Mental Health Care

Recurrent funding of $1.1 million is now provided to support sixteen Aboriginal mental health workers in rural, regional and metropolitan Aboriginal Community Controlled Health Services across NSW.

These positions will work in partnership with Area Health Service mental health services and local communities to provide mental health and social and emotional well being services. They will further develop strong referral pathways between the primary care services of Aboriginal Community Controlled Health Services and specialist mental health services.

Family Sensitive Mental Health Services

In April 2006 the Minister for Health announced $2.08 million per year to fund non-government organisations to deliver a range of family support and education programs.

The *Working With Families* workforce development program is being implemented statewide to improve family-focused clinician practice. Area Health Services were allocated funds to train clinicians to deal more effectively with families and carers so that they are included in decision making around treatment plans and client progress.

My Health Record

My Health Record is a personal health record to assist health consumers and their families and carers to be more informed partners in the management of their illness across multiple care providers. The Ryde Community Mental Health Team commenced a *My Health Record* pilot in July 2005. The final evaluation report will be available in December 2006.

MH-CoPES

The MH-CoPES project is funded by the Centre for Mental Health in partnership with the NSW Consumer Advisory Group. The project aims to develop consistent mechanisms to incorporate consumer perspectives in mental health service delivery, planning and development.

MH-CoPES Stage 1 was implemented in 2005/06. This involved developing a framework and questionnaire to gather and collate consumers' views about NSW public mental health services.

MH-CoPES Stage 2 is funded over a three year period to prepare a framework and questionnaire ready for use in mainstream practice in NSW mental health services. The framework and questionnaire will be trialed in mental health services in Northern Sydney/Central Coast and Greater Western Area Health Services.

Improved Data and Information Management of Mental Health and Drug and Alcohol Patients

Uniform assessment protocols and continuity of care for mental health and drug and alcohol clients across the health system are being enhanced with improved data and information management systems, including:

- Unique Patient Identifier implemented in Area Health Service data warehouses
- the Mental Health Services Entity Register
- NSW Mental Health Data Dictionary Version 3
- 2005/06–2006/07 Data Dictionary and Collection Guidelines for NSW Drug and Alcohol Minimum Data Set
- a three year drug and alcohol information management and technology (IM&T) action plan was developed to streamline systems, simplify reporting and align with broader NSW Health IM&T strategies.

A review of drug and alcohol information systems and data collection arrangements was undertaken in 2005/06 with some of the recommendations now being implemented.

Mental health services managed well

A highly skilled, stable and well-supported workforce is crucial for leading the reforms necessary to enhance the quality, effectiveness and responsiveness of services for people with a mental illness.

There is currently a national shortage of mental health staff across all professional groups, including mental health nurses and psychiatrists.

We have developed a package to significantly boost the State's mental health workforce as well as enhance training and development programs for existing staff.

Ambulance Mental Health Strategic Plan

An Ambulance Mental Health Strategic Plan was developed in mid 2005 to reflect the growing role of ambulance staff in responding to mental illness and disturbed behaviour. The Plan identifies mental health patients as a priority group, similar to trauma and coronary patients. It will require ambulance staff to have additional skills, and for the Service to establish protocols and resources to respond safely and appropriately to patient needs.

Nursing scholarships

The Nursing Scholarship Program was established in 2005/06 with an original target of 40 scholarships and has now been increased to 119 scholarships. NSW Health has provided over $1 million over two years to enable 119 registered and enrolled nurses to upgrade their skills and qualifications whilst continuing to work in mental health. Individual scholarships were valued at up to $5,100 per year for two years.

The next round of scholarships will comprise up to 125 scholarships targeting areas such as older people's mental health, child and adolescent mental health, forensic mental health, rural mental health and acute community mental health.

Over the next five years, 600 undergraduate and postgraduate scholarships will be provided for Enrolled and Registered Nurses specialising in mental health.

Nurse Recruitment Campaign

The Mental Health Nurse Connect campaign was launched in April 2005 and was followed by an extensive media campaign in the major metropolitan and country papers. A toll free 1800 telephone line was set up and was staffed by experienced mental health nurses for the two week campaign.

A new recruitment campaign was launched in June 2006 to target areas of service growth, including Dubbo, Goulburn, Campbelltown, Sydney and Westmead Children's Hospitals and Justice Health.

Clinical leadership

A senior mental health nurse was appointed to the role of Principal Advisor for Mental Health Nursing to provide leadership around a range of mental health nursing workforce initiatives.

NSW Health provided funding for 14 mental health professionals to participate in the NSW Clinical Leadership Program (CLP). The development of skilled and capable leaders in mental health promotes a positive image for the profession, thereby increasing the potential to attract new nurses into the specialty.

Psychostimulant Train-the-Trainer Program for Health Workers

This program was introduced to ensure health workers have the skills and knowledge to provide effective and appropriate interventions for psychostimulant users who present with a range of health and mental health complications.

Two pilot workshops were held in a rural area (Nowra) and a metropolitan area (Sydney). Six workshops were later held in Penrith, Sydney City, Parramatta, Coffs Harbour, Orange and Newcastle. The workshops included the establishment of a Peer Support Network and development of a training plan to equip participants to conduct training at the local level.

Mental Health telephone access services

A comprehensive review of mental health telephone services across NSW was completed in June 2006. This will inform the development of a set of clear performance standards to apply to mental health telephone services and their links with the statewide call centre.

Lifeline received a grant of $500,000 over two years to develop its service structure to enable it to take up appropriate roles in the National Health Call Centre agreed at the COAG meeting in February 2006.

Whole of Government Policy Coordination

During the year NSW Health undertook a number of key initiatives concerning illicit drug, alcohol and mental health policy:

- Represented NSW on the Intergovernmental Committee on Drugs and provided policy support for the Minister for Health at meetings of the Ministerial Council on Drug Strategy.

- Worked with the liquor industry in the areas of alcohol harm minimisation policy and alcohol-advertising reforms including the development of new standard drink logos which were originally proposed by NSW in 2004 and endorsed by the Ministerial Council on Drug Strategy in May 2006.

- Coordinated the State's whole-of-government input into the development of the *National Alcohol Strategy 2006–2009, National Cannabis Strategy 2006–2009* and the *National Directions on Inhalant Abuse.*

- Chaired the Compulsory Drug Treatment Correctional Centre Task Force and ensured required regulatory, administrative, policy, and funding to enable the Centre to commence in July 2006.

- Managed the policy, program and funding relationship between the Commonwealth and State on the $78 million four year drug diversion program.

- Progressed a wide range of legislative initiatives on drugs and alcohol including proposals concerning illicit drug manufacture, drug driving, hydroponic cannabis, reform of the liquor laws and inebriates legislation.

- Provided secretariat support to the Expert Advisory Group on Drugs and Alcohol which provides independent expert advice to the Government on drug and alcohol issues, such as the proposed rewrite of NSW liquor legislation and priorities for the third Drug Budget.

National Clinical Guidelines for Drug Use in Pregnancy

These nationally agreed clinical guidelines were initiated by NSW Health and SA Health and were launched by the NSW Minister for Health in March 2006. The guidelines are intended to support a range of health care workers who care for pregnant women with drug and alcohol use issues, and their infants and families.

Community Drug Action Teams

Eighty Community Drug Action Teams (CDATs) throughout NSW involve community volunteers who participate in projects to raise awareness and reduce drug and alcohol related harm through the Communities Drug Strategies Program.

CDATs are community coalitions comprising government, non-government and community members that deliver projects ranging from information resources and drug and alcohol-free entertainment options through to improvements in service delivery in local communities.

In 2005/06 over $231,000 was provided for 67 community projects to address alcohol and drug problems. These included team training in leadership, skills development to engage young people in drug action work, and regional conferences for CDATs to share knowledge and experiences. Over 30 CDAT activities were held during Drug Action Week®, July 2006.

The Communities Drug Strategies Program plays an important part in combating drug and alcohol problems and the harm caused not only to those misusing alcohol and drugs but also to their families, friends and communities.

Drug and alcohol research grants

The Drug and Alcohol Research Grants Program funds research intitiatives that contribute to evidence-based drug and alcohol services in NSW.

Three research initiatives were funded to investigate screening and brief intervention for risky drinking, monoamine precursors in the treatment of psychostimulant dependence, and evaluation of alternative medical therapies in the treatment of dependency.

Previous grant recipients were also funded to continue research into areas such as psychostimulant and cannabis use among acute psychiatric patients, case managers' competence and confidence in the drug and alcohol field, care for clients on opioid substitution treatment, and methadone pharmacotherapy and treatment outcomes for street-based, opioid-dependent injecting drug users.

Third Aboriginal drug and alcohol network symposium

More than 50 Aboriginal Drug and Alcohol workers attended the annual Aboriginal Drug and Alcohol Network Symposium on the Central Coast, 29 May to 1 June 2006. The Symposium provide professional development and networking opportunities for Aboriginal Drug and Alcohol workers in the public health and community-controlled sectors. It is a joint initiative by the Aboriginal Health and Medical Research Council of NSW, NSW Office of Aboriginal and Torres Strait Islander Health and Centre for Drug and Alcohol with funding provided by NSW Health and the Department of Health and Ageing. Presentations covered DOCS mandatory reporting issues, detoxification, methamphetamines, QUIT training, domestic violence and mental health issues.

Community action peer education program

Under the NSW Drug Budget $337,000 in funding was granted to develop peer education strategies by non-government organizations.

The Save-A-Mate program and volunteer network, run by the Australian Red Cross, is an innovative peer drug education program. It is expanding to include drug prevention in addition to first aid activities. It will focus on young people across metropolitan, regional and rural communities and will involve universities and TAFEs.

Valuable work is underway through organisations such as Youth Solutions which developed a Parent Links peer education project with strategies and tools for parents about alcohol and other drug information. The *Strong and deadly* project of the Manly Drug Education and Counselling Centre, in partnership with Ghinni Ghinni Youth Cultural and Aboriginal Organisation in Taree, is delivering culturally sensitive peer drug education for Aboriginal young people in a regional setting.

Future initiatives

Psychiatric Emergency Care Units

Four additional Psychiatric Emergency Care beds will be on line in late 2006, with 14 more beds scheduled for mid 2007 and eight more beds by the end of 2007.

Rural Mental Health Emergency and Critical Care Access Plan

This hospital based initiative has been enhanced with additional funding of $51.4 million to be allocated over five years to NSW Health for Community Mental Health Emergency Care. Sixty-five specially trained professionals will provide out of hours emergency and acute community responses across the State by 2007/08, and double by 2009/10.

Mental Health Community Rehabilitation

Community rehabilitation services for people with mental illness have been enhanced with an allocation of $41 million over five years to promote recovery and reintegration into the community and reduce risk of relapse.

Integration of Mental Health Services with Drug and Alcohol Services

$17.6 million has been allocated over five years to better integrate mental health services with drug and alcohol services to meet the complex needs of people with coexisting mental health and substance use disorders.

Programs include the trial of a specialist amphetamine clinic, specialist support to youth services to improve detection and management of young people with co-morbid substance misuse and mental health problems. Other initiatives include:

- Placement of 20 new graduates with drug and alcohol and mental health services to strengthen the workforce and build relationships across the two areas.

- Information and education resources are being developed targeting users of psychostimulants as part of the implementation of the *Amphetamine, ecstasy and cocaine prevention and treatment plan*. Resources will focus on reducing the uptake of these drugs and minimising the harms associated with the use of these drugs.

- A stress management booklet for nurses is being developed with funds from the Mental Health Nursing Enhancement Program. The booklet will raise awareness of mental health issues and assist nurses across all specialties to manage stress at work.

- An education and information campaign is being developed to warn young people of the dangers associated with the use of substances such as methamphetamines, ecstasy and GHB. The campaign will target the use of these drugs in dance clubs, 'raves' and large music events.

- An education, information and training initiative on drugs and alcohol will be developed for local government authorities in partnership with the Local Government Association of NSW and Shires Association of NSW (LGSA) and the Department of Local Government.

- A community education campaign is being developed to strengthen the alcohol-related work undertaken by Community Drug Action Teams.

Methamphetamine Clinic

$3 million has been allocated to fund the establishment of two clinics to treat people experiencing difficulties associated with methamphetamine use.

Mental Health Telephone Access Services

A 24 hour NSW mental health telephone advice, triage and referral service is being established with $26.3 million allocated over five years. The service will be staffed by mental health clinicians and linked to the National Health Call Centre agreed by COAG.

Ambulance Transport Restraint Device

The NSW Ambulance Service is commencing a 12-month trial of a mechanical restraint device that has been successfully adopted by Victoria's ambulance service. The trial will include pre-requisite training, protocols, and a purpose-designed mechanical restraint device. Twenty-one Ambulance sites have been identified in the Northern, Western and Metropolitan districts to be involved in the trial which will commence in September 2006.

Performance Indicators for the NSW Health Drug and Alcohol Program

Performance indicators for the NSW Health Drug and Alcohol Program will be incorporated into Area Health Service Chief Executive Performance Agreements. This will determine the appropriateness of current key performance indicators for drug and alcohol treatment services. Existing State, AHS and local performance indicators pertinent to the drug and alcohol field, including relevant service throughput, financial, and outcome indices will be reviewed and improved.

NSW Youth Mental Health Service Model

Youth mental health services on the Central Coast will be expanded with funding of $1.4 million from a $28.6 million budget over five years. The program will identity essential components of developmentally appropriate services for young people between 14–24 years that can be progressively implemented in other health services.

Aboriginal Mental Health Care

Funding will be provided in 2006/07 for the development of specific evidence-based clinical programs for Aboriginal people with mental illness. They will be conducted by the specialist mental health services in collaboration with local communities and Aboriginal Community Controlled Health Services.

Protocols for People in the Opioid Treatment Program

NSW Health will continue to liaise with the Department of Community Services on training and educational materials, as well as the development of joint protocols for people in opioid treatment programs (methadone or buprenorphine) who have care and responsibility for children less than 16 years of age.

State Level Unique Patient Identifier for Mental Health Clients

In 2006/07 NSW Health will rollout the statewide Unique Patient Identifier for mental health clients to enable Area clinicians to access linked treatment and outcome databases for their patients.

We keep people healthy

More people adopt healthy lifestyles

We recognise that health is not just about medical conditions, illness and treatment. Reduction of risk factors such as smoking, obesity and stress requires sustained action by individuals, communities and governments.

Similar action is also needed to increase protective heatlh factors such as good nutrition, physical activity and supportive relationships. Improvements to mental health services, Aboriginal health, child and adolescent health, and health services for older people are important priorities for the people of NSW. In the following pages we outline some of the health promotion and prevention initiatives developed by NSW Health to help the people of NSW lead healthy lives

Healthy Local Government

The capacity of local councils to address population health issues continued to be strengthened through the NSW Health partnership with the Local Government and Shires Associations of NSW. The two agencies worked collaboratively on initiatives, such as the Public Health Survey, *Healthy Local Grants Program* and the 2006 *Local Government Multicultural Health Communication Awards*.

NSW Health developed the *Healthy Local Grants Program* and distributed more than $480,000 to 26 local councils and one Aboriginal Land Council to deliver health promotion activities addressing skin cancer prevention, community safety, injury prevention, and capacity building.

The inaugural *Local Government Multicultural Health Communication Awards* were established to recognise and encourage good practice in multicultural health communication in local councils and ensure that multilingual resources are promoted and accessible. The joint winners of the Awards were Bankstown and Canterbury City Councils. Their entry, the Arabic Child Restraint brochure, targeted the Arabic-speaking community, providing a simple guide for parents about using and installing child restraints to prevent injury.

NSW Oral Health Promotion initiatives

The NSW Oral Health Promotion Network was established to ensure oral health promotion efforts in NSW are collaborative, well coordinated, based on best evidence-based practice, and delivered effectively and efficiently.

The Centre for Oral Health Strategy NSW supported a series of demonstration grants for projects that focus on oral health promotion and early intervention for pre-schoolers, primary school children, teenagers and the elderly. These projects help to shift the focus from oral disease to oral health by developing partnerships in the community and linking oral health with general better health activities.

Start School Smiling is a project launched in Albury by the Greater Southern Area Health Service. It is designed to appeal to preschoolers and to be used by both parents and pre-school carers to encourage healthy oral hygiene practices before children start school.

Brush and Be Cool is a primary school-based campaign of the Greater Western Area Health Service to encourage good oral health via checks for tooth decay and gum disease and take-home toothpaste and toothbrush packs. Additionally, the project encourages school children to drink more water rather than consuming cordial or soft drinks.

Teens for Teeth gives year eight students from Merriwa and Scone in the Hunter New England Area Health Service, the chance to learn about oral health and develop and teach oral health programs to infants and primary school children in their community.

Smiles Alive in the North Coast Area Health Service caters to the needs of the large elderly population living in residential facilities. Oral health staff work closely with Aged Care staff and train them to spot oral health problems early and to assist elderly people, and their carers, with oral hygiene skills.

NSW forum on Aboriginal chronic conditions

The inaugural Aboriginal Chronic Care State Forum, *Walking Together – Forging Partnerships*, was held in December 2005. The Forum was an important step towards addressing Aboriginal chronic disease and was attended by health professionals from across the State, including representatives of Aboriginal Community Controlled Health Services. It included presentations by specialists in kidney disease, cardiovascular disease, policy development and health promotion related to Aboriginal Health.

A highlight of the event was the launch of the *Know Your Heart* training manual. The manual was designed by the *Chronic Care Program* for Aboriginal health workers to provide culturally appropriate heart health education to their communities. The *Aboriginal Vascular Health Program* within the *Chronic Care Program* has been instrumental in improving health outcomes for Aboriginal people with a chronic disease. The Program is delivered at 31 sites across NSW including eight in correctional facilities.

NSW Health Survey Program

The NSW Population Health Survey reported that between 1997 and 2005 there was a steady decrease in alcohol risk drinking and current smoking in NSW adults, and a steady increase in influenza and pneumococcal vaccination in people aged 65 years and over. Although fruit consumption and physical activity increased between 1997 and 2005, so did the prevalence of diabetes, overweight and obesity.

NSW Health Promotion Demonstration Research Grants Scheme

This scheme funds Area Health Services to conduct rigorously designed health promotion intervention studies. Four demonstration research grant reports were released addressing falls reduction in older people, hearing conservation, smoking reduction in mental health units and safer streetscapes. These reports showcase innovative examples of health promotion intervention research whose findings have implications for health promotion practice and health service provision across NSW.

NSW Health Impact Assessment Project

Five developmental sites undertook Health Impact Assessments (HIAs) on proposals ranging from health home visiting, local council plans and regional planning strategies. The impact of urban design and planning on health and well-being was a common theme for many of the HIAs. For example, the Health and Social Impact Assessment of the Lower Hunter Regional Strategy identified how a potential population increase of 125,000 people over the next 25 years could impact on vulnerable communities in the region. The assessment involved collaboration between NSW Health, NSW Premier's Department, NSW Department of Planning and other human services agencies.

PERFORMANCE INDICATOR
Chronic disease risk factors

Desired outcome
Reduced chronic disease.

Overall context
The NSW Health Survey includes a set of standardised questions to measure health behaviours.

Overweight or obesity

Context
Being overweight or obese increases the risk of a wide range of health problems, including cardiovascular disease, type 2 diabetes, breast cancer, gallstones, degenerative joint disease, obstructive sleep apnoea and impaired psychosocial functioning.

Overweight or obese
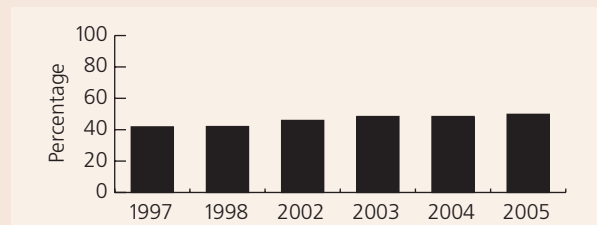
Source NSW Population Health Survey
Centre for Epidemiology and Research

Interpretation
Consistent with international and national trends, the prevalence of overweight or obesity has risen from 42 per cent in 1997 to 50 per cent in 2005. This increase has occurred in both males and females. In 2005 more males (58 per cent) than females (42 per cent) were overweight or obese. More rural residents (56 per cent) than urban residents (47 per cent) were overweight or obese.

Related policies/programs
The NSW Government Action Plan 2003–2007: Prevention of Obesity in Children and Young People includes initiatives such as the NSW Healthy School Canteen Strategy and the NSW Breastfeeding Policy – Breastfeeding in NSW: Promotion, Protection and Support. The Healthy Kids website www.healthykids.nsw.gov.au was developed, which includes a series of fact sheets promoting five key message areas: Get active for an hour or more each day; Choose water as a drink; Eat more fruit and vegetables; Turn off the TV or computer and get active; and Eat fewer snacks and select healthier alternatives.

The Hunter New England Child Obesity Prevention Program, a large-scale obesity prevention initiative, is being trialed in the Hunter New England Area Health Service to explore a range of intervention strategies aimed at reducing childhood obesity in children ranging from 0–15 years of age.

Smoking

Context
Smoking is responsible for many diseases including cancers, respiratory and cardio-vascular diseases, making it the leading cause of death and illness in NSW.

Smoking – daily or occasionally
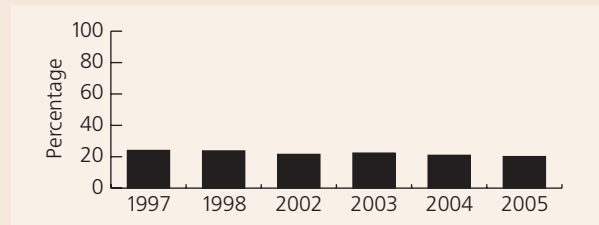
Source NSW Population Health Survey
Centre for Epidemiology and Research

Interpretation
Since 1997, the prevalence of daily or occasional smoking among the NSW adult population has decreased from 24 per cent to 20 per cent in 2005. For both males and females, rates of current smoking were highest in young adults. The percentage of smoke-free households has increased significantly, from 70 per cent in 1997 to 86 per cent in 2005.

Related policies/programs
The NSW Tobacco Action Plan 2005–2009 sets out the NSW Government's commitment to the prevention and reduction of tobacco-related harm in NSW. The six focus areas are smoking cessation, exposure to environmental tobacco smoke, marketing and promotion of tobacco products, availability and supply of tobacco products, capacity building, and research, monitoring and evaluation.

Physical activity

Context
Physical activity is important to maintaining good health and is a factor in protecting people from a range of diseases including cardiovascular disease, cancer and type 2 diabetes.

Physical activity – adequate
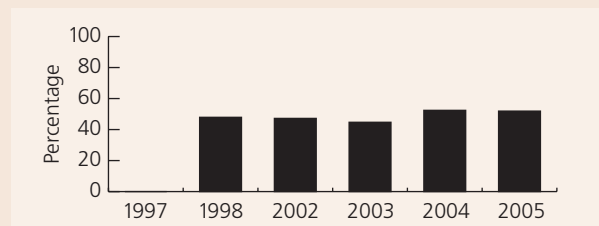
Source NSW Population Health Survey
Centre for Epidemiology and Research

Interpretation
Between 1998 and 2005 there has been an increase in the percentage of people who undertake adequate physical activity (from 48 per cent to 52 per cent). In 2005 more males (57 per cent) than females (47 per cent) undertook adequate physical activity.

Related policies/programs
NSW Health continues to support the Premier's Council for Active Living which was established to develop a new strategy for increasing physical activity in NSW through collaboration across government, non-government and private organisations.

Vegetable and fruit intake

Context

Nutrition is important at all stages of life and is strongly linked to health and disease. Good nutrition protects people from ill-health, whereas a poor diet contributes substantially to a large range of chronic (long lasting and recurrent) conditions, from dental caries to coronary heart disease and some cancers.

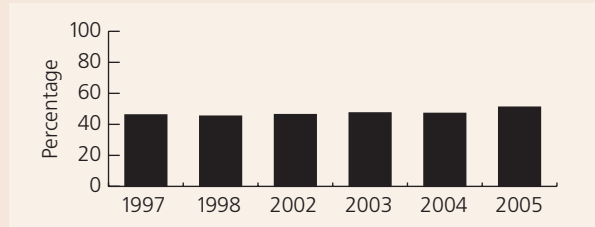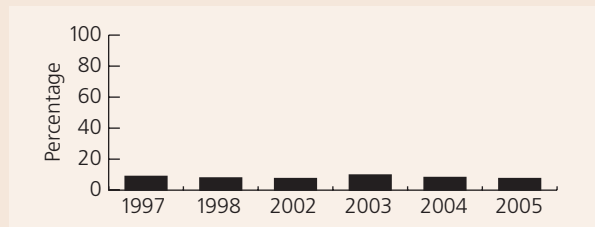Fruit – recommended daily intake

Vegetables – recommended daily intake

Source NSW Population Health Survey
Centre for Epidemiology and Research

Interpretation

Between 1997 and 2005 there was an increase in the percentage of people consuming the recommended daily intake of fruits from 46 per cent in 1997 to 51 per cent in 2005. The percentage of people consuming the recommended daily intake of vegetables has decreased from 9 per cent in 1997 to 7 per cent in 2005. The recommended fruit and vegetable daily intake is based on the national two fruits and five vegetables campaign. In 2005 more rural residents (10 per cent) than urban residents (7 per cent) consumed the recommended daily intake of vegetables whereas there was no difference between rural and urban residents with regard to the consumption of the recommended daily intake of fruit.

Related policies/programs

Eat Well NSW: Strategic directions for public health nutrition 2003–2007 outlines the areas for action to increase the daily vegetable and fruit consumption of the NSW population.

Alcohol

Context

Alcohol has both acute (rapid and short but severe) and chronic (long lasting and recurrent) effects on health. Too much alcohol consumption is harmful, affecting the health and wellbeing of others through alcohol-related violence and road trauma, increased crime and social problems.

Alcohol – risk drinking behaviour
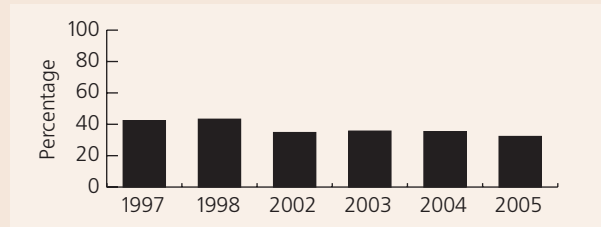
Source NSW Population Health Survey
Centre for Epidemiology and Research

Interpretation

Since 1997, there has been a decrease in the percentage of adults reporting 'any risk drinking behaviour', from 42 per cent to 32 per cent in 2005. This decrease was greater in males (from 51 per cent to 37 per cent) than in females (from 34 per cent to 27 per cent). In 2005, as in previous years, more rural residents (36 per cent) than urban residents (30 per cent) reported any risk drinking behaviour. Alcohol risk drinking behaviour includes consuming on average, more than four (if male) or two (if female) standard drinks per day.

Related policies/programs

The NSW Health Drug and Alcohol Plan 2006–2010 outlines the NSW Government's commitment to reduce the problems caused by drug and alcohol use (excluding tobacco, which is addressed through the NSW Health's Tobacco Action Plan 2005–2009). The Plan provides a policy framework for drug and alcohol services and health programs in NSW to respond to the use of alcohol and other drugs.

The Play Now Act Now alcohol and other drugs creative arts festival is a peer-based health education initiative. It provides an opportunity for young people to explore through creative media the issues they feel relate to the consumption of alcohol and other drugs. The program encourages a health education focus on risky and binge drinking as it relates to young people and aims to raise awareness of responsible use of alcohol.

Prevention and detection of health problems

45 and Up Study

Australia's largest long-term health study for people aged 45 and over is now underway through the research group The Sax Institute in collaboration with NSW Health, the Cancer Council NSW and the National Heart Foundation NSW Division.

Around 250,000 men and women from across NSW have been invited to participate in the *45 and Up Study* to help researchers understand what determines healthy ageing. Participants in the *45 and Up Study* are being asked to provide information about their health and lifestyle, and have their wellbeing followed over time.

Unique to this Study is the linking of participant feedback with other routinely collected health information, such as cancer care records, Medicare and hospital records. By following peoples' health for many years, the Study will, for the first time, provide a complete picture of the health of Australians in mid and later life. Information collected will also help with the future planning of health care services.

Dementia on the rise

As the population ages the incidence of dementia is rising. Currently, there are more than 71,000 people in NSW living with dementia and, with almost 350 new cases a week, this number is set to increase to approximately 227,000 people by 2050. Dementia is the second largest cause of disability burden in Australia after depression, affecting not only the person with the condition but also their family and friends.

The Department of Health is working with the Department of Ageing, Disability and Homecare to address the expected increase in the number of people with dementia, funding more than $11 million over four years for the NSW dementia strategy, *Future Directions for Care and Support in NSW 2001–2006*. Another NSW Dementia Action Plan will be developed to enable the continuation of ten dementia clinical nurse consultants and a range of other strategies. NSW Health has taken a lead role in developing a national framework for dementia.

HIV and Sexually Transmissible Infections

The Department of Health finalised and released the *NSW HIV/AIDS Strategy 2006–2009* which provides a framework for safeguarding gains made to date and responding to emerging challenges. The Strategy sets targets and articulates a comprehensive approach to reducing future infections among those populations considered at highest risk. It also identifies priorities for improving the health of people living with HIV/AIDS, through both population level programs and individual clinical services.

The response to HIV/AIDS in NSW represents a significant population and public health achievement. However, the substantial decline in new notifications seen from the mid 1980s onwards has not been sustained. HIV rates in 2005 are the same as in 1998, following a small rises in 2002 and 2003, and a decline in 2004 and 2005. While this trend contrasts with the pattern seen in other parts of Australia and the developed world, where continued rises have been seen in recent years, HIV/AIDS demands our continued and urgent attention if our successes are to be maintained.

NSW has seen continued rises in notifications of sexually transmitted infections (STIs) in recent years, as have similar jurisdictions in Australia and the developed world. NSW Health developed and released the *NSW Sexually Transmissible Infections Strategy 2006–2009* in response to the continuing challenge posed by STIs. It provides a comprehensive policy framework for addressing the transmission of STIs and associated morbidities in NSW over the next five years. It is the first comprehensive STI Strategy for NSW and is complementary to the *NSW HIV/AIDS Strategy 2006–2009.*

Following the success of the 2005 public education campaign, *Safe Sex No Regrets*, the campaign was run again in early 2006. The campaign featured four weeks of television advertising, backed up by advertisements in specialist press targeting priority populations, and poster ads in bus interiors, bars and nightclubs in Sydney, Wollongong, Newcastle and the Central Coast.

Aboriginal communities

The Department of Health works in partnership with the Department of Aboriginal Affairs, Aboriginal Housing Office and Federal Department of Families, Communities and Indigenous Affairs, to improve living conditions in Aboriginal communities.

As part of the *Housing for Health* and *Fixing Houses for Better Health* programs more than 1,800 houses across 57 communities have had urgent health and safety and repair work undertaken since 1997. This equates to over 32,000 items relating to health and safety repairs in those homes.

NSW Health's commitment to the two projects is approximately $2 million over four years. In 2005/06 work was carried out in the communities of Brungle, Cowra, Coffs Harbour, Darlington Point, Forster, Lismore, Maclean, Tamworth, Tumut, West Wylong, Wallaga Lake, and Yamba.

NSW Health established the interagency Aboriginal Community Water Supply and Sewerage Working Group to address this important issue for many of the 66 discrete Aboriginal communities in NSW. The need for safe water and sewerage systems is considered a high priority under the *Two Ways Together Initiative*, the

NSW Government program for working in partnership with Aboriginal communities.

Anaphylaxis

The Department of Health convened the NSW Government Coronial Taskforce on Anaphylaxis, of which both the NSW Department of Community Services and the NSW Department of Education and Training were members. The Taskforce was formed in response to Coronial recommendations regarding the death of a child at school due to anaphylaxis, which is a hypersensitivity to a substance such as a foreign protein. The Taskforce had responsibility for implementing a program of sustainable change in children's services and schools in NSW for children at risk of anaphylaxis. The major achievements of the Taskforce included raising awareness of anaphylaxis amongst those with a duty of care to children, including how to manage an emergency situation when a child goes into an anaphylactic shock.

Lane Cove Tunnel Health Investigation

The Department of Health has initiated a prospective health investigation around the Lane Cove Tunnel in response to community concerns about the potential for adverse health impacts from road tunnel emissions.

Vehicle emissions from the tunnel will be vented through stacks in Artarmon and Lane Cove West. Detailed assessment of the predicted air pollution impacts from the ventilation stacks indicates that adverse health impacts on the community are unlikely.

Through our association with the Collaborative Research Centre for Asthma and Airways, the Department contracted the Woolcock Institute of Medical Research to compare the health of community members in selected areas around the tunnel project before and after the tunnel opens to traffic. The Chief Health Officer also convened an expert steering group to oversee the investigation. The results of the investigation are expected in mid-2008.

Do it yourself SAFE home renovators campaign

Home renovation can pose occupational health and safety risks that are not always readily identified. Unless already employed in the building industry few non-professional home renovators have access to information about risk identification, management and avoidance.

The *DIY SAFE Campaign* package is a joint initiative between the Department of Health and the Department of Environment and Conservation. It provides practical information or home renovators about lead and asbestos, and other identified hazards in renovating such as copper, chrome, arsenic timber and volatile organic compounds.

NSW Health Climate Change Adaptation Project

NSW Health has been funded by the NSW Greenhouse Office to undertake a four year project looking at the impacts of climate change on human health. The aim of the project is to develop an *Adaptive Health Strategy* that better prepares the health system to reduce the inevitable burden that climate change will place on the health of the people of NSW.

The project commenced in 2005/06 with the development of Area Health Service Heat Response Plans to identify vulnerable communities, ensure the design of health facilities considers adverse climate impacts, and issues specific to rural communities are identified as priority areas.

This research is part of a wider research program undertaken by the NSW State Government on greenhouse effects and adaptation strategies.

Community Health Risk Factor Management

The Department has funded the *Community Health Risk Factor Management Project (CHRFM)* through the Centre for General Practice Integration Studies at UNSW to study how community health services address smoking, nutrition, alcohol and physical activity with patients. The Project is developing and testing a model of best practice for community health services to manage these chronic disease risk factors. Three community health teams from Hunter New England and South Eastern Sydney Illawarra Health Services have been recruited to participate in the study. Final results will be expected in 2007.

3rd Australian Tobacco Control Conference

The Department of Health in partnership with the Cancer Council NSW and the NSW Cancer Institute hosted the 3rd Australian Tobacco Control Conference November 2005. More than 400 delegates from across Australia, New Zealand, Asia and the South Pacific attended.

The conference provided a forum to address future directions in tobacco control in Australia. The three major themes addressed by the conference were leadership and advocacy in tobacco control, addiction and cessation and effective campaign strategies.

An Aboriginal and Torres Strait Islander workshop preceded the conference which was an opportunity for Aboriginal health workers from around Australia to network and discuss tobacco control issues in Aboriginal and Torres Strait Islander communities.

Smoke-free environments

The second phase of the *Smoke-free Environment Amendment Act 2004* commenced on 3 July 2006 restricting smoking to 25 per cent of the area of NSW Clubs, pubs and the casino. From July 2007

Performance

there will be a complete ban on smoking in enclosed areas of licensed premises.

NSW Tobacco Action Plan 2005–2009

The Tobacco Action Plan 2005–2009 was completed. This Plan formalises the Government's commitment to the prevention and reduction of tobacco-related harm in NSW. The goal of the Plan is to improve the health of the people of NSW and to eliminate or reduce their exposure to tobacco in all its forms.

Professional development in smoking cessation

Let's take a moment, quit smoking brief intervention – a guide for all health professionals was developed to assist health professionals in the NSW health system provide evidence-based brief advice to clients who smoke, as part of their routine clinical practice. The recommendations in the guide are relevant for all health professionals.

With the assistance of experts from the field of smoking cessation the Department's Tobacco and Health Branch wrote two units of competency in tobacco use and treatment of nicotine dependence for the national *Vocational Education and Training (VET) Population Health Training Package.* Training materials are currently being developed and will be delivered through videoconferencing and online, to be funded under the Telehealth Funding Initiative.

Aboriginal Family Health Strategy

The *Aboriginal Family Health Strategy* is the NSW Health response to Aboriginal family violence. A review of the Strategy was undertaken in 2005, in consultation with funded bodies, community members and peak organisations. It identified the strengths of the Strategy, including the establishment of dedicated positions, the Aboriginal Health network and workforce development investment in the Certificate IV Family/Domestic and Sexual Assault Course though the Education Centre Against Violence. The review made recommendations for future directions, including the need to develop collaborative models of practice and options for enhancing and sustaining infrastructure.

Diagnosis and Assessment Services

Five Diagnosis and Assessment (D&A) Services were successfully transferred during the year from the Department of Ageing, Disability and Home Care to the Department of Health. D&A services are multidisciplinary teams that work with individuals and their families to identify the cause and extent of an individual's developmental delay.

PERFORMANCE INDICATOR
Potentially avoidable mortality – persons aged <75 yrs (age adjusted rate per 100,000 population)

Desired outcome
Increased life expectancy.

Context
Potentially avoidable deaths are those attributed to conditions that are considered preventable through health promotion, health screening and early intervention, as well as medical treatment. Potentially avoidable deaths (before age 75 years) provides a measure that is more sensitive to the direct impacts of health system interventions than all premature deaths.

Potentially avoidable premature mortality
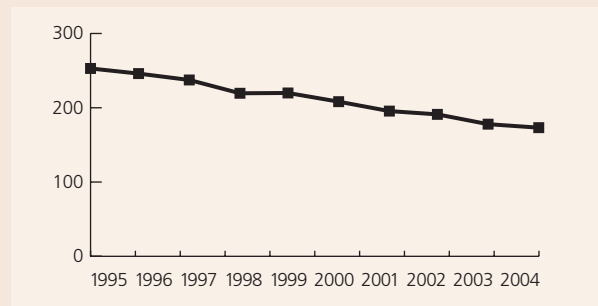
Source: ABS Mortality data and population estimates (HOIST), Centre for Epidemiology and Research, NSW Department of Health

Interpretation
In NSW in 2004, 67 per cent of all premature deaths (before the age of 75 years) in the total population and 77 per cent of all premature deaths in the Aboriginal population were from potentially avoidable causes. The rate of potentially avoidable premature deaths has declined by almost one-third over the ten year period 1995 to 2004. The causes of avoidable deaths can be further divided into those that may be prevented through 'primary', 'secondary', and 'tertiary' interventions. Primary interventions are aimed at preventing a condition developing, for example through risk factor modification such as reducing smoking rates. Secondary interventions detect or respond to a condition early in its progression, such as screening programs for breast or cervical cancer. Tertiary level interventions treat an active condition to reduce its severity and prolong life for example heart revascularisation procedures.

Related policies/programs
Strategies for interventions are noted in other performance indicators, such as those for chronic disease risk factors.

PERFORMANCE INDICATOR
Immunisation – per cent of people immunised aged 65 years and over

- Influenza
- Pneumococcal disease.

Desired outcome
Reduced illness and death from vaccine-preventable diseases in adults.

Context
Vaccination against influenza and pneumococcal disease is recommended by the NHMRC and provided free for people aged 65 years and over, Aboriginal people aged 50 and over and those aged 15–49 years with chronic ill health.

People over 65 years immunised against influenza and pneumococcal disease

Source: NSW Population Health Survey

Interpretation
Influenza vaccination rates have improved since 1997. The NSW Population Health Survey in 2005 collected self-reported data on vaccination for influenza and pneumococcal disease. While the target of 80 per cent is yet to be achieved, influenza vaccine uptake has remained steady since 2002 with 75 per cent of adults aged over 65 years old receiving influenza vaccination in the previous year.
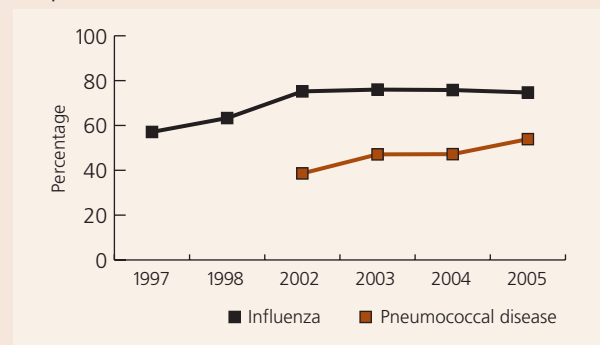
There has been a significant increase in uptake of pneumococcal vaccine from 2004 to 2005. In 2005, just over half of people aged 65 years and over reported that they had been vaccinated for pneumococcal disease in the past five years compared to 47 per cent in 2004. This increase coincides with the provision of free pneumococcal vaccine in January 2005 under the National Pneumococcal Vaccination Program.

Related policies/programs
- Formal review of the NSW Immunisation Strategy 2003–2006 will assess the effectiveness of current immunisation program delivery to adults.
- National Pneumococcal Vaccination Program.
- Recurrent funding is provided for a full-time immunisation coordinator in each Area Health Service.

PERFORMANCE INDICATOR
Fall injuries

Hospitalisations for people aged 65 years and over (age adjusted hospital separation rate per 100,000 population) male and female.

Desired outcome
Reduced injuries and hospitalisations from fall-related injury in people aged 65 years and over.

Context
Falls are one of the most common causes of injury-related preventable hospitalisations for people aged 65 years and over in NSW. They also are one of the most expensive to treat. Older people are more susceptible to falls, for reasons including reduced strength and balance, chronic illness and medication use. Nearly one in three people aged 65 years and older living in the community reports falling at least once in a year. Effective strategies to prevent fall-related injuries include increased physical activity to improve strength and balance and providing comprehensive assessment and management of fall risk factors to people at high risk of falls.

Fall injuries – 65 years plus hospitalised for fall injuries
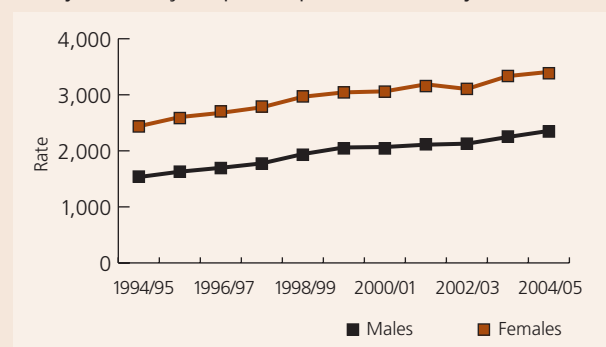
Source: NSW Inpatient Statistics Collection and ABS population estimates (HOIST)
Centre for Epidimology and Research, NSW Department of Health

Interpretation
Over the last ten years the rate of hospitalisation for fall injury in older people has been increasing for both men and women. These rates may be affected by both the actual rate of fall injury and other factors such as hospital admission practices. In the first instance the ongoing implementation of the NSW Management Policy to Reduce Fall Injury Among Older People aims to slow the increase in the rate of hospitalisations and with time to decrease them.

Related policies/programs
Management Policy to Reduce Fall Injury Among Older People 2003–2007.

Performance

BreastScreen program: two yearly participation rate of women aged 50–69 years.

Desired outcome

Increased survival rate for breast cancer.

Context

Biennial mammography screening assists in the early detection of breast cancer and is seen as the best method for reducing mortality and morbidity as a result of breast cancer in the target age group.

Breast cancer screening – two yearly participation rate of woman aged 50–69 years
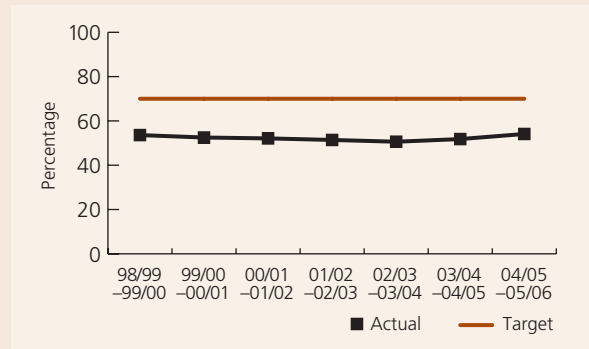
Biennial participation of woman aged 50–69 years
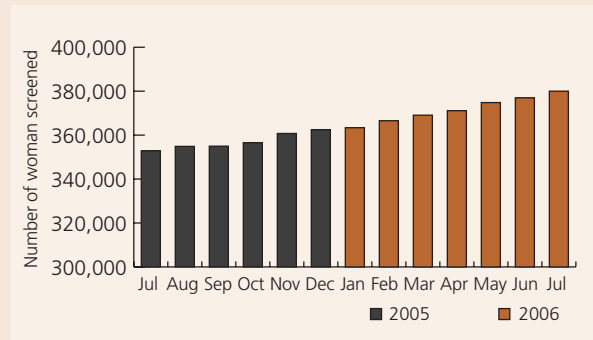
Source: BreastScreen NSW

Interpretation

Since the Cancer Institute NSW assumed responsibility for BreastScreen NSW on 1 July 2005, biennial participation rates have progressively increased to their highest levels since 1998/99. The current rate equates to an additional 24,152 target age group women screened in the biennial period.

Related policies/programs

- BreastScreen NSW
- BreastScreen Australia
- The Australian Institute of Health & Welfare (AIHW) prepares and publishes the BreastScreen Australia Monitoring Report, which measures performance and outcomes against eight national indicators, the first of which relates to participation.

A healthy start to life

NSW Schools Physical Activity and Nutrition Survey (SPANS)

The NSW *Schools Physical Activity and Nutrition Survey* (SPANS) is the most comprehensive survey into the physical activity and eating habits of children and young people ever conducted in Australia. Conducted by the NSW Centre for Overweight and Obesity it was released by the NSW Premier in May 2006.

The Survey involved 93 government and non-government schools and almost 5,500 students aged between five and 16 years. Key findings from SPANS include:

■ Almost 25 per cent of children in NSW are overweight or obese, with the rate as high as 33 per cent in boys and girls aged 9–12 years.

■ Fundamental movement skills and physical activity levels have increased significantly compared to 1997 reflecting the great work schools have done in this area.

■ Up to 30 per cent of older students eat junk food (high in added sugar, salt or saturated fat) at least four times a week.

■ Up to 40 per cent of high school students don't eat breakfast, and almost 15 per cent of all children don't eat dinner.

■ Three quarters of high school girls and two thirds of high school boys are watching more than two hours of TV or playing computer games each day.

■ Almost 60 per cent of boys and 40 per cent of girls drink more than 250 mls of soft drink each day – a major concern, given that one glass of soft drink contains almost ten teaspoons of sugar.

To support physical activity and nutrition the *Healthy Kids* website was developed in partnership with the NSW Departments of Education and Training and Sport and Recreation and the Heart Foundation NSW. This is a one-stop shop of information, with ideas for parents about ways to get kids moving, shopping tips and meals, resources for teachers, publications and guidelines, school and community-based projects and links to lots of other useful websites.

Breastfeeding policy

A new health policy, *Breastfeeding in NSW: Promotion, protection and support* was disseminated and implemented during 2005/06 to increase support for breastfeeding within the health system and improve breastfeeding rates.

The policy directs action in areas that can positively influence mothers' breastfeeding practices. It builds upon the important work already undertaken to boost breastfeeding rates by individual health professionals and health service managers. It outlines strategies and actions to assist healthcare workers to ensure the best practice in breastfeeding is followed, including:

■ Provision of breastfeeding friendly workplaces.

■ Improving knowledge and skills in the health workforce to promote and support breastfeeding.

■ Implementation of the *Baby Friendly Initiative* across all Area Health Services.

■ Compliance with responsibilities under the *WHO International Code of Marketing of Breastmilk Substitutes and the Marketing in Australia of Infant Formula: Manufacturers and Importers (MAIF)* agreement.

■ Enhancing breastfeeding education and support into routine antenatal care, hospital maternity care, child and family health services and paediatric services.

■ Ongoing monitoring and reporting of breastfeeding rates.

New Baby First Aid and Safety Kit

Before leaving hospital parents of babies born in NSW public hospitals now receive a newly developed information kit with up-to-date information about children's first aid and safety.

After the first year of life, injury is the leading cause of death and second most common cause of hospitalisation for children. The first aid and safety kit will assist parents to deal with an injured or sick child between birth and five years of age in an emergency. It includes information about common causes or indicators of sudden injury and illness and accompanying first aid information, a step-by-step guide outlining actions to take in an emergency, useful tips on how to create a safe environment for children, emergency contact information and an easy reference guide for further information sources and first aid courses.

The kit was developed in consultation with a range of expert health organisations and have been distributed to all public hospital maternity units across the State.

Performance

Mubali

The Gamilaroi Community Midwifery Service in Moree received a NSW Health Award in 2005 for successfully targeting and engaging young Aboriginal women in creative activities while providing opportunities for health education.

The midwives knew there were a lot of young Aboriginal women in the community who were pregnant and that their first intervention was when they presented at Moree Hospital to give birth. Together with an arts-based organisation they held workshops where plaster casts were made of the young women's pregnant bellies and the hands of the Midwifery team and P&EC manager. Aboriginal aunt and grandmother elders provided cultural stories relating to family and birthing. With the young women involved in painting the moulds, health care was connected back into the community.

Ongoing involvement in the program has brought improved participation in the Young Mothers Group and increased acceptance of the Health Service. The community art activities have lead to the launch of the Mubali (pregnant) project as a local exhibition.

NSW Mothers and Babies Report

The NSW Mothers and Babies Report 2004 found that there were 85,626 births to 84,288 women in 2004, and that the trend towards more new mothers aged 35 years and over has continued to grow, as has the number of caesarean births.

Otitis Media

Funding of $2.49 million over four years is allocated to this initiative, which commenced in 2004/05. The Otitis Media program aims to increase the number of Aboriginal children aged from zero to six years who are screened for otitis media, or middle ear infection. During 2005/06 11,346 Aboriginal children were screened for otitis media and 60 Aboriginal health workers successfully completed audiometry training.

Hearing Health

In 2005, 90,300 or 98 per cent per cent of new babies were screened under the *Statewide Infant Screening Hearing Program* (SWISH). Newborns testing positive for severe hearing loss in both ears were two in 1,000 of which 98 per cent proceeded to full audiological assessment. The SWISH program has been presented at international and national conferences. It is regarded as an international leader in meeting program performance indicators.

PERFORMANCE INDICATOR
First Antenatal visit

First antenatal visit before 20 weeks gestation (%):
- Aboriginal women
- non-Aboriginal women

Desired outcome
Improved health of mothers and babies

Context
Antenatal visits are valuable in monitoring the health of mothers and babies throughout pregnancy. Early commencement of antenatal care allows problems to be better detected and managed, and engages mothers with health and related services.

First antenatal visit – before 20 weeks gestation
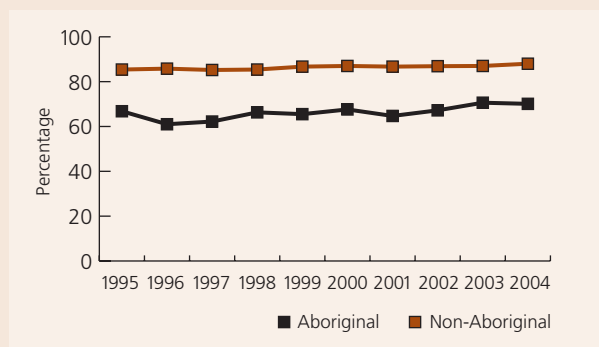
Source: Midwives Data Collection (HOIST)

Interpretation
The percentage of both Aboriginal and non-Aboriginal mothers having their first antenatal visit before 20 weeks gestation has increased slightly since 1995. However, the percentage for Aboriginal mothers remains below that for non-Aboriginal mothers, although the gap is narrowing.

Related policies/programs
- NSW Framework for Maternity Services provides the NSW policy for maternity services.
- The Maternal and Perinatal Health Priority Taskforce (M&P HPT) and the NSW Department of Health support the continued development of a range of models of care including stand-alone primary maternity services. The M&P HPT has established a sub-group called the Primary Maternity Services Network. The network provides leadership, support and information sharing for Area Health Services that are developing continuity of care models.
- The NSW Aboriginal Maternal and Infant Health Strategy is a primary health care strategy implemented in 2001 to improve perinatal mortality and morbidity. The evaluation of the program demonstrates marked improvement in access to antenatal care by Aboriginal mothers in the program areas.

PEFORMANCE INDICATOR
Low birth weight

Babies weighing less than 2,500g (%):
- Aboriginal babies
- non-Aboriginal babies

Desired outcome
Reduced rates of low weight births and subsequent health problems

Context
Low birth weight is associated with a variety of subsequent health problems. A baby's birth weight is also a measure of the health of the mother and the care that was received during pregnancy.

Low birthweight babies – births with birhweight less than 2,500g
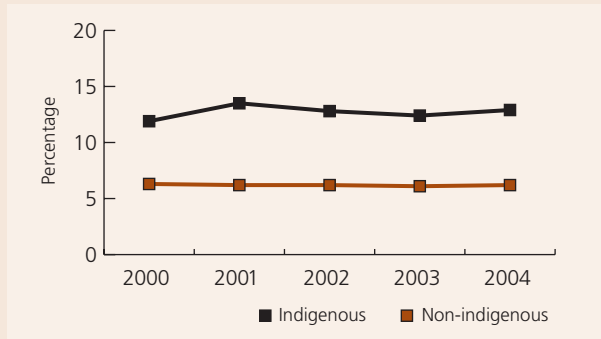
SOURCE Midwives Data Collection (HOIST)

Interpretation
The rates for low birth weight are relatively stable. However, the rate for babies of Aboriginal mothers remains substantially higher than that for babies of non-Aboriginal mothers.

Related policies/programs
- NSW Framework for Maternity Services provides the NSW policy for maternity services.
- The Maternal and Perinatal Health Priority Taskforce (M&P HPT) and the NSW Department of Health support the continued development of a range of models of care including stand-alone primary maternity services. The M&P HPT has established a sub-group called the Primary Maternity Services Network. The network provides leadership, support and information sharing for Area Health Services who are developing continuity of care models.
- The NSW Aboriginal Maternal and Infant Health Strategy is a primary health care strategy implemented in 2001 to improve perinatal mortality and morbidity.

Performance

PERFORMANCE INDICATOR
Children fully immunised at one year

Desired outcome
Reduce illness and death from vaccine preventable diseases in children.

Context
Although there has been substantial progress in reducing the incidence of vaccine preventable disease in NSW it is an ongoing challenge to ensure optimal coverage of childhood immunisation.

Children fully immunised at one year
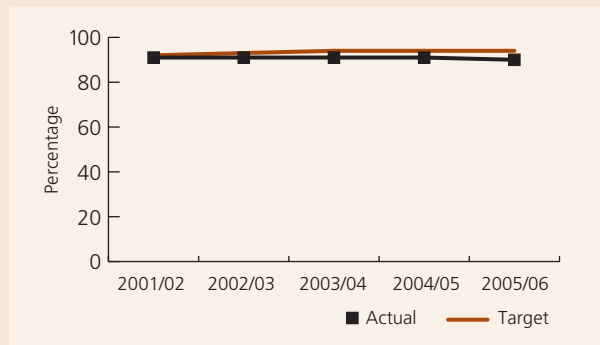
Source: Australian Childhood Immunisation Register (ACIR)

Interpretation
The Australian Childhood Immunisation Register (ACIR) was established in 1996. Data from the Register provide information on the immunisation status of all children less than seven years of age.

ACIR data for NSW indicate that at the end of June 2006, 90 per cent of children aged 12 to less than 15 months were fully immunised. It is acknowledged that this data may be underestimated by approximately three per cent due to children being vaccinated late or to service providers failing to forward information to the ACIR.

Strategies/programs to achieve desired outcomes
Recurrent funding is provided for a full-time coordinator to implement the NSW Immunisation Strategy 2003–2006.

Formal review of the NSW Immunisation Strategy 2003–2006 to assess the effectiveness of immunisation programs in improving vaccination coverage.

PERFORMANCE INDICATOR
Postnatal Families First Universal Health Home Visits (UHHV)(%):

- Families offered a visit
- Families receiving a visit within 2 weeks of the birth

Desired outcome
To support parents and carers raising children and help them solve problems early before they become entrenched.

Context
The Postnatal Families First Universal Home Visit Program (UHHV) is an initiative under Families First, the coordinated NSW Government strategy that aims to give children the best possible start in life. The purpose of the UHHV is to enhance access to postnatal child and family services by providing all families with the opportunity to receive their first postnatal health service within their home environment, thus providing staff with the opportunity to engage more effectively with families who may not have otherwise accessed services. The UHHV provides an opportunity to identify needs with families in their own homes, and facilitate early access to local support services, including the broader range of child and family health services.

Interpretation
Since the commencement of the Families First initiative, over 200,000 NSW families with a new baby have received a universal health home visit. In many parts of the State, services are now able to offer a visit to every family with a new baby. Across the remainder of NSW, services continue to reorient practice to support implementation of the universal health home visit. As each year progresses, more families are able to have their first contact with postnatal child and family health services in their own home, rather than having to travel to a clinic.

As part of a two year statewide education project health professionals in every Area Health Service have now attended training to help them work more effectively with families as partners to improve children's health. The training provided as part of this project has also included sessions in implementing holistic assessment models under the Integrated Perinatal and infant Care (IPC) initiative.

SOURCE: Families First Area Health Service Annual Reports, MDC for births data

Related policies/programs
Families First is a coordinated NSW Government strategy to increase the effectiveness of services to help families give their children a good start in life. The Strategy is delivered jointly by five government agencies – Community Services, NSW Health (Area Health Services), Education and Training, Housing, and Ageing, Disability and Home Care in partnership with parents, community organisations and local government. Implementation of the Families First strategy commenced in 1999/00. It includes the offer of a free home visit by a child and family health nurse to every family with a new baby.

The NSW Integrated Perinatal and Infant Care Program uses an internationally innovative model of assessment, prevention and early intervention to identify the mental health and physical health needs of parents and their infants during pregnancy and after birth. This is then linked to providing appropriate care and support to mothers, families and infants at risk of adverse physical and mental health outcomes.

Future initiatives

Smoking Cessation

People with a mental illness, and inmates and detainees in correctional settings are two population groups in NSW that have much higher prevalence of smoking than the general NSW population. NSW Health will work in partnership with key stakeholders over coming years to develop and implement effective strategies to address the high prevalence of smoking among these groups and other marginalised populations.

A smoking cessation package is being developed by the NSW Oral Health Promotion Network for oral health staff to use in their clinics. By expanding the dental exam, diagnosis, and treatment to include tobacco cessation, a potentially life saving element of care will be added to an established service.

Electronic notification from laboratories

Electronic reporting by major pathology laboratories of communicable disease notifications under the *NSW Public Health Act 1991* will be rolled out. The information system used to manage these notifications will be redeveloped, to allow a faster and more cohesive response to be mounted by public health staff around the State.

National Strategic Framework for Aboriginal and Torres Strait Islander Health

The Department is developing the Implementation Plan for NSW for the *National Strategic Framework for Aboriginal and Torres Strait Islander Health*. The Plan will incorporate links to the NSW Aboriginal Affairs Plan: *Two Ways Together*, identify strategies to ensure effective collaboration between NSW Health, other government bodies, the Office of Aboriginal and Torres Strait Islander Health and the Aboriginal community controlled sector to achieve better health outcomes for Aboriginal people in NSW.

Aboriginal Maternal and Child Health – bringing services together

NSW Health has allocated $645,000 in 2006/07 for three new initiatives run by Area Health Services in partnership with Aboriginal Medical Services. The *Sydney South West Aboriginal Teenage Mother Home Visiting Project* will be run by the Sydney South West Area Health Service. The *Birra-li Aboriginal Birthing Service* will be run by the Hunter New England Area Health Service. The *Malabar Community Midwifery and Early Childhood Service* will be run by the South East Sydney and Illawarra Area Health Service. The aim of these services is to improve the long-term health and wellbeing of Aboriginal mothers and their children.

Aboriginal Family Health Strategy

NSW Health is commissioning the development of a new *Aboriginal Family Health Strategy*, which will incorporate the recommendations of the review conducted in 2005 and address emerging issues.

NSW Aboriginal Child Health Strategic Framework

The development of the *NSW Aboriginal Child Health Framework* will provide guidance on principles and approaches for working with Aboriginal children. This will assist in developing and maintaining high standards of care focussed on critical points of intervention to break the generational cycle of poor health.

Aboriginal Health Promotion Guidelines

The development of the Aboriginal Health Promotion Guidelines will provide a framework for Aboriginal health promotion in NSW. This will include principles for working with Aboriginal communities to provide health promotion programs, priority issues for health promotion intervention and program evaluation criteria.

Other future initiatives include:

■ Revised policies and clinical practice guidelines will be released in 2006/07 to complement a new multi-agency response to sudden unexpected deaths in infancy.

■ A new improved Child Personal Health Record is to be produced.

■ A new revised Having a Baby publication is to be produced for consumers of maternity services.

■ A new parent information resource to provide further information about the SWISH Program is to be published.

Health care people need

In the last year there was a significant rise in demand for services through emergency departments and a rise in elective surgery performed. By the end of the year we performed better than the previous year in all access indicators.

Emergency care without delay

We achieved good performance through the redesign of processes to improve patients' experience, quality of care and clinical outcomes. Other important factors in achieving good performances included the addition of strategically applied bed capacity, the use of alternatives to acute in-patient beds and the commitment of Area Health Services to implement solutions designed by frontline staff.

What we are striving towards is a health system that provides patients with ready access to safe and predictable health services when and where they are needed. We continue to progress towards that goal. There has been a 99 per cent reduction in the number of patients waiting more than 12 months for elective surgery, and a 90 per cent reduction in the number of people waiting more than one month for urgent planned surgery. Waiting times for admission through emergency departments have also improved, with a 17 per cent reduction in delays.

Real-time surveillance in emergency departments

The NSW *Public Health Real-time Emergency Department Surveillance System* (PHREDSS) monitors trends in Emergency Department attendances for a range of disease syndromes and injuries. It is the only system of its type in Australia, and is at the forefront of developments in syndromic surveillance worldwide. It complements more traditional public health surveillance and helps NSW Health to remain vigilant for emerging disease outbreaks, epidemics or other threats to health.

After starting with 12 emergency departments in Sydney in readiness for the 2003 Rugby World Cup, PHREDSS grew during 2005/06 to include a total of 32 emergency departments – from Gosford and Wyong in the north, to Penrith in the west, Bowral in the south west, and Nowra in the south.

It has proved to be particularly useful in monitoring seasonal influenza epidemics, providing early warning of large-scale outbreaks of gastrointestinal infections caused by common viruses, and in identifying increases in recreational drug misuse.

Clinical Services Redesign Program (CSRP)

The *Clinical Services Redesign Program* (CSRP) is one of NSW Health's most ambitious and important reform programs. Clinical service systems are being redesigned to improve patient journeys across multiple care centres in local health services. The CSRP has facilitated the commencement of 41 projects within all Area Health Services, including the Children's Hospital at Westmead and Ambulance Service NSW. The aim of these projects is to improve patient access and experiences as well as quality of care across priority areas such as surgery, mental health, cardiology and emergency departments.

Models of Care

Five *Models of Care* have been developed as part of the CSRP as a way to learn about and improve patient journeys. When successful new ways of delivering care are developed in individual hospitals, they are formulated, presented in a standard style and distributed through the Australian Research Centre for Hospital Innovation (ARCHI) website.

Health professionals can register to join online discussion forums which aim to support the implementation of these Models. They can also register for workshops designed to help implement a Model of Care project within a facility.

Models of Care are currently being developed for cardiology, surgery, Extended Day Only and mental health. Models representing the continuum of care for older people and/or people with a chronic disease are also under development.

Faster Emergency Care for NSW patients

GP after-hours clinics will soon be co-located with a number of hospitals throughout NSW in a program aimed at delivering faster treatment for people attending emergency departments. NSW Health is working with GPs to establish up to ten after-hours general practice clinics co-located with hospitals such as Liverpool and Nepean. Negotiations are underway for other locations.

The $70 million *Clinical Services Redesign Program*, including Fast Track Zones, Triage and Treat teams, Short Stay Units and streamlining patient admission into specialist wards are other options designed to lift the pressure on Emergency Departments and deliver faster care for patients. These programs have been developed and designed by emergency clinicians themselves through the Emergency Care Taskforce.

Plans for construction of 'one stop shops' are underway. General Practioners (GPs), community health workers, allied health workers and other medical professionals will work together at one location to provide team based care with an emphasis on keeping people well and out of hospital.

More beds to meet increasing demand

The 2006/07 Budget provides funding to operate the equivalent of 426 beds on top of the 800 beds announced in the 2005/06 NSW Budget. They will expand capacity for elective surgery and make it easier for people to access treatment in busy emergency departments.

The new beds will help to meet increasing demand pressures associated with an ageing population, longer life expectancy, increasing consumer expectations and technological change. In the nine months to March 2006 emergency department attendances increased by 97,457 patients – an increase of 8.5 per cent compared to the same period in the previous year. In the same nine month period to March 2006 there was a 7.5 per cent increase in total hospital separations, representing an additional 77,477 patients.

PERFORMANCE INDICATOR
Ambulance response time

Potentially life threatening cases – 50th percentile response time (minutes).

Desired outcome

Improved survival, quality of life and patient satisfaction, with reduced Ambulance response times for patients requiring urgent pre-hospital treatment and transport.

Context

Timeliness of treatment is a critical dimension of emergency care, particularly in the early stages. Ambulance Emergency Response Time is the period between when a '000' emergency call is received and the time the first ambulance resource arrives at the scene in a life threatening case. In Australia, the 50th percentile response time is a key measure.

The Ambulance Service of NSW uses a medical priority dispatch system which allocates each '000' call to a priority category to provide the most rapid responses to the most urgent cases.

Ambulance response times – potentially life threatening cases – 50th percentile response time (minutes)

Year	Sydney	Total
2000/01	10.33	10.28
2001/02	9.40	9.63
2002/03	9.53	9.63
2003/04	9.72	9.80
2004/05	9.63	9.82
2005/06	9.07	9.53

Potentially life threatening 50th percentile response time
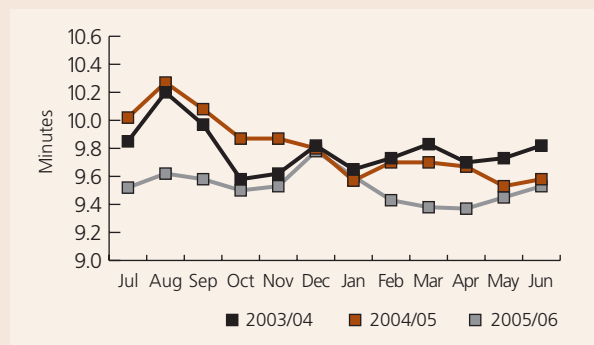
Source: NSW Ambulance Service, CAD System

Interpretation

In 2005/06 the 50th percentile response time for potentially life threatening cases was 9.53 minutes for the State and 9.07 minutes for the Sydney metropolitan area. The result is achieved in the context of a 5.5 per cent increase in demand.

Note that from May 2005 emergency response performance is reported for '000' cases determined as 'emergency' (immediate response under lights and sirens – incident is potentially life threatening) under the Medical Prioritised Dispatch System. This brings NSW in line with all other Australian jurisdictions. Prior to May 2005, response performance was reported for all '000' calls. For this reason response times in May and June 2005 are not comparable with previous data.

Related programs/policies

Improvements in emergency and non-emergency response times are the result of the addition of 187 more ambulance officers during the year, more efficient response procedures (especially in the Sydney metropolitan area), and improvements in off-stretcher times at emergency departments.

While ongoing improvement in off-stretcher times is needed, reductions in time taken to off-load ambulances at hospitals means that more ambulances are available to respond to life threatening '000' calls.

Timeliness of service is a complex challenge requiring an effective balance of people, processes and technology. There is significant clinical evidence to support priority responses to cardiac, trauma cases and some other conditions. Increased efficiencies in operations centres will also improve responses to a range of patient conditions and ensure that resources are available to respond to time critical, life threatening cases.

During 2005/06 local mobilisation strategies were introduced by staff at station level. Refinements to roster arrangements that provide more crews during periods of peak demand, particularly during afternoon and evening periods, also contributed significantly to improved operational performance.

PERFORMANCE INDICATOR
Off-stretcher time

Transfer of care to the Emergency Department in 30 minutes or less from ambulance arrival.

Desired outcome
Improved survival, quality of life and patient satisfaction, with timely transfers from ambulance to hospital Emergency Departments.

Context
Timeliness of treatment is a critical dimension of emergency care. Better coordination between ambulance services and Emergency Departments will allow patients to receive treatment more quickly.

Off stretcher time – transfer of care to the Emergency Department >= 30 minutes from ambulance arrival
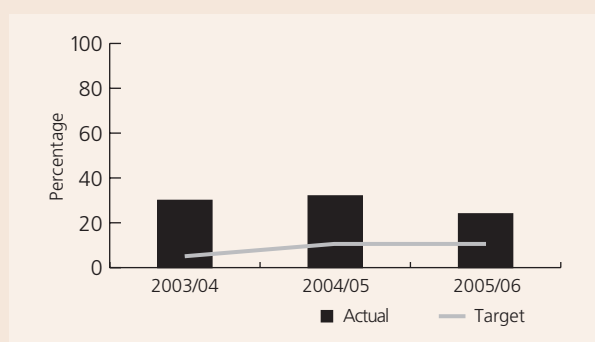
Source: NSW Ambulance Service, CAD System

Interpretation
Off-stretcher time has improved dramatically from 32 per cent to 24 per cent since 2004/05. A number of reporting anomalies are also currently being addressed to ensure accurate reporting.

Related policies/programs
The refined EDNA system in the Sydney metropolitan and inner Hunter regions aims to get the right patient to the right hospital for the right treatment each time.

The automated ambulance clinical services matrix software ensures that hospital destination options for ambulance officers are those hospitals with the clinical services appropriate to treat the patient. It also takes into account the estimated time of arrival at the nearest hospital, the number of ambulances currently at those hospitals and the optimum number of ambulances those hospitals can manage within capacity.

Hospitals are reducing off-stretcher time by ensuring better patient flow through the whole hospital by implementing robust demand management plans and by improving patient flow systems through the Clinical Redesign Program.

PERFORMANCE INDICATOR
Emergency Department triage times

Cases treated within benchmark times Triage 1–5.

Desired outcome
Improved survival, quality of life and patient satisfaction, with timely provision of emergency care across all emergency triage categories.

Context
Allocation of emergency patients to triage categories aims to provide each patient with timely care according to their clinical priority. Timely treatment is critical to emergency care.

Emergency Deptartment – cases treated within Australian College of Emergency Medicine (ACEM) benchmark times
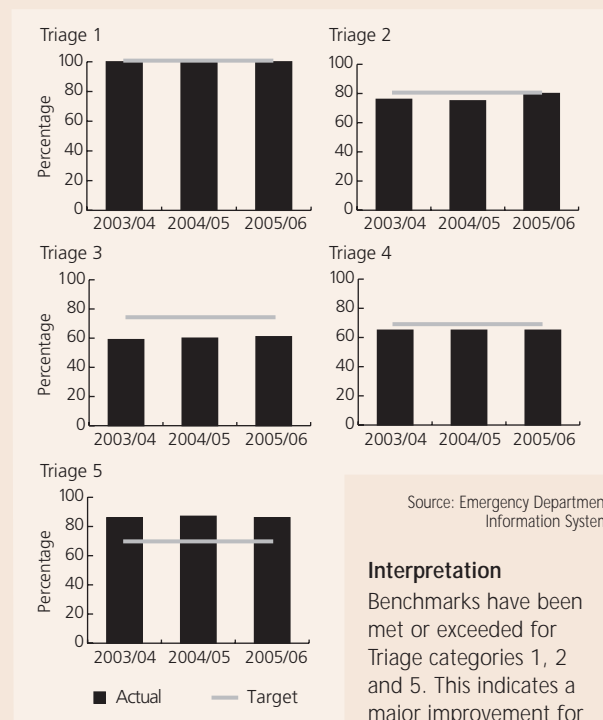
Source: Emergency Department Information System

Interpretation
Benchmarks have been met or exceeded for Triage categories 1, 2 and 5. This indicates a major improvement for Triage 2 from 75 per cent to 80 per cent. Triage 3 and 4 both improved slightly but did not achieve the Australian College of Emergency Medicine (ACEM) benchmark.

Related policies/programs
Fast Track zones are being implemented to ensure that less complex patients who have traditionally waited for long periods in emergency departments are cared for quickly but safely. These Fast Track zones use skilled staff such as nurse practitioners and advanced practice nurses.

Emergency Medicine Units provide a place adjacent to emergency departments where patients who need a longer period of care or observation can stay without occupying emergency department beds. This allows for much more efficient processing of new patients as they arrive.

Short stay units have been created in a number of hospitals for patients who need shorter periods of admission to a speciality unit. This again allows for much more efficient processing of new patients as they arrive in the emergency department.

Performance

PEFORMANCE INDICATOR
Access Block

Emergency Department patients not transferred to an inpatient bed within eight hours of treatment:

- overall
- mental health.

Desired outcome

Improved patient satisfaction and availability of services with reduced waiting time for admission to a hospital bed from the emergency department.

Context

Timely admission to a hospital bed, for those emergency department patients who require inpatient treatment, contributes to patient comfort and improves the availability of emergency department services for other patients.

Access Block – Emergency Department patients not transferred to an inpatient bed within eight hours of commencement of active treatment
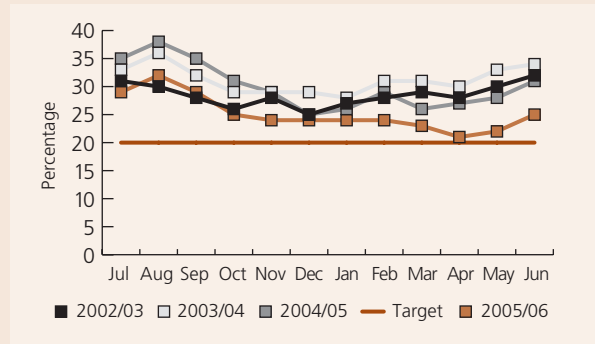
Source: Emergency Department Information System

Interpretation

Access Block has improved significantly over the last 12 months, with results being much closer to target since February. The 2005/06 full year result of 25 per cent is considerably better than 30 per cent in 2004/05.

Related policies/programs

Demand management plans are designed to keep people moving through the ED proactively by monitoring and anticipating patient activity and making appropriate plans to access inpatient beds with limited delay.

Surge beds are those than can be activated at short notice in response to higher than expected surges in demand. The ability to activate extra beds for emergency admission is an important component of the Demand Management Plan.

Patient flow units are responsible for implementing demand management plans, through the management of surge beds, balancing capacity on an hour-to-hour basis and facilitating the effective discharge of patients back to the community.

Older persons' evaluation, assessment and review units: a number of hospitals have recognised the need to actively manage older people who present to EDs. These units, staffed by specialist geriatric staff, provide better, more coordinated care for older patients. They have been shown to reduce the total length of stay in hospital.

Psychiatric Emergency Care Centres: These centres provide a place where mental health patients presenting at ED can be provided with better and more coordinated care by specialist psychiatric staff. Funding has been provided for nine centres throughout metropolitan Sydney and a further 26 new PECC beds were announced in the *NSW: New Direction for Mental Health* five year funding package.

Clinical redesign units: Each Area Health Service has been funded to create a clinical services redesign unit that utilises business process reengineering methodology to improve health systems and create better patient-focussed care.

Shorter waiting times for non-emergency care

Predictable Surgery Program

The *Predictable Surgery Program*, announced in June 2005, is a set of strategies and initiatives developed by the Surgical Services Taskforce. The achievements of the *Predictable Surgery Program* have been outstanding. There were 3,660 more booked surgical admissions to NSW public hospitals. The number of patients waiting longer than 12 months for surgery was reduced by 99 per cent. The number of urgent patients waiting longer than 30 days was reduced by 80 per cent and the total ready for care waiting list was reduced by seven per cent. A robust waiting list policy, W*aiting Time and Elective Patient Management Policy 2006*, was also developed.

PEFORMANCE INDICATOR
Waiting times

Booked medical and surgical patients waiting:
- long waits > 12 months
- overdues > 30 days.

Desired outcome
Improved clinical outcomes, quality of life and convenience for patients.

Context
Better management of hospital services helps patients avoid the experience of excessive waits for booked treatment. Improved quality of life may be achieved more quickly, as well as patient satisfaction and community confidence in the health system.

Waiting times – booked medical and surgical patients.
More than 12 months – categories 1,2,7 and 8
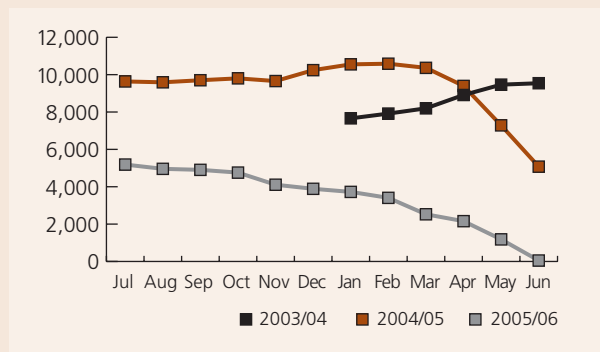
Source: Waiting List Collection Online System

Interpretation
Long wait patient numbers have been reduced from 5,187 to 49 and the overdue patient numbers from 4,260 to 824 in 2005/06.

Related policies/programs
- Sustainable Access Program
- Clinical Services Redesign Program
- Predictable Surgery Program

The new *Waiting Time and Elective Patient Management Policy* was introduced in March 2006. This policy specifies the management processes to be used by Area Health Services to ensure that patients are treated in a clinically appropriate timeframe for their condition.

Additional funds were provided to reduce long wait and overdue patients.

PERFORMANCE INDICATOR
Length of stay

Desired outcome
Improved use of hospital resources and convenience for patients.

Context
Longer than necessary hospital stays can be inconvenient to patients, waste resources and block other patients' access to hospital beds. Increasing use of same day admissions, managing availability of diagnostic procedures and better managing the discharge of patients can help to reduce unnecessary length of stay in hospital.

Overall length of stay – including same day admissions
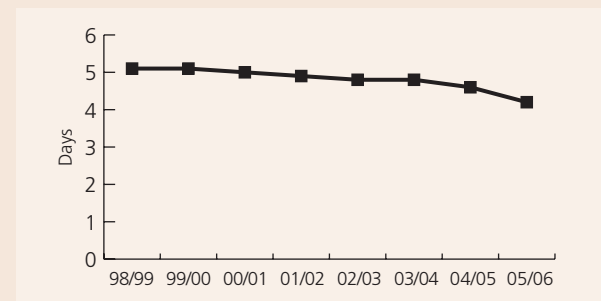
Source: Inpatients Statistics Collection

Interpretation
Overall Length of Stay is used as a measure of change in available capacity. Relative Stay Index (RSI) is used as a measure of comparison between services and facilities.

Length of Stay for admitted patients has continued to decline and is now 4.2 days. This continues the ongoing trend since 1998/99 and reflects new models of care in patient treatment. The additional capacity created by the reduction in Length of Stay has increased access for patients requiring non-emergency care.

Related policies/programs
- Sustainable Access Program
- Clinical Services Redesign Program
- Predictable Surgery Program.

Performance

Fair access to health services across NSW

Record funding for rural and regional health services

Providing equitable access to health services for people living in rural and regional NSW is a high priority. Record health spending of $3.46 billion, an increase of nearly $308 million, or 9.8 per cent more than last year, will mean more beds, more elective surgery and redeveloped health facilities. In the last year, there were many initiatives to boost access to health services for people living in rural and regional communities:

■ The new *Transport for Health* program was implemented to commence on 1 July 2006. This program integrates five formerly separate non-emergency health related transport assistance programs into a single program in each Area Health Service, including the reviewed *Isolated Patients Travel and Accommodation Scheme* (IPTAAS). Improvements to the scheme are expected to assist an extra 11,500 patients and their carers every year, including country patients and their families.

■ A $40 million funding boost over four years for dental health will enhance access for rural dental patients by treating more people on waiting lists, purchasing new dental equipment, recruiting more dentists, supplementing Rural Dental Scholarships, enhancing rural dental centres of excellence and expanding fluoridation of water across seven NSW councils.

■ The NSW Institute of Rural Clinical Services and Teaching commenced the two year *Rural Stroke Project*, which is focused on obtaining comprehensive information on current stroke management activities in rural NSW. In consultation with rural stroke clinicians it will develop potential models of rural stroke services for implementation in NSW.

■ An additional $1 million was announced to establish specialised rural stroke services. The work of the *Rural Stroke Project* will be used to develop these services.

■ An additional $465,000 a year over three years was announced for the Centre for Rural and Remote Mental Health, taking total annual funding to $1.35 million. Since its establishment the Centre has developed internet and video conferencing technologies to support the rural mental health workforce and the successful *Rural Mental Health Emergency and Critical Care Program*.

■ Funding of almost $4 million was announced for vital improvements to 23 hospitals across rural NSW. These improvements include significant upgrades to air conditioning, staff accommodation for visiting specialists, hospital security and medical technology.

■ A NSW Ministerial Advisory Meeting was convened to inform the NSW response to the Productivity Commission's study of Australia's health workforce. Greater incentives to attract and retain health practitioners in rural areas was addressed to ensure people in rural, regional and remote NSW get appropriate access to health practitioners close to where they live.

■ Specialist cardiology services in rural NSW continued to be expanded with the establishment of a cardiac catheterisation laboratory at Orange.

PERFORMANCE INDICATOR
Resources Distribution Formula

The average distance from target for all Area Health Services

Desired outcome

Equitable access to health funding between NSW Area Health Services.

Context

Funding to NSW Area Health Services is guided by a resource distribution formula (RDF), which aims to provide an indication of equitable shares of resources taking account of local population needs. The current policy is to ensure that allocation to all Area Health Services is not less than two per cent of their RDF target. Factors used in estimating local need include age, sex, mortality and socio-economic indicators.

Recourse distribution formula (RDF)
– average distance from Areas' targets
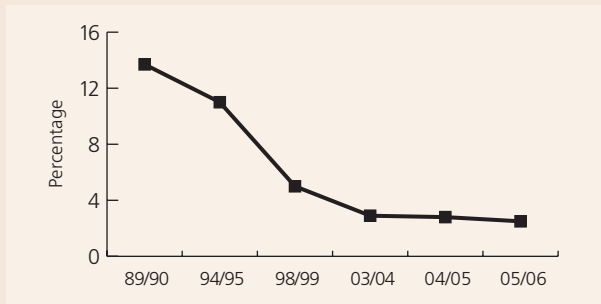
Source: Inter-Government and Funding Strategies Branch

Interpretation

In 1989/90 Areas were on average around 14 per cent away from their RDF targets. With a greater share of growth funding allocated to under-funded areas, the average distance from target for Area Health Service has declined significantly in the first ten years since the RDF's inception in the late 1980s.

PERFORMANCE INDICATOR
Radiotherapy utilisation rates

Desired outcome

Improved outcomes for cancer patients who would benefit from radiotherapy for curative or palliative purposes.

Context

Selected treatments for appropriate target groups can contribute to quality and length of life. Access to such services can be measured through treatment rates, the target for radiotherapy (in conjunction with surgery and chemotherapy) being 50 per cent of new cancer patients.

Radiotherapy utilisation rates – for new patients
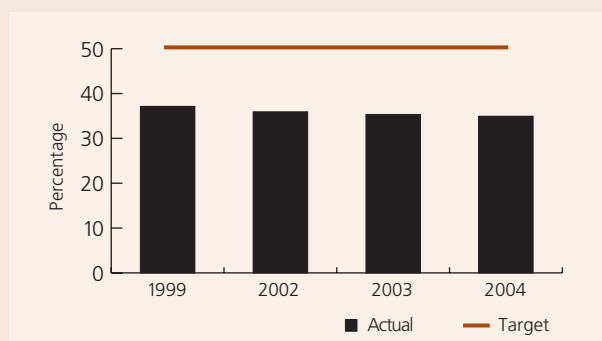
Source: NSW Central Cancer Registry/Radiotherapy Management Information System (RMIS)

Interpretation

Radiotherapy utilisation rates for 2004 continue to be below the 50 per cent target. Factors impacting on utilisation rates over this period include:

- increasing incidence rates of between 3–4 per cent per year
- rural Area Health Services have limited influence over increasing access rates primarily because radiotherapy treatment services are predominantly provided in metropolitan areas
- replacement of linear accelerators (linacs) result in downtime for recommissioning.

Note that while the utilisation rate has plateaued on a State basis, there has been a steady increase in the number of cancer cases being treated for NSW residents. In 2004 the numbers treated increased by over 150 patients (this excludes NSW residents treated in QLD private centres).

Related policies/programs

To 2005, strategic planning of radiotherapy services has resulted in 12 additional linear accelerators commissioned in the public health system since 1991, and another 17 linear accelerators replaced in the public health system in the same period.

The initial phase of planning for radiotherapy services in NSW to 2011 commenced in late 2005 and is being lead by Statewide Services Development Branch, NSW Department of Health in collaboration with Cancer Institute NSW consulting with a broad range of stakeholders.

The *Selected Speciality and Statewide Services Plan: NSW Radiotherapy Services to 2011* is under development. It will consider the optimal utilisation of existing radiotherapy resources in NSW when determining the infrastructure requirements of the future. This will entail examining the potential for utilising spare capacity, where this may be possible, in existing equipment, as well as expanding equipment resources to support an increasing demand for radiotherapy services.

PERFORMANCE INDICATOR
Mental health need met

- Ambulatory
- Acute
- Non-acute.

Desired outcome

Improved access to mental health services.

Context

The prevalence of mental health problems is high. Despite improvements in access to mental health services, there is still an enormous demand for a wide range of care and support services for people with mental illness. People with a mental illness are still at greater risk of homelessness, of contact with the criminal justice system and have a below-average life expectancy.

Mental Health per cent needs met
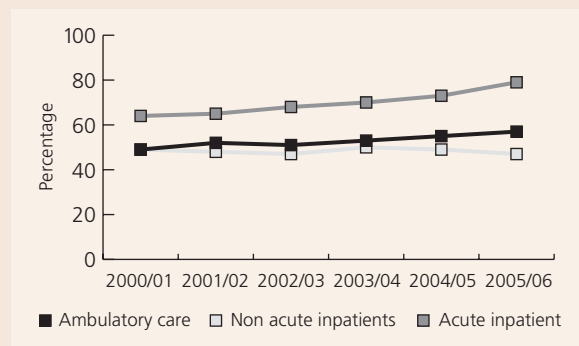
Source: DOHRS (Acute inpatient, Non-acute inpatient)
National Survey of Mental Health Services (Ambulatory Care)

Interpretation

The Need Met measure is an indicator of the level of services actually available compared to the theoretical need calculated for the population. These global indexes of service capacity are calculated with reference to the population need projections in the MHCCP model (available on the Department's website). For indexes to increase, service capacity must expand by more than population growth of 0.9 per cent per annum.

Acute Inpatient Beds: Since 2001 the index has increased from 64 per cent to 79 per cent with average available beds increasing by 98 over the 2005/06 financial year.

Non-Acute Inpatient beds: This index has now dropped below the 2001 level of 48 per cent to 47 per cent. This is mainly due to the inability of one Area Health Service to open a 20 bed non-acute unit planned for the 2005/06 financial year. Major increases to non-acute hospital bed numbers are planned for the 2008/09 financial year. However, recent enhancement funding will enable an early increase in the number of HASI places for clients needing a variety of levels of accommodation support.

Ambulatory Care Clinical Staff: This index rose by 1 per cent from 56 per cent to 57 per cent over the 12 month period. This represents a change from 35.5 full time appointment to 35.8 fulltime equivalent per 100,000 population.

Related policies/programs

The *NSW: A new direction for Mental Health* document describes a wide range of improvements and new programs for mental health using the funding increases announced as part of the 2006/07 budget. At first this will be evident mainly in the Ambulatory sector but extra acute and non-acute beds are forward planned to 2010/11.

Future directions

- The NSW Public Health Real-time Emergency Department Surveillance System will be expanded to include a total of 50 emergency departments, extending its coverage to the Hunter region and rural NSW.
- A whole of government policy response is being developed to review the 1999 NSW Carers Statement.
- The *Health Care of People with Disabilities – A Strategic Framework for NSW* is to be developed.

We deliver high quality health services

In NSW we are constantly striving to improve the quality of care and the health services we provide. We continue to implement the NSW Patient Safety and Clinical Quality Program to reduce health care risks, improve clinical practice and reduce the risk of infection in healthcare settings.

Consumers are satisfied with all aspects of services provided

We are promoting a culture of open disclosure, effective investigation and response to adverse incidents. The involvement of clinicians, health consumers and the community in health decision-making processes is integral to high quality health care, health innovation and consumer satisfaction with health services.

Open Disclosure

Being open with patients and their families when something has gone wrong is an important part of the investigation and learning process that is now happening with the NSW *Incident Management Program*. Open Disclosure is about providing an open, consistent approach to communicating with patients following an adverse event. It includes expressing regret for what has happened, keeping the patient informed, providing appropriate support and providing feedback on investigations. It is also about seeking information that will enable systems of care to be changed to improve patient safety.

In May 2006 the NSW Health *Incident Management Policy* was released including Open Disclosure as a key requirement of the incident management process. To support clinical staff in the implementation of the policy, education programs, fact sheets, email discussion groups and a web site have been developed.

10 Tips for Safer Health Care

A guide for consumers on how to become more actively involved in decision-making about safer health care has been produced. *10 Tips for Safer Health Care* is now available on the Department of Health website in English and other languages. The guide is being progressively distributed to admitted patients across Area Health Services.

Training and education for end of life care

The Health Research and Ethics Branch ran training and education seminars for more than one thousand health care professionals in metropolitan and rural NSW. The training was part of the implementation program for the Department's *Guidelines on End of Life Care and Decision Making*. The seminars provided information and advice on appropriate end of life care for dying patients, including clinical, social and ethical issues.

Ethics review

The Health Research and Ethics Branch involved over 250 stakeholders in consultation sessions designed to finalise a system of streamlined ethical review of multi-centre research. A system has been agreed upon and will be implemented in 2006/07.

PERFORMANCE INDICATOR
Consumer experience

Surveyed population rating their healthcare as 'excellent', 'very good' or 'good' (%) for:

- hospital inpatients
- Emergency departments

Desired outcome
Increased satisfaction with health services.

Context
Health services should not only be of good clinical quality but should also result in a satisfactory experience of the 'patient journey'.

Surveyed population rating healthcare
– excellent, very good and good
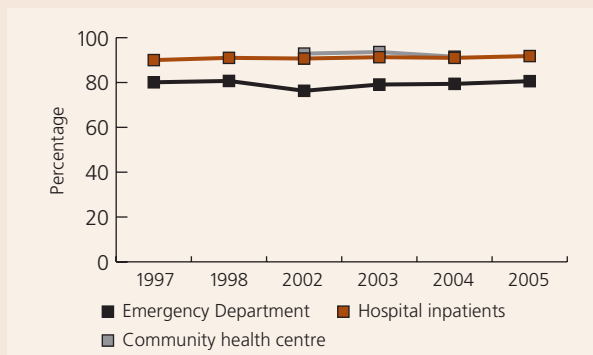
Source: NSW Population Health Survey

Interpretation
Satisfaction ratings by health service users are collected as part of the NSW Population Health Survey. People who had attended a health service in the last 12 months were asked to rate the health care as 'excellent, very good, good, fair or poor'. In 2005 satisfaction (excellent, very good, good services) was highest with hospital inpatients (92 per cent) followed by emergency departments (81 per cent).

Those who were admitted to hospital were asked to rate the care they received. Overall, 46 per cent rated their care as excellent, 27 per cent as very good, 17 per cent as good, 5 per cent as fair, and 4 per cent as poor. The main reasons for rating care as fair or poor were: hospital could not offer required care (33 per cent), inadequate medication or management (26 per cent), not enough staff (26 per cent), poor attitude of clinical staff (22 per cent), communication problems (19 per cent), poor technical skill of clinical staff (15 per cent), poor quality accommodation (12 per cent), poor or inadequate food (8 per cent), and excessive waiting time for care (1 per cent).

Those who presented to an emergency department were asked to rate the care they received. Overall, 30 per cent rated their care as excellent; 29 per cent as very good; 22 per cent as good; 11 per cent as fair; and 9 per cent as poor. The main reason for rating care as fair or poor was waiting time (70 per cent). Other reasons included poor attitude of clinical staff (16 per cent), not enough staff (10 per cent), sent home without treatment or follow-up (10 per cent), communication problems (8 per cent), poor technical skill of clinical staff (7 per cent), inadequate or wrong medication or management (5 per cent), misdiagnosis or contradictory diagnosis (3 per cent) and poor quality accommodation (2 per cent).

Related policies/programs
- Sustainable Access Program
- Clinical Services Redesign Program.

Performance

PEFORMANCE INDICATOR
Complaints resolved within 35 days

Desired Outcome
At least 80 per cent of complaints to health services resolved within 35 days.

Context
Complaints to health services should be resolved as soon as practicable. This indicator identifies the better practice benchmark. Recognising that a proportion of complaints may involve complex issues that take longer to address, a benchmark of 80 per cent of complaints resolved within 35 days has been adopted.

Definition of terms
Proportion of complaints received from consumers that are finalised and complainant advised of the outcome within 35 calendar days of receipt of the complaint.

Complaints resolved

Numerator   The number of complaints resolved within 35 days within a selected date range

Denominator Number of complaints received within the selected date range

Area Health Service	Within 35 days	Total complaints received[1]	2005/06
Greater Southern	461	815	57%
Greater Western	383	648	59%
Hunter New England	885	1,459	61%
North Coast	840	1,166	72%
North Sydney Central Coast	796	1,297	61%
South Eastern Sydney Illawarra	861	1,414	61%
Sydney South West	1,202	1,522	79%
Sydney West	691	1,092	63%
Children's Hospital Westmead	13	14	93%
ASNSW	369	674	55%
Justice Health	171	220	78%
NSW Total	6,672	10,321	65%

Source: Incident Information Management System (IIMS) for all Area Health Services excepting Children's Hospital Westmead.

Notes: 1 Excludes complaints received from the Health Care Complaints Commission and complaints received through Ministerials.

Report generated 6 October 2006. Records with missing resolution dates were treated as not meeting target.

Interpretation
The Incident Information Management System was introduced as the new system for reporting complaints during 2005/06. The change in process may have affected the reporting of resolution dates, with the resultant affect on benchmarks. Further training of staff in regard to the recording and finalising of complaint information entered onto IIMS is occurring.

Related policies/programs
Initiatives introduced to improve patient complaint management and resolution include:

- The Incident Information Management System (IIMS) provides a standardised means of recording and monitoring complaints from consumers. IIMS enables the monitoring of the timeliness of the health service's response to consumers and the recording of factors that may have contributed to the issues identified in the complaint.

- The development of training modules and tools specifically designed for complaint data recording in IIMS.

- Appointing a designated Senior Complaints Officer in every health service available 24 hours per day, seven days per week to register complaints and to ensure appropriate action is taken to resolve complaints from staff and from the community.

- Establishing a Corporate Governance and Risk Management Branch within the Department of Health to lead the development, review and coordination of corporate governance and risk management processes across NSW Health.

  This Branch monitors and coordinates the Department's response to external oversight bodies such as the HCCC, ICAC and the NSW Ombudsman's Office. It also monitors the responses by the Department and NSW Health to recommendations made by the Coroner, NSW Ombudsman and HCCC to ensure appropriate follow-up to recommendations occurs.

  Although primary responsibility for complaints management still rests with the relevant Health Service if a complainant is dissatisfied with the Service's handling of a matter, they may refer their concerns to the Department for consideration by the Governance and Risk Management Branch.

- The Statewide NSW Complaints Management Working Party was convened to revise the 1998 NSW Better Practice Guidelines for Frontline Complaints Handling. The Working Party developed a new complaint management policy directive with supporting guidelines to reflect new health service structures, responsibilities, legislation and reporting requirements. Complaints handling educational resources were developed to support health service staff in effective complaint management.

- In addition to the revised *Complaints Management* policy new or revised policies on the following have been released:
  - Complaint or concern about a clinician.
  - Open disclosure.
  - Lookback policy.
  - Patient Identification (correct patient, procedure and site).
  - Incident management.

High quality clinical treatment

Medication Safety Strategy

NSW Health has started to implement a single, statewide, standard medication chart in all public hospitals. To be completed in 2006, this is the first of a range of initiatives to reduce adverse events associated with the medication management process. The NSW *Medication Safety Strategy* brings together a range of initiatives that address many of the steps in the prescribing, dispensing and administration of medication in NSW hospitals. The NSW implementation is part of a wider national initiative that will see a common medication chart nationwide.

Incident Management Program

A state-wide incident management program has been deployed across NSW Health to improve our health system and reduce harm to patients.

A single, state-wide electronic *Incident Information Management System* (IIMS) underpins the Incident Management Program and full deployment across NSW Health was completed to support the notification, investigation and action of incidents. Any employee in the NSW Health can notify an incident. Reporting adverse events has been a particular focus and all Area Health Services are now regularly and consistently receiving reports through the Incident Information Management System.

The level of reporting is now approaching the rate of healthcare incidents estimated from Australian and overseas research. While this will continue to improve, the *Incident Management Program* is providing NSW Health with reliable information from which lessons can be learned about system mistakes and failures. These lessons are leading to strategies to prevent recurrence and continuously improve patient care.

The *Incident Management Program* also ensures a standardised, robust process for the investigation of the most serious clinical incidents. The *Root Cause Analysis* (RCA) methodology is a legislatively required review of the incident determining how an incident occurred, why it happened and the underlying causes. In 2005/06 323 RCA's were completed and recommendations were widely implemented. Training in the RCA methodology was provided to 4,000 staff.

Clinical Governance Units are now well established across all Area Health Services ensuring safety processes are in place, incidents are reported, managed appropriately and improvements made.

Incident reduction

An educational video/DVD and a website were launched to demonstrate the application of the *Correct Patient, Correct Procedure Correct Site Model Policy*. These valuable resources enable clinicians to take a proactive, preventive approach to avoid procedures performed on the wrong patient or part of the body. The initiatives have contributed importantly to a reduction in wrong site surgery incidents across the State. Further initiatives to reduce incidents in radiology and other diagnostic areas have commenced.

Business Information Strategy (BIS) Program

This significant five year program addresses the overall information structure, architecture and availability at all system levels. It focuses on the timeliness, presentation and availability of information required for performance, evaluation and monitoring of the health system. Projects include trial frontline dashboards at hospitals, such as nurse support dashboards and hospital dashboards, right through to necessary process mapping, backend changes and re-engineering of the way department data is stored and managed. A business case for the program has been completed and submitted to be part of the IM&T Business Case for 2007/08.

Data Collection/Health Information Exchange (HIE) reforms

Significant investment and work has been directed at the existing NSW Health data collection processes, coordination and infrastructure to improve the quality and availability of data. Initiatives include the introduction of data liaison officers for AHS and other departmental functional groups, including a visit program, planning and approvals to decommission obsolete data collections and introduce new collections, improved governance and management. A new Information Management Committee and HIE Working Group have been established to improve processes for release management and change control, investment in new infrastructure/software to improve HIE performance and targeted training programs and skills development to improve staff skills.

Continuous improvement reporting

NSW Health has undertaken a number of initiatives relating to continuous improvement of general data and information reporting, including creating a streamlined reporting unit with an aligned function to integrate the SAS and Business Objects teams, better planning of routine reporting output to government and other agencies, and improved reporting presentation and formats.

Performance

Second Report on Incident Management in the NSW Public Health System 2004–2005

NSW is the first Australian state or territory to provide public reporting on all serious incidents that affect patients. This public reporting occurs annually. The *Second Report on Incident Management in the NSW Public Health System 2004–2005* was released in January 2006. It contained 429 serious (SAC 1) clinical incidents, representing less than three in every 10,000 admissions for the 2004/05 reporting period.

Acute Inpatient Modelling

Acute Inpatient Modelling (AIM 2005) was developed as an interactive PC-based planning tool to allow planners and policy makers to assess the impact of alternate acute inpatient demand/supply scenarios. The model takes a range of parameters affecting demand of health services to project future activity and distributes this activity to hospitals and Area Health Services.

Critical Care Adult Tertiary Referral Networks

The *Critical Care Adult Tertiary Referral Networks – Intensive Care Default Policy* was developed. The policy details critical care services in adult tertiary referral networks for all patients who are critically ill and require transfer to a tertiary facility. It also covers principles for medical retrieval.

PERFORMANCE INDICATOR
Rate of unplanned and unexpected readmissions within 28 days

Desired outcome
Improved quality and safety of treatment, with reduced unplanned events.

Context
The aim is to measure unintentional additional hospital care. Patients might be re-admitted unexpectedly if the initial care or treatment was ineffective or unsatisfactory, or if post-discharge planning was inadequate. However, other factors occurring after discharge may contribute to readmission, for example poor post-discharge care. Whilst improvements can be made to reduce readmission rates, unplanned readmissions cannot be fully eliminated.

Definitions of terms
- Unplanned hospital re-admission refers to an unexpected admission for:
  - further treatment of the same condition for which the patient was previously hospitalised
  - treatment of a condition related to one for which the patient was previously hospitalised
  - a complication of the condition for which the patient was previously hospitalised.
- Day stay patients are included in both the numerator and denominator figures. Day stay patients are those whose admission date equals the discharge date.
- Hospital in the Home patients and emergency department patients re-admitted to the emergency department only, are not included in this indicator.
- This indicator addresses patients re-admitted to the same hospital.

Type of Indicator
This is a comparative rate based indicator addressing the outcome of patient care.

Unplanned and unexpected hospital readmissions
Numerator   The total number of unplanned and unexpected re-admissions within 28 days of separation, during the time period under study

Denominator   The total number of separations (excluding deaths) during the time period under study
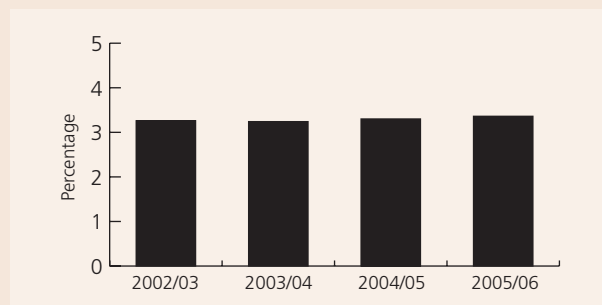
Source: Australian Council of Healthcare Standards (ACHS) July 2005 – June 2006

Interpretation
The number unplanned and unexpected hospital readmissions remains stable. Data is collected only from hospitals reporting indicator data to the ACHS, so the data is not drawn from a representative sample of hospitals.

PERFORMANCE INDICATOR

Unplanned re-admission into an intensive care unit (ICU),
up to and including 72-hours post-discharge from the intensive
care unit

Desired Outcome

Improved quality and safety of treatment, with reduced
unplanned events.

Context

Unplanned re-admission into an intensive care unit may
reflect substandard care. It may also reflect premature
discharge as a consequence of inadequate resources or
reflect the standard of ward care. From a patient perspective
unplanned readmissions are distressing for the patient
and family and often reflect further complications.

Definitions of terms

Unplanned re-admission – refers to an unexpected:

- re-admission for further treatment of the same
  condition for which the patient was previously
  admitted to the intensive care unit
- re-admission for treatment of a condition related
  to one for which the patient was previously admitted
  to the intensive care unit
- admission for a complication of the condition for
  which the patient was previously admitted to the
  intensive care unit.

The time frame of 72 hours is an arbitrary measure,
which aims to identify deficiencies in management rather
than complications/progression of the disease process.
Admissions after this time are more likely to be complications
of the disease process.

Type of Indicator

This is a comparative rate based indicator addressing the
outcome of patient care.

**Unplanned readmission into an ICU, up to and including
72 hours post-discharge from the ICU**

Numerator   The total number of unplanned re-admissions,
             as defined above, into an ICU within 72 hours
             of discharge from an ICU.

Denominator The total number of admissions into an ICU
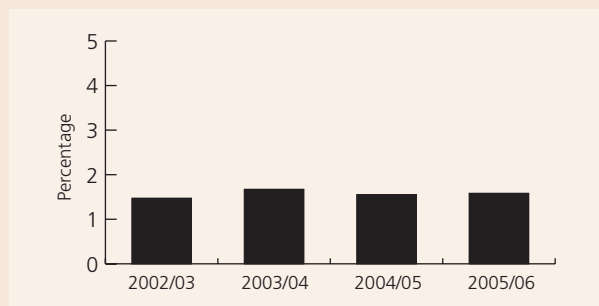
Source: Australian Council of Healthcare Standards (ACHS) July 2005 – June 2006

Interpretation

The number of patients returning to ICUs within 72 hours
of discharge remains stable. Data is collected only from
hospitals reporting indicator data to the ACHS, so the data
is not drawn from a representative sample of hospitals.

PERFORMANCE INDICATOR

Unplanned return to the operating room
during the same admission

Desired Outcome

Improved quality and safety of treatment, with reduced
unplanned events.

Context

Assesses the rate of patients who have to return to theatre
during their admission because of an unexpected or untoward
outcome of surgery. Patients might be returned to the
operating theatre unexpectedly if the initial care or treatment
was ineffective or unsatisfactory. For surgery, in particular,
unplanned readmissions may relate to earlier complications,
such as surgical site infections.

Definition of terms

- Unplanned refers to the necessity for a further operation
  for complication(s) related to a previous operation/
  procedure in the operating room.
- Return refers to re-admissions to the operating room
  for a further operation/procedure.
- An operating room is defined as a room, within a complex,
  specifically equipped for the performance of surgery
  and other therapeutic procedures.
- Day stay patients are included in both the numerator
  and the denominator.
- Patients returning to the operating room from the
  recovery room are included in the numerator figure.
- When there are multiple returns to the operating room
  for the one patient, that patient is counted only once.

Type of indicator

This is a comparative rate based indicator addressing the
outcome of patient care.

Return to operating room following booked surgery

Numerator   The number of patients having an unplanned return
             to the operating room during the same admission,
             during the time period under study

Denominator The total number of patients having operations or
             procedures in the operating room during the time
             period under study
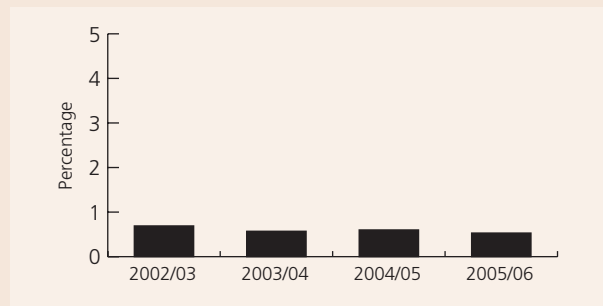
Source: The Australian Council of Healthcare Standards (ACHS) July 2005 – June 2006

Interpretation

The number of patients that have required a return to the
operating theatre has shown a slight decline. This improvement
has been achieved in the context of an increasingly sophisticated
and complex health care system where patients are treated
for conditions in ways that they would not have been treated
in years gone by.

Data is collected only from hospitals reporting indicator data
to the ACHS, so the data is not drawn from a representative
sample of hospitals.

Performance

PERFORMANCE INDICATOR
Mental health acute adult readmission within 28 days
to same facility

Desired outcome
Improved quality and safety of mental health services.

Context
A readmission to acute mental health admitted care within
a month of a previous admission may indicate a problem
with patient management or care processes. Prior discharge
may have been premature or support services in the
community may not have supported continuity of care for
this client.

Mental Health Acute adult readmission
– within 28 days to same mental health facility
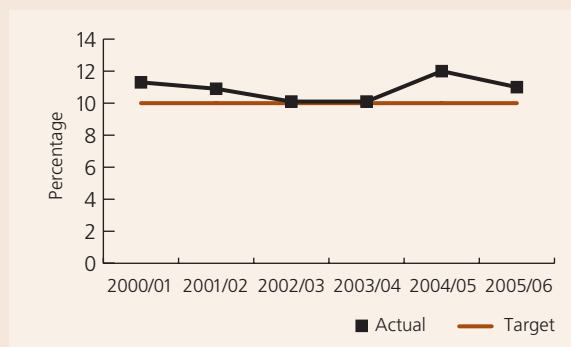
Source: Admitted Patient Collection on HOIST and HIE datamart

Interpretation
There has been a decrease in this indicator over the last
12 months to 11 per cent. However, there has been little
change in the readmission rate over the five year period
since 2001/02 and it has remained close to the target of
10 per cent. Some of these readmissions may have been
planned. The NSW Admitted Patient Collection does not
distinguish planned from unplanned readmissions.

Related policies/programs
With the allocation of Area level unique patient identifiers
to mental health client records in 2005/06, analysis has
commenced to improve the derivation of this indicator
so that admissions to other units may also be included.

A program of enhancements to bed numbers and
community services has commenced. This is aimed at
reducing pressure on acute beds which may cause
inappropriate early discharge and providing better
community support for newly discharged clients.

The *NSW: A new direction for mental health* document
outlines future initiatives to improve quality and safety of
mental health services.

Care in the right setting

Biopreparedness
Significant activity was directed towards countering the
threat posed by pandemic influenza and other infectious
disease capable of causing large-scale outbreaks.

The *Interim NSW Health Pandemic Action Plan* was
released in November 2005 and funding of $5.6 million
was allocated over three years for programs to
enhance preparedness for infectious disease
emergencies, including:

■ establishment of a dedicated Biopreparedness
Unit within the Department of Health charged
with maintaining a statewide approach to
pandemic planning

■ increased capacity for surveillance, particularly
in the rural and regional sector

■ employment of biopreparedness officers in each
of the Area Health Services to progress local
pandemic plans

■ using geographical information systems (GIS)
to enhance resource mapping of critical care beds,
antiviral agents, personal protective equipment,
mechanical ventilators and other resources

■ inventory control and maintenance of the State's
medical stockpile.

Simulation exercises to test plans is a key element
of emergency planning. In November 2005, NSW
Health participated in a national exercise designed
to test Australia's ability to withstand an incursion
of avian influenza into the country. Preparations also
began in earnest for a national pandemic influenza
exercise, *Exercise Cumpston*, planned to take place
in October 2006.

Bali emergency response
In early October 2005 Australians were shocked to learn
of a series of bombings in Bali which resulted in the
death and injury of tourists and local residents, including
a number of people from NSW. While most of us
watched in horror, many of our health professionals
were already working to provide the effective response
and to assist those Australians directly affected by
the disaster. NSW Health responded immediately by
providing emergency health care at the disaster site
and by setting up a 24-hour counselling support
telephone line to help relatives and families cope
with the shock and emotional impact of the tragedy.

The NSW Mental Health Support Line was staffed
by professional mental health counsellors who acted
as initial contact points for people seeking support
or counselling. Callers in need of assistance were
connected with a 24-hour trauma and grief counselling
service. The mental health team also provided links

to other resources including specialist NSW Area Health Service mental health teams.

NSW officials worked in conjunction with other States as part of the Commonwealth co-ordinated response, sending three doctors and three paramedics to Indonesia to provide medical support and assistance to Australians on their return flight to Australia. NSW Health also provided two forensic pathologists to assist in identification of people killed in the tragedy.

Infection Control

The Department brought together some of the country's leading experts on antibiotic resistant organisms together with health consumers and a range of health care professionals for the *Multi Resistant Organism Summit* in Sydney. The Summit was the result of a call by NSW to focus on the detection and containment of bacteria resistant to antibiotics that can cause serious disease amongst compromised patients in health care settings.

The Department has hosted a group of leading microbiologists and infection control experts working on a series of recommendations to the Government on how to improve the prevention and management of multi resistant organisms (MRO) in hospitals – particularly methicillin resistant Staphylococcus aureus (MRSA).

The expert advisory group, chaired by Professor Lyn Gilbert, a specialist in microbiology and infectious diseases at Westmead Hospital, is also overseeing the development of a detailed policy on multi resistant organism control and prevention including:

- Cost effective approaches to identifying patients who are infected with or carrying MRSA – particularly patients admitted to intensive care, those patients with elective joint replacement and cardiovascular surgery, and the isolation of patients who are carrying or are infected with MRSA.
- Controlling and monitoring antibiotic use by introducing electronic decision support and authorisation systems.
- Implementing standards for environmental cleaning in hospitals.
- Improving surveillance of MRO infections and colonisation.

The expert advisory group has already overseen the development of information for patients and relatives about MROs and isolation procedures if colonisation or infection occurs and what they can do to help prevent transmission.

Measles outbreak

From March to May 2006, NSW experienced its largest measles outbreak for many years, involving 59 cases. The outbreak had two overlapping components. The first, involved eleven cases that were linked to attendance at a hospital emergency department. The second, involved 27 cases that were direct contacts of a national tour of a visiting spiritual leader, and numerous subsequent secondary cases. With each identified case, NSW Health's network of Public Health Units initiated urgent containment measures involving over 1,760 contacts. NSW Health investigated the epidemiological features of the outbreak and, with the guidance of an expert panel, reviewed its control protocols, communicated prevention and control advice to health professionals, hospitals, childcare centres and laboratories across the State. The free MMR vaccine was provided for all susceptible people.

NSW Public Health Disaster Capacity

The NSW public health system has an excellent record in counter-disaster planning and response and is well prepared for any disaster or terrorist threat contingency that might arise. The NSW Health Counter Disaster Unit is responsible for planning the response by Ambulance and health services to major incidents and disasters in NSW and provides detailed plans for all contingencies, including terrorist attacks.

Providing health care after disasters has always been part of the operation of the NSW health system. Clearly, a large-scale disaster requires a different approach but this is where the Counter Disaster planning contingencies come into play. Results of planning exercises and capacity studies indicate that appropriate trauma resources, including ICU and High Dependency beds, can be rapidly made available.

In recent times the Counter Disaster Unit's resources have been bolstered to deal with a chemical, biological or radiological attack. NSW Health's trauma system is not a stand-alone system, but forms part of the integrated critical care services that makes use of the state's network of intensive care beds and specialist burns units.

Performance

PERFORMANCE INDICATOR
Potentially avoidable hospital separations

Age adjusted rate per 100,000 population:

- Vaccine Preventable, Acute Conditions, Chronic Conditions.
- Top five Chronic: Diabetes complications; Chronic obstructive pulmonary disease; Angina; Asthma; Congestive heart failure.
- Aboriginal, Non-Aboriginal.

Desired outcome
Improved health and quality of life, including independence for people who can be managed in the community setting, while reducing unnecessary demand on hospital services.

Context
There are some conditions for which hospitalisation is considered potentially avoidable through early management, for example by general practitioners and in community health settings.

Potentially avoidable hospital admissions – age adjusted rates per 100,000 population
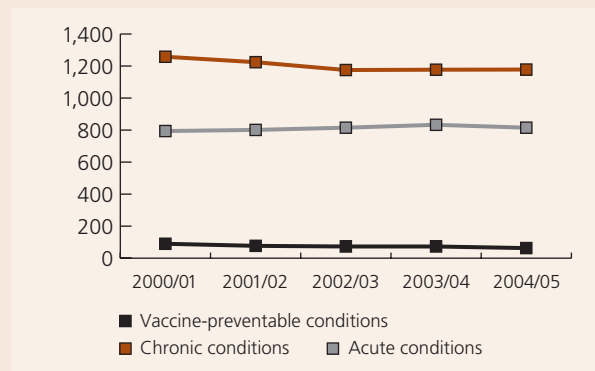
Aboriginal status

Top five chronic conditions
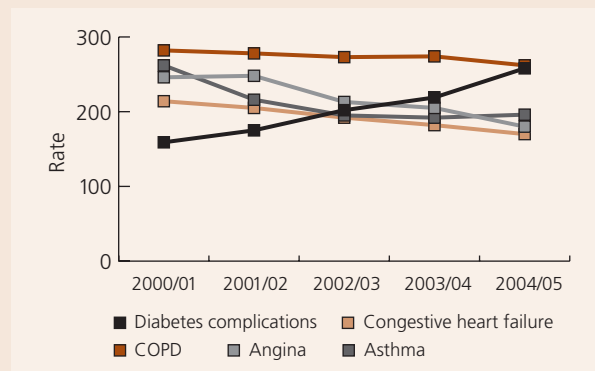
Source: Inpatients Statistics Collection and ABS population estimates (HOIST)
Centre for Epidimology and Research, NSW Department of Health

Interpretation
All rates are per 100,000 population, age adjusted.
The conditions reported in the graph are:

- Vaccine-preventable conditions.
- Chronic conditions (including diabetes complications, COPD, angina, asthma, and congestive heart failure).
- Acute conditions.

Between 2000/01 and 2004/05 rates of potentially avoidable hospitalisations have continued to drop from 90 to 64 per 100,000 population for vaccine-preventable conditions. While the rates of acute conditions have steadily risen from 933 in 2000/01 to 975 in 2003/04, there was a drop this past year to 952 per 100,000 population. Overall, the rate of chronic conditions has reduced from 1,257 in 2000/01 to 1,175 in 2004/05. However the rate of diabetes complications continues to rise from 159 per 100,000 population in 2000/01 to 258 per 100,000 population in 2004/05.

The rates for Aboriginal people and non-Aboriginal people are compared because of the differences between these groups in health status and access to health services. Aboriginal people experience a much higher rate of potentially avoidable hospitalisation. The year-to-year variations in the reported rates may be due to inaccuracies in identifying these people in hospital records.

Related policies/programs
- NSW Immunisation Strategy 2003–2006.
- NSW Chronic Disease Prevention Strategy.
- Clinical Service Re-Design Project to provide an electronic medical record for chronic disease management across the continuum that will also monitor key performance indicators (Community Health Information Management Enterprise – CHIME).
- *My Health Record* – the patient held medical record.
- Healthy People 2010.

Initiatives under the NSW Chronic Care Program include:
- NSW Chronic Disease Strategy 2006–2009 that defines the elements required for best practice chronic care to be implemented in all Areas.
- NSW Rehabilitation for Chronic Disease to guide best practice rehabilitation for residents with or at high risk of chronic disease.

Initiatives under the Aboriginal Chronic Care Program include:
- Aboriginal Chronic Conditions Area Health Service Standards that guide Areas in providing culturally appropriate chronic care services for Aboriginal people.
- Aboriginal Chronic Care Program to support initiatives across NSW for Aboriginal people at high risk or with chronic disease.

Future initiatives

Aboriginal Health Impact Statement

The revised *Aboriginal Health Impact Statement* will be released in 2006/07. The Statement provides NSW Health, the agencies it funds, its consultants and contractors with a unique instrument to facilitate the systematic inclusion of Aboriginal health needs and priorities in processes for developing and reviewing initiatives. NSW Health is a leader in this field with the *Aboriginal Health Impact Statement* model being adopted by other States and Territories in Australia.

NSW Health Capacity Building Infrastructure Grants program

Round two of the *NSW Health Capacity Building Infrastructure Grants Program* runs from 2006/07 to 2008/09, with almost $9 million in funding to be distributed over the three year period.

Streamlined ethics review

A new system of streamlined ethical review of multi-centre research is to be implemented by NSW Health. Each multi-centre project will be reviewed only once by an accredited 'lead' ethics committee which has expertise in that field of research.

Centre for Health Record Linkage

NSW Health will work with partners including the Cancer Institute NSW, NSW Clinical Excellence Commission, The Sax Institute, University of Sydney, University of Newcastle, University of New South Wales and ACT Health to establish and operate the Centre for Health Record Linkage. With ethical oversight, the Centre will provide a mechanism for de-identified linked health data to be provided for use in research, planning and evaluation of health services.

Report of the Chief Health Officer 2006

The 2006 edition of the biennial Report of the Chief Health Officer on the Health of the People of NSW will be published in hard copy and on the Department's website. This sixth edition of the report will present updated information on key health indicators, and new information on topics including the health of Aboriginal residents of NSW and the health of people living in rural and remote areas of the State, and maps of key indicators by local government area.

Other future initiatives:

- Review health needs indices in the Resource Distribution Formula.
- Finalise Mental Health Resource Distribution Formula.
- Release state-wide Multi-Purpose Service operational guidelines.
- Develop web-based software linked to the Patient Administration System to collect sub and non-acute data and provide data access to users.
- Develop an *Integrated Primary and Community Health Policy* to improve access and appropriate health care for all people in NSW through the development of a more robust, integrated primary and community health sector, and identify challenges and priorities for action. An MOU between NSW Health and the Alliance of NSW Divisions of General Practice will be developed.
- Complete the review of the Public Patients' Hospital Charter *You and Your Health Service*, an Australian Government requirement under the Australian Health Care Agreement 2003–2008.
- Develop and implement the NSW Health *Consumer and Clinician Engagement Policy*.
- Release the *Role Delineation Framework for palliative care services in NSW* to assist service providers develop a single system of care with seamless referral and case management of patients.
- Develop the Renal Services Plan for NSW to 2011.
- Develop acute inpatient projections methodology and develop a planning methodology for sub-acute services.
- Finalise Emergency Department Activity Plans.
- Develop a Bone Marrow Transplant Service Plan.
- Implement recommendations from the independent Review of the State Government Residential Aged Care Program.
- Implement significant initiatives announced under the COAG Health Reform Agenda, including funding to strengthen the Aged Care Assessment Program and collaborative programs to improve the care of older people waiting in public hospitals for residential aged care.

We manage health services well

NSW Health is made up of a professional team of workers, both paid and voluntary, who are committed, resourceful and dedicated to delivering quality health services to the people of NSW.

Sound resource and financial management

To support our staff to do their work in diverse and complex environments, sound resource and financial management and strong corporate and clinical governance are essential. We need to ensure that the resources available to the health system are managed effectively so we can continue to meet the increasing demand for services. We must also ensure that input from clinicians and the broader community is sought about how available funds are usded.

Australian Health Care Agreement Compliance

NSW Health implemented the *2003–2008 Australian Health Care Agreement*, including reform and compliance. NSW has achieved 100 per cent compliance since signing the Agreement.

The Agreement requires that on a cumulative basis the funding from NSW's own sources grows at a rate at least consistent to the funding provided by the Australian Government. In 2004/05 funding grew at a faster rate (9.5 per cent) than the Australian Government's growth rate (5.1 per cent). The cumulative rate of increase in the 2003 to 2005 period was 28.9 per cent for NSW compared to the Australian Government's 9.8 per cent.

Health Reform through the Council of Australian Governments

The Council of Australian Governments (COAG) agreed on 10 February 2006 to a range of health reform measures. The Inter-Government and Funding Strategies Branch has been working collaboratively with other parts of the NSW health system to progress implementation of the reforms including: *Australian Better Health Initiative* (focussing on health promotion and illness prevention), improving services for older people waiting for residential care, developing a national health call centre network, and improving access to Primary Care Services in Rural Areas.

COAG also agreed to progress the *National Reform Agenda*, which comprises three streams: competition, regulatory reform and human capital. Work on human capital reform is focusing on achieving outcomes in the areas of health, education, early childhood and work incentives.

Department of Veterans' Affairs Agreement

A new, long-term agreement with the Australian Government Department of Veterans' Affairs was successfully negotiated to provide health services to veterans and war widows and widowers. Since the transfer of the Repatriation General Hospital, Concord to NSW in 1993, NSW Health has provided health care to the veteran community and their dependants through NSW public hospitals and health care facilities. The six year arrangement will enable NSW Health to continue to provide the veteran community with the best possible health care.

PERFORMANCE INDICATOR
Net Cost of Service General Fund (General)

Variance against budget.

Desired outcome
Optimal use of resources to deliver health care.

Context
Net Cost of Services is the difference between total expenses and retained revenues and is a measure commonly used across government to denote financial performance. In NSW Health, the General Fund (General) measure is refined to exclude the:

- effect of Special Purpose and Trust Fund monies which are variable in nature dependent on the level of community support
- operating result of business units (eg linen and pathology services) which traverse a number of health services and which would otherwise distort the host health service's financial performance
- effect of Special Projects which are only available for the specific purpose (eg Oral Health, Drug Summit).

Health Service	2005/06 Budget $M	Variation from Budget $M	%
Sydney South West	1,566.8	(0.2)	0.0
South Eastern Sydney/Illawarra	1,363.1	(2.0)	(0.1)
Sydney West	1,158.2	(0.1)	0.0
North Sydney/Central Coast	1,039.7	1.1	0.1
Hunter/New England	1,037.8	5.2	0.5
North Coast	598.6	0.7	0.1
Greater Southern	614.6	14.8	2.4
Greater Western	496.1	3.6	0.7
NSW Ambulance Service	312.2	3.2	1.0
Children's Hospital at Westmead	91.6	5.3	5.8
Justice Health	65.0	0.2	0.3
Issued Budgets	8,343.7	31.8	0.4
2004/05 Result	7,723.2	(9.0)	(0.1)
2003/04 Result	7,156.8	24.7	0.3

Note: Brackets denote favourability

Interpretation
The aggregated result was within 0.4 per cent of issued budgets. Both Greater Southern Area Health Service and the Children's Hospital at Westmead have been required to implement various strategies in order to realign expenditure to available funds in 2006/07. As all Health Services are considered to be 'going concerns', the variations reported by other health services, when reviewed over more than one financial year, are acceptable.

PERFORMANCE INDICATOR
Major and Minor Works

Variance against BP4 total capital allocation.

Desired outcome
Optimal use of resources for asset management

Context
Variance against approved total BP4 capital allocation and difference to actual expenditure achieved in the financial year is used to measure performance in delivering capital assets. The desired outcome is 0 per cent, that is, full expenditure of the NSW Health Capital Allocation for major and minor works.

Major and minor works – variance against BP4 capital allocation
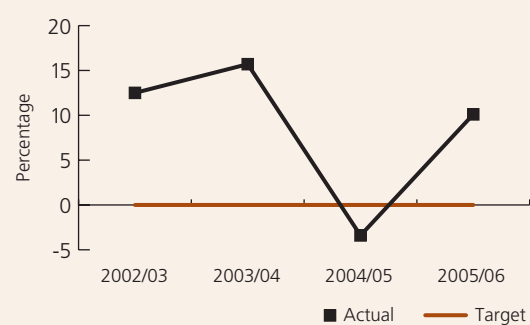
Source: Asset Management Services

Interpretation
Actual expenditure of $693.1 million for 2005/06 is a favourable result against the BP4 allocation of $646.4 million and shows considerable improvement from 2004/05. The additional expenditure was largely due to additional Treasury approvals for the purchase of equipment items.

Related policies/programs
Strategies to achieve the desired outcome of 0 per cent during 2006/07 include:

- Continual review and monitoring of the Health Asset Acquisition Program against expenditure projections.
- Continued centralised control of projects with a value greater than $10 million through the Major Projects Office.
- Ongoing program of Area Health Services Chief Executive program review meetings to monitor project progress.

Performance

Skilled, motivated staff working in innovative environments

Rarely a dull moment. For 31 years I have enjoyed working in a system that provides a variety of opportunities and work environments. Despite the ever-changing nature and complexity of NSW Health, the work has been both professionally challenging and rewarding, and the contact with such a diverse range of people has been interesting and enjoyable. Through active support and mentorship of staff, it is satisfying to see a number of them excel and be promoted. Having worked primarily in human resources and employee relations, it has provided an opportunity to hopefully make a positive contribution to the system as a whole, and more recently be of support to people during times of significant change and transition in Health. Juliette Sharman, Staff Member of the Year.

2005 NSW Health Awards

The *NSW Health Awards* were established in 1999 to acknowledge the outstanding work of health professionals in quality, innovation and excellence. The Awards demonstrate the high level of initiative and dedication of NSW Health staff to working towards a better health system by contributing to ongoing improvements in clinical quality, safety and performance.

The *2005 NSW Health Awards* received a total of 229 entries across ten categories. Justice Health won both the Minister's Award and the Efficiency category for the Metropolitan Remand and Reception Centre (MRCC) *Improving Efficiency of Mental Health Access Project.* Other award winners for 2005 were:

Director General's encouragement award
Improving Patient Safety and Care through Culture Change, Greater Southern Area Health Service

Safety of health care (joint winners)
Rapid Screening of Hospital Mortality, Sydney South West Area Health Service

SWAHS Pressure Ulcer Prevention (PUP Project), Sydney West Area Health Service

Effectiveness of health care (joint winners)
Children's Emergency Care Project, Hunter New England Area Health Service

Restrictive Blood Transfusion Practices Following Primary Unilateral Total Knee Replacement, Sydney South West Area Health Service

Appropriateness of health care
Optimising Appropriate Clinical Care of Low Trauma Fracture Patients in Royal Prince Alfred Fracture Clinics

at the Institute of Rheumatology and Orthopaedics, Sydney South West Area Health Service

Consumer participation in health care
Mubali, Hunter New England Area Health Service

Access to health services
Open Access to Blacktown-Mt Druitt Imaging Department, Sydney West Area Health Service

Efficiency in health care
Metropolitan Remand and Reception Centre Improving Efficiency of Mental Health Access, Justice Health

Competence in health care
Infectious Disease Outbreaks: An Innovative Approach to Evaluate and Improve Public Health Interventions, Sydney South West Area Health Service

Continuity of care
Improving Patient Care Outcomes in a Sub-Acute Unit, Northern Sydney Central Coast Area Health Service

Education and training
Enhancing Clinical Skills of Rural and Remote Workforce: Intravenous Cannulation – A National Unit of Competence, Hunter New England Area Health Service and TAFE NSW New England Institute

Best rural AHS performance for managing emergency patients
Greater Western Area Health Service

Best metropolitan AHS performance for managing emergency patients
Hunter New England Area Health Service

Most improved AHS for performance for managing emergency patients
The Children's Hospital at Westmead

Greatest reduction in ready for care waiting list
Sydney South West Area Health Service

Best performing hospitals
Canterbury Hospital
Prince of Wales Hospital
John Hunter Hospital
Nepean Hospital
Manly Hospital

Rural Health Conference

The second NSW Rural Allied Health Conference was held in October 2005. The event provided rural allied health professionals the opportunity to showcase their work, projects and research being undertaken in rural, regional and remote NSW. The Conference was highly rated by delegates with positive feedback received about breadth of topics, quality of presentations, multidisciplinary approach and transferability of ideas and initiatives across professional groups.

Smokecheck

Smokecheck is a culturally appropriate tobacco prevention project developed by NSW Health in partnership with the Aboriginal Health and Medical Research Council. The project aims to build the capacity and skills of Aboriginal health workers to implement programs to reduce smoking prevalence among the NSW Aboriginal population. It receives almost $1 million in funds over two years from NSW Health and the Cancer Institute NSW.

Bug Breakfast

Bug Breakfast is a monthly series of hour-long breakfast seminars for health service staff on communicable diseases, such as Pandemic Influenza Planning. There was a high level of interest and participation in the seminars in 2005/06, with over 50 participants attending each session in person, and up to 19 sites linked by videoconference.

Development of problem based learning

Following the success of rural and remote problem-based learning exercises for trainees on the Public Health Officer Training Program held in Broken Hill and Lismore, problem-based learning will be developed as a regular way of delivering future training. The exercises have helped trainees to develop a greater appreciation of, and familiarity with, rural communities and an understanding of how public health is practiced in these settings.

Knowledge management

The *Clinical Services Redesign Program* is developing a knowledge management strategy and programs for NSW Health to improve patient journeys through the health system. Key achievements to date include procuring a search engine and portal for 11 sites to enhance innovation and lessons learnt, hosting a series of master-classes with key local and international thought leaders, completing a Social Network Analysis to determine the level of interactions for innovation sharing across the health system and purchasing ARCHI as a knowledge sharing website for NSW.

NSW Aboriginal Health Awards

The *NSW Aboriginal Health Awards* were established in 2004 to recognise the positive contribution of individuals, agencies and communities to outstanding service and innovation in Aboriginal health care. The Awards recognised a diverse range of programs, and services and acknowledged people who are dedicated to working together in partnership to deliver high quality care in urban, rural, regional and remote communities.

The *Koori Fathering Program* in the North Coast Area Health Service is a locally developed 15-week course offering Aboriginal men, their partners and children a new beginning by increasing their knowledge of childhood development, improving communication and sharing positive disciplinary strategies.

Pharmacy Partners is a partnership between Walgett Pharmacy and Walgett Aboriginal Medical Service Cooperative to supply S100 medications, undertake medication reviews and support the Walgett Aboriginal Medical Service Cooperative to establish systems.

Yalmambila Dhaany (The ones who teach others) is an Aboriginal women's peer education program in Greater Western Area Health Service. The program extends the *Aboriginal Maternal and Infant Health Strategy* through education sessions on a range of health issues for mothers and their young children. The program has a community development focus and encourages women to re-enter the formal education system.

Mentoring program

Funding was secured from the Australian Government to establish a training, supervision and mentoring program for staff new to cancer services in the Greater Western Area Health Service hospitals. The program is linked to Liverpool Hospital Cancer Services.

Performance

PERFORMANCE INDICATOR
Staff Turnover

Permanent staff separation rate.

Desired outcome
To reduce/maintain turnover rates within acceptable limits to increase staff stability and minimise unnecessary losses.

Context
Human resources represent the largest single cost component for NSW Health Services. High staff turnover rates are associated with increased costs in terms of advertising for and training new employees, lost productivity and potentially a decrease in the quality and safety of services and the level of services provided.

Factors influencing turnover include: remuneration and recognition, employer/employee relations and practices, workplace culture and organisational restructure. Monitoring turnover rates over time will enable the identification of areas of concern and development of strategies to reduce turnover. Note that high turnover can be associated with certain facilities, such as tertiary training hospitals, where staff undertake training for specified periods of time. Also, certain geographic areas attract overseas nurses working on short-term contracts.

Staff Turnover – permanent staff separation rate (%)
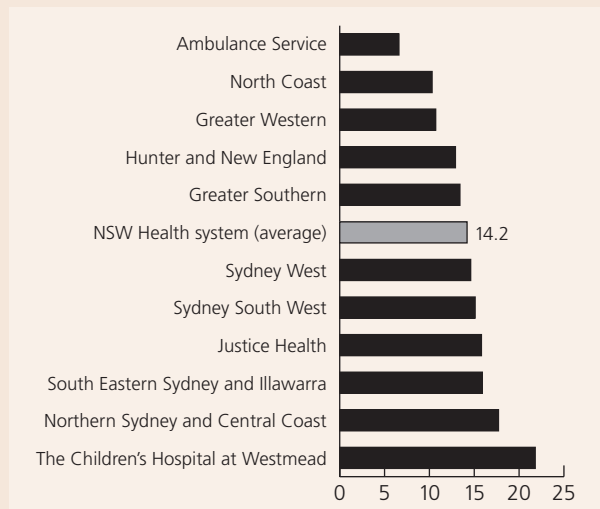
Source: DOH-HR – Premier's Workforce Profile Data Collection.
Excludes Third Schedule Facilities.

Interpretation
In 2005/06 the average staff turnover for permanent staff employed within the NSW health system was 14.2 per cent. The Ambulance Service of NSW, a statewide service, recorded the lowest turnover rate of 6.6 per cent while The Children's Hospital at Westmead, a single facility, recorded the highest at 21.8 per cent. As indicated, factors influencing turnover vary considerably between hospitals and Health Services. Health Services with tertiary training facilities will have higher turnover of medical and nursing staff.

Related programs/policies
- Flexible work policies
- Family Friendly work policies
- Continuation of strategies aimed at recruitment and retention of clinical staff within the system.

PERFORMANCE INDICATOR
Clinical staff as a proportion of total staff

Medical, nursing, allied health professionals, other professionals, oral health practitioners and ambulance clinicians

Desired outcome
Increased proportion of total salaried staff employed that provide direct services or support the provision of direct care.

Context
The organisation and delivery of health care is complex and involves a wide range of health professionals, service providers and support staff. Clinical staff comprises medical, nursing, allied and oral health professionals, ambulance clinicians and other health professionals, such as counsellors and Aboriginal health workers. These groups are primarily the front line staff employed in the health system.

In response to increasing demand for services, it is essential that the numbers of front line staff are maintained in line with that demand and that service providers re-examine how services are organised to direct more resources to frontline care. Note that the primary function of a small proportion of this group may be in management or administration, providing support to frontline staff.

Medical, nursing, allied health professionals, other professionals, oral health practitioners and ambulance clinicians as a proportion of total staff (%)

June 2003	June 2004	June 2005	June 2006
63.7	64.2	64.1	65.3

Interpretation of NSW Statewide result
From June 2003 to June 2006, the percentage of 'clinical staff', as a proportion of total staff increased from 63.7 per cent to 65.3 per cent or an additional 5,404 health professionals working in the public health system. From June 2005 to June 2006 the NSW public health system employed an additional 364 medical practitioners, 1,397 nurses and 274 allied health professionals. The increase reflects the on-going commitment of NSW Health and its Health Services to direct resources to frontline staff to meet strong growth in demand.

Related policies/programs
- Continuation of strategies aimed at recruitment and retention of clinical staff within the system.
- Continuation of the Shared Services and Corporate Reforms Strategies.

Strong corporate and clinical governance

The establishment of the Department of Health's Corporate Governance and Risk Management Branch was an important step towards a strong, organisational focus on corporate governance. The Branch has brought together the functions of risk management, regulatory affairs, corporate governance, external relations and employment screening and review and has enabled a strategic perspective to policy and priority setting.

Clinical governance is overseen by the Department of Health's *NSW Patient Safety and Clinical Quality Program* which provides a framework for significant improvements to clinical quality in our public health system and ensures that patient safety and excellence is the top priority for the NSW health system. The Quality and Safety Branch is responsible for:

- setting standards for Area Health Service quality systems
- developing policies on quality and safety for state-wide implementation
- developing and reporting on system-wide quality indicators
- monitoring and analysing serious clinical incidents, and taking appropriate action such as advice and warnings to the health system
- overseeing state-wide clinical governance issues
- overseeing consistent implementation of the NSW Patient Safety and Clinical Quality Program.

Clinical governance units have been established in all Area Health Services and are responsible for overseeing and monitoring quality work and initiatives in health services.

Safety Alert Broadcast System

The *Safety Alert Broadcast System* (SABS) was introduced during the year as a key method of providing essential safety information to NSW Health. It provides an early and rapid warning of issues affecting patient safety and clinical quality. Each Health Service is required to confirm the action that has been taken in response to each alert.

Issues addressed through the SABS in 2005/06 included the care and operation of infusion pumps and the degradation of implantable pacemakers late in the life of these devices.

Management of complaint or concern about a clinician

NSW Health has established a consistent and reliable way of handling concerns or complaints about clinicians. The process has been implemented state-wide to ensure prompt and effective investigation is undertaken into concerns or complaints and that appropriate action is taken. The consistency and transparency of the process ensures that natural justice is afforded to all people involved.

Performance

Future initiatives

Evaluation Framework for the Centre for Aboriginal Health

An evaluation framework is being developed for key Aboriginal health programs funded by the Department. The Framework will enable assessment of key elements of the new *Aboriginal Health Program*.

NSW Aboriginal Health Partnership

The *NSW Aboriginal Health Partnership Agreement*, between the Aboriginal Health & Medical Research Council of NSW and the NSW Minister for Health, is the forum for the interface between the public health system and Aboriginal community controlled health services. The Agreement will be revised to incorporate changes to governance in Aboriginal affairs.

NSW Aboriginal Health Information Guidelines Review

The current Guidelines, which were released in 1998, will be revised to reflect changes to information technology, current approaches to information management and current privacy legislation and policy.

Resource Distribution Formula for Area Aboriginal Health Program Funds

The development and implementation of a *Resource Distribution Formula* will provide for equitable and transparent allocation of funds using population and morbidity-based data to establish need, and provide for flexibility within Areas for addressing ongoing and emerging Aboriginal health issues.

Integrated Primary Health and Community Care Services

In 2006/07 it is planned to establish between four and eight Integrated Primary Health and Community Care Services using capital funding provided by the State Government. The involvement of general practitioners and Divisions of General Practice will be pivotal to the successful provision of these integrated local services.

After Hours General Practice Clinics Co-located with Hospitals

In 2006/07 it is planned to establish up to 10 After Hours GP clinics collocated with hospitals in order to improve community access to after-hour primary care services.

Australian Health Care Agreement

NSW Health will participate in the review of the *Australian Health Care Agreement* through the process initiated by the COAG Human Capital Working Group. The current Agreement will expire in June 2008. NSW Health will collaborate with other states and territories to renegotiate the next Australian Health Care Agreement and to participate in any national health programs.

Rehabilitation Clinician Support Network

The Clinician Network Project Officer will develop and implement a framework for a rural rehabilitation clinician network with a view to identifying generic properties and features that can be applied to other clinician groups with expertise in the rehabilitation and recovery of clients with mental and physical health needs.

Rural Research Capacity Building Program

This program is being developed through partnerships with Departments of Rural Health and Clinical Schools at NSW universities. It will provide 30 individuals with the opportunity to undertake training in research principles, and continue in a supported environment to undertake a research project over the subsequent one or two years.
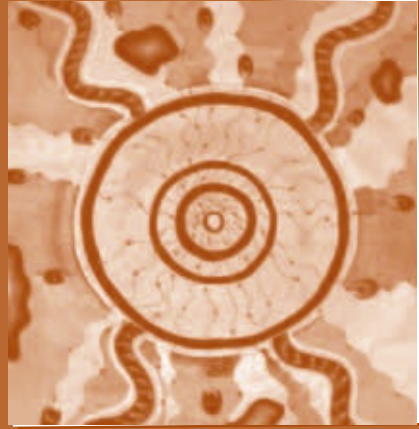
Financials

Performance against 2005/06 Budget Allocation

NSW Health is the major provider of health services to the NSW public and comprises around 28 per cent of NSW General Government Sector expenditures.

The Statement of Financial Performance identifies that total expenses for 2005–06 amounted to $11.26 billion which is a 8.6 per cent increase over 2004–05. An average of $30.85 million is expended each day.

User charges, where applied, are not based on full cost recovery or on commercial returns and instead reflect a contribution to the operating costs of health services. Because of these financial arrangements, the Department's performance measurement is best reflected in the net cost of providing those services. For the year ending 30 June 2006, this net cost was $9.79 billion compared with $9.04 billion in 2004–05.

The NSW Government increased its funding for operating (including superannuation) and capital needs to the NSW Department of Health from the Consolidated Fund by $860 million or 9.6 per cent to $9.858 billion in 2005–06.

Consolidated Funds are used to meet both recurrent and capital expenditures, and are accounted for after Net Cost of Service is calculated in order to determine the movement in accumulated funds for the year.

While capital funding is shown in the Operating Statement, capital expenditure is not treated as an expense. By its nature, it is reflected in the Balance Sheet.

The amount the Department receives from year to year for capital purposes varies in line with its Capital Works Program but does influence the amount reported as the "Result For the Year". The result reported is also influenced by the extent of third party contributions restricted by donor conditions.

Expenses incurred throughout the health system are varied but the major categories include:

■ $6.95 billion for salaries and employee related expenses ($6.38 billion in 2004–05)

■ $81 million for food ($75 million in 2004–05)

■ $918 million for drugs, medical and surgical supplies ($842 million in 2004–05)

■ $72 million for fuel, light and power ($64 million in 2004–05)

■ $441 million for visiting medical staff ($402 million in 2004–05)

The financial statements identify that, whilst $411 million was charged for depreciation and amortisation on Property, Plant and Equipment and Intangibles, an amount of $606 million was incurred in capital expenditure. This constitutes a real increase in the value of health assets and reflects the significant capital works program to improve NSW health infrastructure.

Since 30 June 2001 the total assets of NSW Health have increased by $3.088 billion or over 44 per cent. The most significant movement has been the increase in Property, Plant and Equipment and Intangible Assets of $2.535 billion or 40.6 per cent which, reflects the injection of Capital funding referenced above and the independent revaluations of assets.

Cash and Other Financial Assets have also increased by $413 million since 30 June 2001 flowing from factors such as increased monies held as restricted assets (eg donations) $228 million, increased Salaries and Wages accruals $76 million, increased superannuation liability $32 million and increased capital/creditors $38 million and increases in other creditors/balance sheet movements. The cash movement in 2005/06 was only $3 million.

Total Liabilities since June 2002 have increased by some $999 million or 58 per cent. This generally comprises:

■ an increase in Payables of $359 million stemming from the introduction of the Goods and Services Tax, the reclassification of Salary Accruals and salary related payments from Provisions to Payables in accordance with revised Australian Accounting Standards and the accrual at 30 June 2006 for awards which were subsequently paid in July 2006.

■ an increase in Employee entitlements or Provisions of $654 million due to various Award movements that have occurred together with changes in the measurement of leave values to accord with revised Australian Accounting Standards.

Health Services Liquidity and Creditor Payments – Health Services are required to utilise best practice liquidity management to maximise revenue and have funds available to pay staff, creditors and other cash liabilities as they fall due. However, payments to suppliers must be made in accordance with contract or normal terms unless payment is disputed over the condition or quantum of goods and services or the late receipt of invoices.

The NSW Department of Health monitors creditor performance on a regular basis and, where liquidity management is found to be deficient, requires relevant health services to improve performance, and implement strategies. The Department monitors progress, both in the short term and on a long term basis to achieve acceptable payment terms to suppliers.

Performance at balance date in the past three years against Trade Creditor benchmarks reported by health services is:

	30 June 2004	30 June 2005	30 June 2006
Value of General Accounts not paid within 45 days, $M	7.5	13.2	1.3
Number of Health Services reporting General Creditors > 45 days	3	4	1

Since 2004/05 the Department has set a benchmark that creditor payments should not exceed between 35 and 45 days from receipt of invoice.

In 2005/06 ten of the eleven major Health Services monitored achieved the 45 day requirement at 30 June 2006. The Department continues to work with Health Services to effect improvements in creditor payment and management.

2005/06 Major Funding Initiatives

The 2005/06 State Expenditure Budget was $10.875 billion, ie a 9 per cent increase over the initial budget for 2004/05.

The Government focus in the 2005/06 health budget was directed towards addressing a number of demand pressures including a growing and ageing population, changing and improved health technology plus increasing consumer expectations.

Key features of the 2005/06 recurrent expenditure on health care in NSW included:

■ Quarantining $1.5 billion for emergency and elective surgery including an additional $15 million in 2005/06.

■ A mental health program totalling $854 million including an extra $45 million of new initiatives in 2005/06 ($22 million for PEC and Community Mental Health and a further $23 million on top of the $25 million announced in 2004/05).

■ 387 extra beds (Stage 1) and a further 345 acute and non acute beds (Stage 2) to increase the bed base across NSW at a cost of some $200 million.

■ $25 million for 57 new adult, paediatric and neo-natal intensive care beds and services.

■ $19.7 million to initiate a major new clinical services redesign program, to ensure that administrators work closely with clinicians and patients to smooth patient treatment and create better working environments.

■ $10 million for the Ambulance Service of NSW to provide more than 100 new staff and lease 22 new vehicles in the metropolitan area.

■ $10.5 million in additional funding for Statewide services, including Interventional Neuroradiology at

RPA and RNS, severe burn services at Concord and RNS, improved genetic services, paediatric emergency assistance at non specialist paediatric hospitals and improved aeronautical medical retrieval services.

■ $80 million in general growth funding across the eight new Area Health Services with a further $8 million distributed to the non RDF hospitals and Justice Health.

2005/06 was the second year of the $241 million four-year mental health package of enhancements to a range of services including additional beds in acute settings as well as extensive community involvement. In 2005/06 major initiatives included:

■ $1.4 million for the commissioning of a new 20 bed non-acute unit at Campbelltown Hospital (construction commenced in January 2005)

■ $2.5 million for a 15 bed psychiatric intensive care unit at Hornsby Hospital

■ $2.5 million for 16 acute beds at Dubbo (increasing to $3.2 million in 2006/07)

■ $8 million to expand the Housing Accommodation Support Initiative (HASI) to provide a range of medium-high accommodation support places operated by non-Government organisations (NGOs)

■ $4 million for an integrated statewide child and adolescent mental health service encompassing emergency assessment, supported beds in local hospitals, and step up/step down day centres linked to tertiary hospitals and community facilities

■ $1.9 million for workforce development programs including support to Universities for mental health nursing development.

Initial cash allocations in 2005/06 to health services were increased by over $600 million or on average by 8.3 per cent compared to 2004/05 as follows:

Health Services	2005/06 $M	2004/05 $M	Increase $M	%
Sydney South West Area Health Service	1,493.4	1,361.9	131.5	9.7
South Eastern Sydney/Illawarra Area Health Service	1,420.6	1,321.8	98.8	7.5
Sydney West Area Health Service	1,062.9	978.4	84.5	8.6
Northern Sydney/Central Coast Area Health Service	1,008.3	929.1	79.2	8.5
Hunter/New England Area Health Service	919.3	854.8	64.5	7.5
North Coast Area Health Service	541.8	497.9	43.9	8.8
Greater Southern Area Health Service	447.2	414.5	32.7	7.9
Greater Western Area Health Service	398.4	376.3	22.1	5.9
The Children's Hospital at Westmead	163.2	153.6	9.6	6.3
Ambulance Service	262.4	232.8	29.6	12.7
Justice Health	68.0	61.5	6.5	10.6
Total	7,785.5	7,182.6	602.9	8.3

Note: These figures reflect initial Net Cash Allocations for 2004/05 and 2005/06 and have been adjusted for 1 January 2005 amalgamations and boundary changes.

Consolidated Financial Statements

The Department is required under the Annual Reports (Departments) Act to present the annual financial statements of each of its controlled entities.

This has been achieved by tabling the 2005/06 annual reports of each Health Service before Parliament. For these purposes the report of each Health Service should be viewed as a volume of the Department of Health's overall report.

Key indicators and comparatives at a Consolidated NSW Health level are:

NSW Health Key Financial Indicators

	2005/06 $M	2004/05 $M	Increase on Previous Year $M	%
Expenses	11,260	10,370	+890	+8.6
Revenue	1,489	1,349	+140	+10.4
Net Cost of Service	9,794	9,037	+757	+8.4
Recurrent Appropriation	9,226	8,027	+1,199	+14.9
Capital Appropriation	481	453	+28	+6.2
Net Assets	7,328	7,056	+272	+3.9
Total Assets	10,051	9,592	+459	+4.8
Total Liabilities	2,723	2,536	+187	+7.4

Source: Audited Financial Statements

2005/06 Total Expenses Comparisons

Expenses Include	2005/06 $M	2004/05 $M	2003/04 $M	2002/03 $M	2001/02 $M
Salaries and employee related expenses	6,946	6,381	5,893	5,339	4,822
Food	81	75	76	73	69
Drugs, medical and surgical supplies	918	842	766	699	623
Fuel, light and power	72	64	61	59	56
Visiting medical staff	441	402	381	361	320

Source: Audited Financial Statements

Movement in Key Financial Indicators Over Last 6 Years

	June 2006 $M	June 2005 $M	June 2004 $M	June 2003 $M	June 2002 $M	June 2001 $M
Assets						
Property, Plant and Equipment and Intangibles	8,781	8,408	7,426	6,926	6,612	6,246
Inventories	76	72	66	68	64	62
Cash and Investments	871	868	683	666	504	458
Receivables	295	192	162	165	183	190
Other	28	52	42	35	40	7
Total	10,051	9,592	8,380	7,860	7,403	6,963
Liabilities						
Payables	708	690	543	525	470	349
Provisions	1,877	1,700	1,507	1,391	1,181	1,223
Interest Bearing Liabilities	48	82	109	105	105	105
Other	90	64	65	77	75	47
Total	2,723	2,536	2,224	2,098	1,831	1,724
Equity	7,328	7,056	6,156	5,762	5,572	5,239

Source: Audited Financial Statements

2006/07 and Forward Years

The 2006/07 Expense budget of $11.7 billion represents an increase of $828 million or 7.6 per cent over that provided in 2005/06.

Key initiatives, 2006/07

The 2006/07 health budget continues to focus on addressing a number of demand pressures including a growing and ageing population, changing and improved health technology, mental health plus increasing consumer expectations.

Key features of the 2006/07 recurrent expenditure budget for NSW Health includes:

- Growing available bed capacity with funding to operate the equivalent of 426 beds on top of the 800 beds announced with the 2005/06 Budget and the 563 beds and places announced with the 2004/05 Budget.

- Over $10 million for 13.5 new intensive care beds and cots to help people recovering from major surgery or illness.

- Integrating GP services with hospital care to give people access to the right medical care, in the right place, at the right time including:

  - Funding for ten new After-Hours GP Services co-located with Emergency Departments

  - Progressing ten Integrated Primary Health and Community Care Services with four to eight established in 2006/07.

- An additional $15 million for elective surgery to continue our innovative waiting list reduction strategy.

- $4.8 million for statewide services including stroke, spinal injury, NSW newborn and paediatric emergency transport and children requiring long term ventilation.

- $7.9 million for 93 new ambulance officers to improve emergency care in Sydney and rural areas.

- $10 million for a new anti-tobacco campaign to reduce smoking prevalence by a further 1 per cent or 50,000 additional smokers quitting;

- $5.5 million in recurrent funding for five new linear accelerators, including one each at Coffs Harbour and Port Macquarie as part of the Government's Cancer Plan.

- $4 million ($40 million over 4 years) to address dental waiting lists.

- Mental health funding of $946 million, an increase of $93 million or 10.9 per cent on last year. Funding enhancements of $300 million over five years including $38 million in 2006/07 that includes:

  - $3 million per annum for the ongoing provision of 14 mental health beds at Liverpool.

  - $6.8 million for out of hours community and acute community response for psychiatric emergencies.

  - $5.6 million to treat people with both mental health and substance use disorders.

  - $5 million to expand Stage Four of the Housing and Accommodation and Support Initiative (HASI) to provide at least a further 234 support packages.

  - $4 million for additional community based mental health services for older people

  - $1.3 million for specialist support for treating people in contact with the justice system

  - $1.4 million for enhanced mental health support specifically for youth

Independent Audit Report

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDIT REPORT

Department Of Health

To Members of the New South Wales Parliament

Audit Opinion

In my opinion, the financial report of the Department of Health (the Department):

- presents fairly the Department's and the consolidated entity's (defined below) financial position as at 30 June 2006 and their performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and

- complies with section 45E of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

Scope

The Financial Report and the Director General's Responsibility

The financial report comprises the operating statements, statements of changes in equity, balance sheets, cash flow statements, the program statement - expenses and revenues, the summary of compliance with financial directives and accompanying notes to the financial statements for the Department and Consolidated entity, for the year ended 30 June 2006. The consolidated entity comprises of the Department and the entities it controlled during the financial year.

The Director-General is responsible for the preparation and true and fair presentation of the financial report in accordance with the Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I conducted an independent audit in order to express opinions on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Director-General in preparing the financial report,

- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that the Director General had not fulfilled her reporting obligations.
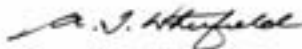
My opinion does *not* provide assurance:

- about the future viability of the Department or its controlled entities,
- that they have carried out their activities effectively, efficiently and economically,
- about the effectiveness of their internal controls, or
- on the assumptions used in formulating the budget figures disclosed in the financial report.

Audit Independence

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.

A T Whitfield
Deputy Auditor General
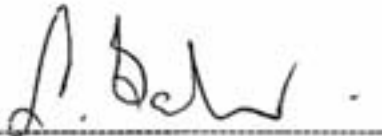
SYDNEY
5 December 2006

Certification of Accounts

CERTIFICATE OF ACCOUNTS

Pursuant to Section 45(F) of the Public Finance and Audit Act 1983 (the Act), we state that:

(i) The financial statements of the NSW Health Department (parent entity) and the consolidated entity comprising the Department and its controlled activities for the year ended 30 June 2006 have been prepared in accordance with the requirements of applicable Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards (AEIFRS), the requirements of the Public Finance and Audit Act 1983, and its regulations and Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under Section 9(2)(n) of the Act and the requirements of the Health Administration Act 2000, and its regulations.

(ii) The financial statements present fairly the financial position and transactions of the Department and the consolidated entity.

(iii) There are no circumstances which would render any particulars in the accounts to be misleading or inaccurate.

Ken Barker
Chief Financial Officer

Robyn Kruk
Director-General

21 November 2006

Operating Statement

for the year ended 30 June 2006

| PARENT | | | | Notes | CONSOLIDATED | | |
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000			Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
			Expenses excluding losses				
			Operating Expenses				
107,026	102,894	111,785	Employee Related	3	6,946,213	6,691,231	6,380,846
373,106	380,732	434,728	Other Operating Expenses	4	3,128,366	3,144,709	2,973,401
17,343	15,671	15,821	Depreciation and Amortisation	5	411,447	418,550	388,612
9,329,889	9,219,636	8,044,119	Grants and Subsidies	6	768,725	634,952	621,096
1,649	1,649	2,609	Finance Costs	7	4,890	6,573	6,241
9,829,013	9,720,582	8,609,062	Total Expenses excluding losses		11,259,641	10,896,015	10,370,196
			Revenue				
150,069	117,421	101,411	Sale of Goods and Services	8	1,086,264	1,019,754	1,009,238
11,364	6,292	6,133	Investment Income	9	62,136	51,172	59,285
35,945	35,955	35,044	Grants and Contributions	10	246,213	184,829	201,670
14,035	7,458	935	Other Revenue	11	94,112	90,656	78,614
211,413	167,126	143,523	Total Revenue		1,488,725	1,346,411	1,348,807
(94)	-----	(22)	Gain/(Loss) on Disposal	12	(4,526)	-----	4,469
(1,202)	-----	(487)	Other Gains/(Losses)	13	(18,963)	-----	(19,658)
9,618,896	9,553,456	8,466,048	Net Cost of Services	37	9,794,405	9,549,604	9,036,578
			Government Contributions				
9,226,042	9,124,833	8,027,362	Recurrent Appropriation	15	9,226,042	9,124,833	8,027,362
481,079	455,503	453,230	Capital Appropriation	15	481,079	455,503	453,230
3,024	-----	2,958	Asset Sale Proceeds transferred to Parent		-----	-----	-----
6,454	7,160	10,217	Acceptance by the Crown Entity of Employee Benefits	16	150,477	121,694	516,666
9,716,599	9,587,496	8,493,767	Total Government Contributions		9,857,598	9,702,030	8,997,258
97,703	**34,040**	**27,719**	**RESULT FOR THE YEAR**	32	**63,193**	**152,426**	**(39,320)**

The accompanying notes form part of these Financial Statements

Statement of Changes in Equity

for the year ended 30 June 2006

PARENT					CONSOLIDATED		
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000		Notes	Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
-----	-----	40,415	Net increase/(decrease) in Property, Plant and Equipment Asset Reserve	32	214,574	(140,700)	940,565
-----	-----	-----	Available for Sale Financial Assets Revaluation Reserve transfer to "Result for Year" on disposal	32	(784)	-----	1,855
-----	-----	40,415	**TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY**	32	213,790	(140,700)	942,420
97,703	34,040	27,719	Result for the Year		63,193	152,426	(39,320)
97,703	34,040	68,134	**TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR**		276,983	11,726	903,100

The accompanying notes form part of these Financial Statements

Balance Sheet

as at 30 June 2006

| PARENT | | | | | CONSOLIDATED | | |
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000		Notes	Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
			ASSETS				
			Current Assets				
131,796	130,835	173,711	Cash and Cash Equivalents	18	630,096	649,120	588,681
56,313	35,102	34,984	Receivables	19	289,166	225,041	226,794
-----	-----	-----	Inventories	20	76,359	73,182	72,178
-----	-----	-----	Financial Assets at fair value	21	151,386	102,078	102,078
41,648	30,081	23,031	Other Financial Assets	22	54,064	141,870	141,870
-----	-----	-----	Non Current Assets Held for Sale	24	15,943	26,379	17,739
229,757	196,018	231,726	Total Current Assets		1,217,014	1,217,670	1,149,340
			Non-Current Assets				
-----	-----	-----	Receivables	19	6,064	7,002	7,002
2,661	3,061	3,061	Financial Assets at fair value	21	35,269	35,716	35,716
46,748	46,748	52,372	Other Financial Assets	22	-----	19	19
			Property, Plant and Equipment				
101,152	101,152	100,724	– Land and Buildings	25	7,691,619	7,433,956	7,428,485
10,505	12,727	12,875	– Plant and Equipment	25	714,169	673,231	632,564
-----	-----	-----	– Infrastructure Systems	25	322,072	264,753	287,109
111,657	113,879	113,599	Total Property, Plant and Equipment		8,727,860	8,371,940	8,348,158
4,056	29,580	40,685	Intangible Assets	26	53,286	64,653	42,297
-----	-----	-----	Other	23	11,350	9,347	9,347
165,122	193,268	209,717	Total Non-Current Assets		8,833,829	8,488,677	8,442,539
394,879	389,286	441,443	**Total Assets**		10,050,843	9,706,347	9,591,879
			LIABILITIES				
			Current Liabilities				
95,304	110,508	171,314	Payables	28	708,205	655,026	689,557
-----	-----	5,577	Borrowings	29	13,258	28,458	17,137
14,304	11,577	11,132	Provisions	30	1,780,056	1,724,900	1,585,900
24,683	21,913	21,913	Other	31	57,462	33,126	33,126
134,291	143,998	209,936	Total Current Liabilities		2,558,981	2,441,510	2,325,720
			Non-Current Liabilities				
-----	-----	28,023	Borrowings	29	34,629	52,148	64,439
-----	-----	-----	Provisions	30	96,839	114,142	114,142
2,796	6,081	6,081	Other	31	32,778	30,695	31,452
2,796	6,081	34,104	Total Non-Current Liabilities		164,246	196,985	210,033
137,087	150,079	244,040	**Total Liabilities**		2,723,227	2,638,495	2,535,753
257,792	239,207	197,403	**Net Assets**		7,327,616	7,067,852	7,056,126
			EQUITY	32			
59,732	58,820	58,820	Reserves		1,387,101	1,049,691	1,190,391
198,060	180,387	138,583	Accumulated Funds		5,939,444	6,016,306	5,863,880
-----	-----	-----	Amounts Recognised in Equity Relating to Assets Held for Sale	24	1,071	1,855	1,855
257,792	239,207	197,403	**Total Equity**		7,327,616	7,067,852	7,056,126

The accompanying notes form part of these Financial Statements

Cash Flow Statement

for the year ended 30 June 2006

| PARENT | | | | Notes | CONSOLIDATED | | |
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000		Notes	Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
			CASH FLOWS FROM OPERATING ACTIVITIES				
			Payments				
(99,546)	(95,289)	(474,483)	Employee Related		(6,650,146)	(6,422,968)	(6,001,285)
(9,381,631)	(9,219,636)	(7,989,206)	Grants and Subsidies		(768,725)	(611,952)	(643,774)
(1,649)	(1,649)	(2,609)	Finance Costs		(4,890)	(6,573)	(6,590)
(498,373)	(504,593)	(503,974)	Other		(3,648,199)	(3,439,929)	(3,489,260)
(9,981,199)	(9,821,167)	(8,970,272)	Total Payments		(11,071,960)	(10,481,422)	(10,140,909)
			Receipts				
135,481	117,421	87,892	Sale of Goods and Services		1,047,309	1,019,315	1,020,784
8,409	6,292	6,616	Interest Received		59,033	51,172	60,121
147,623	102,695	149,147	Other		858,863	506,036	801,092
291,513	226,408	243,655	Total Receipts		1,965,205	1,576,523	1,881,997
			CASH FLOWS FROM GOVERNMENT				
9,226,042	9,124,833	8,027,362	Recurrent Appropriation		9,226,042	9,124,833	8,027,362
481,079	455,503	453,230	Capital Appropriation		481,079	455,503	453,230
3,024	-----	2,958	Asset Sale Proceeds transferred to Department		-----	-----	-----
-----	-----	413,124	Cash Reimbursements from the Crown Entity		-----	-----	413,124
9,710,145	9,580,336	8,896,674	NET CASH FLOWS FROM GOVERNMENT		9,707,121	9,580,336	8,893,716
20,459	**(14,423)**	**170,057**	**NET CASH FLOWS FROM OPERATING ACTIVITIES**	37	**600,366**	**675,437**	**634,804**
			CASH FLOWS FROM INVESTING ACTIVITIES				
54	-----	29	Proceeds from Sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		15,641	32,350	44,972
23,283	5,624	32,827	Proceeds from Sale of Investments		74,686	-----	214,364
(3,714)	(3,734)	(24,501)	Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(576,853)	(646,378)	(470,686)
(48,397)	-----	(40,327)	Purchases of Investments		(32,540)	-----	(223,536)
-----	-----	-----	Other		-----	-----	60
(28,774)	**1,890**	**(31,972)**	**NET CASH FLOWS FROM INVESTING ACTIVITIES**		**(519,066)**	**(614,028)**	**(434,826)**
			CASH FLOWS FROM FINANCING ACTIVITIES				
-----	-----	39,681	Proceeds from Borrowings and Advances		25,136	7,305	83,044
(33,600)	(33,600)	(54,380)	Repayment of Borrowings and Advances		(60,102)	(8,275)	(97,924)
(33,600)	**(33,600)**	**(14,699)**	**NET CASH FLOWS FROM FINANCING ACTIVITIES**		**(34,966)**	**(970)**	**(14,880)**
(41,915)	**(46,133)**	**123,386**	**NET INCREASE/(DECREASE) IN CASH**		**46,334**	**60,439**	**185,098**
173,711	176,968	50,325	Opening Cash and Cash Equivalents		581,108	581,108	396,010
-----	-----	-----	Cash transferred in/(out) as a result of administrative restructuring	43	(6,196)	-----	-----
131,796	130,835	173,711	CLOSING CASH AND CASH EQUIVALENTS	18	621,246	641,547	581,108

The accompanying notes form part of these Financial Statements

Program Statement – Expenses and Revenues

for the year ended 30 June 2006

Supplementary Financial Statement

EXPENSES AND REVENUES	Program 1.1* Primary and Community Based Services 2006 $000	2005 $000	Program 1.2* Aboriginal Health Services 2006 $000	2005 $000	Program 1.3* Outpatient Services 2006 $000	2005 $000	Program 2.1* Emergency Services 2006 $000	2005 $000	Program 2.2* Overnight Acute Inpatient Services 2006 $000	2005 $000	Program 2.3* Same Day Acute Inpatient Services 2006 $000	2005 $000	Program 3.1* Mental Health Services 2006 $000	2005 $000	Program 4.1* Rehabilitation and Extended Care Services 2006 $000	2005 $000	Program 5.1* Population Health Services 2006 $000	2005 $000	Program 6.1* Teaching and Research 2006 $000	2005 $000	Not Attributable 2006 $000	2005 $000	Total 2006 $000	2005 $000
Expenses excluding losses																								
Operating Expenses																								
Employee Related	559,853	514,360	21,726	24,221	675,181	633,053	818,398	759,947	2,754,234	2,500,302	367,352	345,355	638,458	601,424	597,301	566,817	159,993	129,939	353,717	305,428	-----	-----	6,946,213	6,380,846
Other Operating Expenses	179,915	173,351	11,391	11,237	372,587	330,860	279,852	258,596	1,424,742	1,320,253	237,129	269,473	172,133	179,517	202,292	189,528	145,561	132,955	102,764	107,631	-----	-----	3,128,366	2,973,401
Depreciation and Amortisation	27,085	21,837	812	898	49,752	48,750	45,312	45,106	180,812	169,774	26,821	24,776	27,437	27,075	32,913	32,417	7,093	5,509	13,410	12,470	-----	-----	411,447	388,612
Grants and Subsidies	98,780	85,462	13,343	12,863	77,896	54,146	27,214	20,250	177,406	170,590	14,738	8,774	71,894	32,659	141,548	137,810	50,974	37,087	94,932	61,455	-----	-----	768,725	621,096
Finance Costs	-----	239	-----	8	-----	384	4,391	333	4,391	4,237	-----	391	499	144	-----	274	-----	77	-----	154	-----	-----	4,890	6,241
Total Expenses excluding losses	865,633	795,249	47,272	49,227	1,175,416	1,067,193	1,170,776	1,084,232	4,541,585	4,165,156	646,040	648,769	910,421	840,819	974,054	926,846	363,621	305,567	564,823	487,138	-----	-----	11,259,641	10,370,196
Revenue																								
Sale of Goods and Services	21,943	29,507	2,945	2,519	72,849	69,028	84,530	70,547	570,001	517,897	51,543	52,505	43,048	42,567	157,474	140,544	16,600	13,007	65,331	71,117	-----	-----	1,086,264	1,009,238
Investment Income	3,952	3,569	136	65	3,931	4,690	3,211	5,398	24,804	17,919	3,052	2,533	2,125	2,261	5,538	5,006	1,938	1,425	13,449	16,419	-----	-----	62,136	59,285
Grants and Contributions	32,297	26,430	1,234	2,181	8,827	10,692	10,582	9,467	49,697	29,558	6,385	7,963	8,081	6,991	38,313	32,860	21,798	3,940	68,999	71,588	-----	-----	246,213	201,670
Other Revenue	7,084	4,433	505	240	6,746	8,112	13,422	8,972	28,870	23,238	5,064	4,187	3,210	2,935	10,087	8,902	4,141	4,317	14,983	13,278	-----	-----	94,112	78,614
Total Revenue	65,276	63,939	4,820	5,005	92,353	92,522	111,745	94,384	673,372	588,612	66,044	67,188	56,464	54,754	211,412	187,312	44,477	22,689	162,762	172,402	-----	-----	1,488,725	1,348,807
Gain/(Loss) on Disposal	(829)	(474)	3	(13)	(1,508)	(307)	153	64	(3,080)	9,538	162	(62)	541	57	76	(4,211)	6	(263)	(50)	140	-----	-----	(4,526)	4,469
Other Gains/(Losses)	233	-----	(8)	(8)	(256)	(244)	(9,810)	(9,341)	(9,589)	(9,131)	(391)	(372)	(365)	(348)	(225)	(214)	270	-----	1,178	-----	-----	-----	(18,963)	(19,658)
Net Cost of Services	800,953	731,784	42,457	44,243	1,084,827	975,222	1,068,688	999,125	3,880,882	3,576,137	580,225	582,015	853,781	786,356	762,791	743,959	318,868	283,141	400,933	314,596	-----	-----	9,794,405	9,036,578
Government Contributions **	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	9,857,598	8,997,258	9,857,598	8,997,258
RESULT FOR THE YEAR																							**63,193**	**(39,320)**
Administered Revenues																								
Consolidated Fund																								
– Taxes, Fees and Fines																					614	605	614	605
Total Administered Revenues																					614	605	614	605

* The name and purpose of each program is summarised in Note 17. The program statement uses statistical data to 31 December 2005 to allocate current year's financial information to each program.

** Appropriations are made on an agency basis and not to individual programs. Consequently government contributions must be included in the "Not Attributable" column.

Summary of Compliance with Financial Directives

Supplementary Financial Statement

	2006				2005			
	Recurrent Appropriation $000	Expenditure/ Net Claim on Consolidated Fund $000	Capital Appropriation $000	Expenditure/ Net Claim on Consolidated Fund $000	Recurrent Appropriation $000	Expenditure/ Net Claim on Consolidated Fund $000	Capital Appropriation $000	Expenditure/ Net Claim on Consolidated Fund $000
Original Budget Appropriation/ Expenditure								
Appropriation Act	9,102,306	9,091,835	455,503	455,503	7,941,601	7,926,316	431,950	431,950
Additional Appropriations	16,433	12,543						
S24 PF&AA – Transfers of functions between departments	7,984	7,984						
	9,126,723	9,112,362	455,503	455,503	7,941,601	7,926,316	431,950	431,950
Other Appropriations/Expenditure								
Treasurer's Advance	5,000	5,000	33,282	25,576	11,863	11,863	2,854	2,854
Section 22 – expenditure for certain works and services **	83,339	83,339	-----	-----	79,100	50,100	45,000	-----
Transfers to/from another agency (S28 of the Appropriation Act)	25,341	25,341	6,186	-----	39,083	39,083	18,426	18,426
	113,680	113,680	39,468	25,576	130,046	101,046	66,280	21,280
Total Appropriations/Expenditure/ Net Claim on Consolidated Fund (includes transfer payments)	**9,240,403**	**9,226,042**	**494,971**	**481,079**	**8,071,647**	**8,027,362**	**498,230**	**453,230**
Amount drawn down against Appropriation		**9,226,042**		**481,079**		**8,027,362**		**453,230**
Liability to Consolidated Fund *		-----		-----		-----		-----

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

* [The "Liability to Consolidated Fund" represents the difference between the "Amount Drawn down against Appropriation" and the "Total Expenditure/Net Claim on Consolidated Fund"].

** The Section 22 Appropriation in 2004/05 included $74 million which was subsequently drawn down by the Crown Entity and paid to the NSW Department of Health as an interest bearing loan. Note 29 reports the remaining indebtedness of $33.6 million on this loan as at 30 June 2005 (since fully extinguished).

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

1. The NSW Department of Health Reporting Entity

(a) The NSW Department of Health economic entity comprises all the operating activities of Area Health Services constituted under the *Health Services Act, 1997*; the Royal Alexandra Hospital for Children, the Justice Health Service, the Clinical Excellence Commission, HealthQuest, and the Health Administration Corporation (which includes the operations of the Ambulance Service of NSW, HealthTechnology and the NSW Institute of Medical Education and Training, the latter two being established on 1 April 2005 and 1 September 2005 respectively). All of these entities are reporting entities which produce financial statements in their own right. The Ambulance Service of NSW also produces a separate financial report.

The reporting economic entity is based on the control exercised by the Department, and, accordingly, encompasses Special Purposes and Trust Funds which, while containing assets which are restricted for specified uses by the grantor or donor, are nevertheless controlled by the entities referenced above.

(b) The Department's consolidated financial statements also include results for the parent entity thereby capturing the Central Administrative function of the Department.

(c) The consolidated accounts are those of the consolidated entity comprising the Department of Health (the parent entity) and its controlled entities. In the process of preparing the consolidated financial statements for the economic entity, consisting of the controlling and controlled entities, all inter entity transactions and balances have been eliminated.

(d) The reporting entity is a NSW Government Department. NSW Health is a not for profit entity (as profit is not its principal objective). The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

(e) These consolidated financial statements have been authorised by the Chief Financial Officer and Director General on 21 November 2006.

2. Summary of Significant Accounting Policies

The NSW Department of Health's financial statements are a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS), the requirements of the *Public Finance and Audit Act 1983* and Regulation, and the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under Section 9(2)(n) of the *Act*.

Property, plant and equipment and other assets held for sale are measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Judgements, key assumptions and estimations made by management are disclosed in the relevant notes to the financial statements.

The consolidated and parent entity financial statements and notes comply with Australian Accounting Standards, which include AEIFRS. This is the first financial report prepared based on AEIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly, except as stated below.

In accordance with AASB1, "First Time Adoption of Australian Equivalents to International Financial Reporting Standards" and Treasury Mandates, the date of transition to AASB132, "Financial Instruments: Disclosure and Presentation" and AASB139, "Financial Instruments: Recognition and Measurement" was deferred to 1 July 2005. As a result, comparative information for these two Standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005. The basis used to prepare the 2004/05 comparative information for financial instruments under previous Australian Accounting Standards is discussed in Note 2(s).

Reconciliations of AEIFRS equity and surplus or deficit for 30 June 2005 to the balances reported in the previous AGAAP 2004/05 financial report are detailed in Note 2(w). This note also includes separate disclosure of the 1 July 2005 equity adjustments arising from the adoption of AASB132 and AASB139.

The following Accounting Standards are being early adopted from 1 July 2005:

■ AASB 2005–04 regarding the revised AAS139 fair value option

■ UIG 9 regarding the reassessment of embedded derivatives

■ AASB 2005–06, which excludes from the scope of AASB3, business combinations involving entities or businesses under common control.

Any initial impacts on first time adoption are discussed as part of the AEIFRS first time adoption note disclosure (refer Note (2w)) along with the other AEIFRS impacts.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

Other significant accounting policies used in the preparation of these financial statements are as follows:

(a) Employee Benefits and Other Provisions

i) Salaries and Wages, Annual Leave, Sick Leave and On-Costs

Liabilities for salaries and wages (including non monetary benefits), annual leave and paid sick leave that fall wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

All Annual Leave employee benefits are reported as "Current" as there is an unconditional right to payment. Current Liabilities are then further classified as "Short Term" and "Long Term" based on past trends and known resignations and retirements. Anticipated payments to be made in the next twelve months are reported as "Short Term".

Unused non-vesting sick leave does not give rise to a liability, as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

ii) Long Service Leave and Superannuation Benefits

Long Service Leave employee leave entitlements are dissected as "Current" if there is an unconditional right to payment and "Non Current" if the entitlements are conditional. Current entitlements are further dissected between "Short Term" and "Long Term" on the basis of anticipated payments for the next twelve months. This in turn is based on past trends and known resignations and retirements.

Long Service Leave provisions are measured for all controlled entities on a short hand basis at an escalated rate of 17.4 per cent for short term entitlements and 7.6 per cent for long term entitlements above the salary rates immediately payable at 30 June 2006 for all employees with five or more years of service. Actuarial assessment has found that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement. Long Service Leave provisions for the parent entity have been calculated in accordance with the requirements of Treasury Circular T06/09.

The parent entity's liability for Long Service Leave is assumed by the Crown Entity.

The Department's liability (including controlled entities) for the closed superannuation pool schemes (State Authorities Superannuation Scheme and State Superannuation Scheme) is assumed by the Crown Entity. The Department accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee entitlements and other liabilities". Any liability attached to Superannuation Guarantee Charge cover is reported in Note 28, "Payables".

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (ie Basic Benefit and Superannuation Guarantee Charge) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

iii) Other Provisions

Other provisions exist when the entity has a present legal, equitable or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These provisions are recognised when it is probable that a future sacrifice of economic benefits will be required and the amount can be measured reliably.

(b) Insurance

The Department's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

(c) Finance Costs

Finance costs are recognised as expenses in the period in which they are incurred in accordance with Treasury's mandate for general government sector agencies.

(d) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

Financials

i) *Parliamentary Appropriations and Contributions from Other Bodies*

Parliamentary appropriations and contributions from Other Bodies (including grants and donations) are generally recognised as income when the agency obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year-end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, unspent appropriations are accounted for as liabilities rather than revenue.

ii) *Sale of Goods and Services*

Revenue from the sale of goods and services comprises revenue from the provision of products or services ie user charges. User charges are recognised as revenue when the service is provided or by reference to the stage of completion.

Patient fees are derived from chargeable inpatients and non-inpatients on the basis of rates charged in accordance with approvals communicated in the Government Gazette.

Specialist doctors with rights of private practice are charged an infrastructure charge for the use of hospital facilities at rates determined by the NSW Department of Health. Charges are based on fees collected.

iii) *Investment Income*

Interest revenue is recognised using the effective interest method as set out in AASB139, "Financial Instruments: Recognition and Measurement". Rental revenue is recognised in accordance with AASB117, "Leases" on a straight line basis over the lease term. Dividend revenue is recognised in accordance with AASB118 when the Department's right to receive payment is established.

iv) *Grants and Contributions*

Grants and Contributions are generally recognised as revenues when the Department obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

The Health Service, as a not-for-profit entity has applied the requirements in AASB 1004 Contributions regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new AASB 1004 and the previous AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft ED 125 Financial Reporting by Local Governments and ED 147 Revenue from Non-Exchange Transactions (Including Taxes and Transfers). If the ED 125 and ED 147 approach is applied, revenue and/or expense recognition will not occur until either the Health Service supplies the related goods and services (where grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 and ED 147 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

■ The amount of GST incurred by the Department/ its controlled entities as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

■ Receivables and payables are stated with the amount of GST included.

(f) Intangible Assets

The Department recognises intangible assets only if it is probable that future economic benefits will flow to the Department and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Department's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Department's intangible assets are amortised using the straight line method over a period of three to five years for items of computer software.

In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity the Department is effectively exempted from impairment testing (refer Paragraph 2(k)).

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

(g) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Department. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where settlement of any part of cash consideration is deferred beyond normal credit terms, its cost is cash price equivalent, ie the deferred payment amount is effectively discounted at an asset specific rate.

(h) Plant and Equipment and Infrastructure Systems

Individual items of property, plant and equipment and intangible assets costing $5,000 and above are capitalised.

"Infrastructure Systems" means assets that comprise public facilities and which provide essential services and enhance the productive capacity of the economy including roads, bridges, water infrastructure and distribution works, sewerage treatment plants, seawalls and water reticulation systems.

i) Depreciation

Depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the NSW Department of Health. Land is not a depreciable asset.

Details of depreciation rates for major asset categories are as follows:

Buildings	2.5%
Electro Medical Equipment	
– Costing less than $200,000	10.0%
– Costing more than or equal to $200,000	12.5%
Computer Equipment	20.0%
Infrastructure Systems	2.5%
Office Equipment	10.0%
Plant and Machinery	10.0%
Linen	20.0%
Furniture, Fittings and Furnishings	5.0%

(j) Revaluation of Non Current Assets

Physical non-current assets are valued in accordance with the "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP05-3). This policy adopts fair value in accordance with AASB116, "Property, Plant and Equipment" and AASB140, "Investment Property".

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Department revalues Land & Buildings and Infrastructure at minimum every five years by independent valuation and with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date.

Non-specialised generalised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the Result for the Year the increment is recognised immediately as revenue in the Result for the Year.

Revaluation decrements are recognised immediately as expenses in the Result for the Year except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not for profit entity revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(k) Impairment of Property, Plant and Equipment

As a not for profit entity the Department is effectively exempted from AASB136, Impairment of Assets and impairment testing. This is because AASB136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(l) Maintenance

Day to day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset in which case the costs are capitalised and depreciated.

(m) Leased Assets

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the inception of the lease. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

(n) Inventories

Inventories are held for distribution and are stated at the lower of cost and current replacement cost. Costs are assigned to individual items of stock mainly on the basis of weighted average costs.

Obsolete items are disposed of upon identification in accordance with delegated authority.

(o) Non-current Assets (or disposal groups) held for sale

The Department has certain non-current assets classified as held for sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale.

(p) Other Financial Assets

Financial assets are initially recognised at fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs.

The Department subsequently measures financial assets classified as "held for trading" or designated at fair value through profit or loss at fair value. Gains or losses on these assets are recognised in the Operating Statement. Assets intended to be held to maturity are subsequently measured at amortised cost using the effective interest method. Gains or losses on impairment or disposal of these assets are recognised in the Operating Statement. Any residual investments that do not fall into any other category are accounted for as available for sale financial assets and measured at fair value directly in equity until disposed or impaired. All financial assets (except those measured at fair value through profit or loss) are subject to annual review for impairment.

Purchases or sales of financial assets under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date ie the date the Department commits itself to purchase or sell the assets.

(q) Trust Funds

The Department's controlled entities receive monies in a trustee capacity for various trusts as set out in Note 34. As the controlled entities perform only a custodial role in respect of these monies and because the monies cannot be used for the achievement of NSW Health's objectives, they are not brought to account in the financial statements.

(r) Administered Activities

The Department administers, but does not control, certain activities on behalf of the Crown Entity. It is accountable for the transactions relating to those administered activities but does not have the discretion, for example, to deploy the resources for the achievement of the Department's own objectives.

Transactions and balances relating to the administered activities are not recognised as Departmental revenue but are disclosed as "Administered Revenues" in the Program Statement.

The accrual basis of accounting and all applicable accounting standards have been adopted.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

(s) Financial Instruments

Financial instruments give rise to positions that are a financial asset of either the NSW Department of Health or its counterpart and a financial liability (or equity instrument) of the other party. For the NSW Department of Health these include cash at bank, receivables, other financial assets, accounts payable and interest bearing liabilities.

In accordance with Australian Accounting Standard AASB139, "Financial Instruments: Recognition and Measurement" disclosure of the carrying amounts for each of the AASB139 categories of financial instruments is disclosed in Note 42. The specific accounting policy in respect of each class of such financial instrument is stated hereunder.

Classes of instruments recorded and their terms and conditions measured in accordance with AASB139 are as follows:

Cash

Accounting Policies – Cash is carried at nominal values reconcilable to monies on hand and independent bank statements.

Terms and Conditions – Monies on deposit attract an effective interest rate of between 5.0 per cent and 5.8 per cent as compared to 4.0 per cent and 5.9 per cent in the previous year.

Loans and Receivables

Loans and receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

Terms and Conditions – Accounts are generally issued on 30-day terms.

Low or zero interest loans are recorded at fair value on inception and amortised cost thereafter. In 2005/06 this has involved the recognition of grant expense on either 1 July 2005 or a subsequent date if the loan was initiated after this date. Revenue is then raised throughout the life of the loan.

Designation of Financial Assets – TCorp Hour-Glass Investment Facilities

The Hour Glass Investment facilities are unit trust investment funds managed by NSW Treasury Corporation. NSW Health has been issued with a number of units (as specified in the financial statements of controlled Health entities), based on the amount of the deposit and the unit value for the day.

Investments in the TCorp-Hour Glass Investment facilities were designated at 'fair value through profit or loss as at 1 July 2005, in accordance with AASB 139 and AASB 1. Under previous AGAAP they were classified as 'other financial assets', but were measured on the same basis ie at fair value through profit or loss. The only difference is that from 1 July 2005, the medium term and long term Hour Glass growth facilities are measured using the bid price, rather than mid point market price. The opening balance of the TCorp Hour-Glass Investment facilities designated at fair value through profit or loss on 1 July 2005 was $134.2 million.

The Hour-Glass Investment facilities were designated at 'fair value through profit or loss' using the second leg of the fair value option ie these financial assets are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy, and information about those assets is provided internally on that basis to the Health Service's key management personnel.

Terms and Conditions – Treasury Corporation Hour Glass Investment Deposits attracted interest rates of 5.6 per cent to 15.9 per cent in the year ended 30 June 2006. This compares with interest rates of 5.8 per cent to 11.1 per cent in the previous year.

Other Investments

Terms and interest conditions – Short term deposits have an average maturity of one to twelve months and effective interest rates of 5.2 per cent to 6.0 per cent as compared to 5.2 per cent to 9.3 per cent in the previous year. Fixed term deposits have a maturity of up to five years and effective interest rates of 5.6 per cent to 5.7 per cent as compared to 5.3 per cent to 5.8 per cent in the previous year.

Payables

Accounting Policies – These amounts represent liabilities for goods and services provided to the Department and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables

with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

Terms and Conditions – Trade liabilities are settled within any terms specified. If no terms are specified, payment is made by the end of the month following the month in which the invoice is received.

Borrowings

Accounting Policies – Loans are not held for trading and are recognised at amortised cost using the effective interest method. The finance lease liability is determined in accordance with AASB117 Leases.

All financial instruments including revenue, expenses and other cash flows arising from instruments are recognised on an accruals basis.

(t) Budgeted amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, S21A, S24 and/or S26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Balance Sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts ie per the audited financial statements (rather than carried forward estimates).

(u) Exemption from *Public Finance and Audit Act 1983*

The Treasurer has granted the Department an exemption under section 45e of the *Public Finance and Audit Act 1983*, from the requirement to use the line item title "Surplus/(Deficit) for the year" in the Operating Statement. The Treasurer approved the title "Result for the Year" instead.

(v) Equity Transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector agencies is designated as a contribution by owners by NSWTPP 06/07 and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with Urgent Issues Group Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities.

Transfers arising from an administrative restructure between government departments are recognised at the amount at which the asset was recognised by the transferor government department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

The Cancer Institute was scheduled under Schedule 2 of the *Public Finance and Audit Act 1983* on 24 November 2004. NSW Treasury determined that the Institute report for periods commencing from 1 July 2004. Further transfers occurred with effect from 1 July 2005 at which time administration of the Breast Cancer Screening and Cervical Cancer Programs became the responsibility of the Institute. Assets transferred from the Department to the Institute were recognised as an administrative restructure. Note 43 provides details of the equity transfer.

With effect from 1 April 2005 HealthTechnology was also established under the provisions of Section 126B of the *Health Services Act 1997* and has been included in the initial financial statements prepared for Health Administration Corporation (HAC) for 2005/06. Annual leave values for the staff involved transferred to HealthTechnology with equivalent cash in June 2005 whilst computer assets (predominantly software) transferred with effect from 1 July 2005. With effect from 1 September 2005 a separate entity, the NSW Institute of Medical Education and Training was also established under the provisions of Section 126B of the *Health Services Act* and is also incorporated in HAC reporting. The transfer has had no effect on the parent or consolidated financial statements as the inflows recognised by the Institute are offset by outflows in the Northern Sydney & Central Coast Area Health Service, both values being captured in the consolidation process.

A transfer of $67.084 million was also reported in 2004/05 for the Parent Entity in respect of the assets of Port Macquarie Hospital, control of which transferred to North Coast Area Health Service from 1 July 2005. The transfer has no effect on the consolidated values reported.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

(w) The Financial Impact Of Adopting Australian Equivalents To International Financial Reporting Standards (AEIFRS)

The NSW Department of Health has applied the AEIFRS for the first time in the 2005/06 financial report. The key areas where changes in accounting policies have impacted the financial report are disclosed below. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts arise from options in AEIFRS that were not available or not applied under previous AGAAP. The Health Service has adopted the options mandated by NSW Treasury for all NSW public sector agencies. The impacts below reflect Treasury's mandates and policy decisions.

The impacts of adopting AEIFRS on total equity and the Result for the Year as reported under previous AGAAP are shown below. There are no material impacts on the Department's cash flows.

(a) Reconciliation of key aggregates

Reconciliation of equity under previous AGAAP to equity under AEIFRS:

Parent 30 June 2005 $000		Consolidated 30 June 2005 $000
197,403	Total equity under AGAAP	7,056,126
	Adjustments to accumulated funds	
	Recognition of Intangible Assets (Note 1)	
(66,247)	Computer assets transferred from Plant and Equipment	(98,497)
25,562	Write Back Accumulated Depreciation on Computer Assets	56,200
66,247	Plant and Equipment transferred to Intangible Assets	98,497
(25,562)	Accumulated Depreciation on Intangible Assets	(56,200)
	Recognition of Assets Held for Sale (Note 2)	
…..	Land	(16,640)
…..	Buildings Gross Value	(4,499)
…..	Depreciation on Buildings Written Back	3,400
…..	Current Assets, "Assets Held for Sale"	17,739
…..	Asset Revaluation Reserves	1,855
…..	Accumulated Funds	(1,855)
197,403	Total equity under AEIFRS	7,056,126

Reconciliation of Result for the Year under AGAAP to Result for the Year under AEIFRS.

$000		Notes	$000
27,719	Result for the Year		(39,320)
…..	Effects of Adoption of AEIFRS		…..
27,719	Result for the Year		(39,320)

The Net Cost of Services reported was similarly unaffected by the application of AEIFRS in 2004/05.

In determining the impact of AEIFRS on the "Result for the Year" consideration has been given to the following:

1. The adoption of AASB138 Intangible Assets has resulted in certain reclassifications from property, plant and equipment to intangible assets (eg computer software). However, there has been nil impact on the operating result as amortisation has replaced the former depreciation expense raised on these assets.

2. AASB 5 Non-current Assets Held for Sale and Discontinued Operations requires non current assets classified as "held for sale" to be reclassified as current and recognised at the lower of the carrying amount and the fair value less costs to sell. "Held for Sale" assets are not depreciated. Under previous AGAAP these assets were treated as property, plant and equipment and measured at fair value. The change reduced the carrying amount of the affected assets and decreased the depreciation expense.

    However, as the majority of the reclassified asset constituted "Land" the effect of reducing depreciation charges was nil.

(b) Financial Instruments

In accordance with NSW Treasury's mandates, the NSW Department of Health has applied the exemption provided in AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards not to apply the requirements of AASB 132 Financial Instruments; Presentation and Disclosures and AASB 139 Financial Instruments: Recognition and Measurement for the 2004/05 comparative information. Therefore the comparative information for 2004/05 for financial instruments has been presented in accordance with previous AGAAP. These standards have been applied from 1 July 2005.

Accordingly, the 1 July 2005 AEIFRS opening equity adjustment for the adoption of AASB139 follows in respect of the Consolidated Entity. No variations occurred in respect of the Parent Entity.

	Note	Accumulated Funds $'000	Other Reserves $'000	Total $'000
Total opening equity 1 July 2005		…..	…..	…..
Movements in fair value recognised in the Asset Revaluation Reserve rather than through Operating Statement	(i)	(1,855)	1,855	…..
Interest-free loan measured at fair value on initial recognition	(ii)	…..	…..	…..
Restated opening equity 1 July 2005		(1,855)	1,855	…..

(i) Movements in fair value recognised in the asset revaluation reserve rather than through the Operating Statement – Under AASB139, net gains on "available for sale" financial assets are recognised through the asset revaluation reserve. Previously, where these assets were classified as "current" assets, movements in fair value were recognised through the Operating Statement. For the comparative information to have complied with AASB139, similar types of adjustments would have been required.

(ii) Upon consolidation all interest free loans between the Department and its controlled Health Services are eliminated. The Parent Entity recognised an Opening Equity adjustment of ($12.520 million) which was fully offset in the accounting records of controlled Health Services.

Interest-free loans (recognised in "Other financial assets") – Under AASB139, these types of loans must initially be recognised at fair value rather than nominal amount or the face value. The fair value of a long-term loan that carries no interest is estimated as the present value of all future cash receipts, discounted using the prevailing market rates of interest (6 per cent) for a similar instrument with a similar credit rating.

Amortisation of the loan is recognised in Investment Income. For the comparative information to have complied with AASB139, similar types of adjustments would have been required.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		3. Employee Related Expenses		
		Employee related expenses comprise the following specific items:		
79,413	76,404	Salaries and Wages	5,475,223	4,984,507
8,135	9,966	Superannuation – defined benefit plans	146,381	141,971
3,574	2,815	Superannuation – defined contributions	410,813	376,944
4,207	4,150	Long Service Leave	198,598	205,981
5,370	11,955	Recreation Leave	550,719	508,435
1,184	1,533	Workers Compensation Insurance	156,932	157,004
5,143	4,962	Payroll Tax and Fringe Benefits Tax	7,547	6,004
107,026	111,785		6,946,213	6,380,846
		The following additional information is provided:		
-----	-----	Employee Related Expenses capitalised – Land and Buildings	1,857	554
-----	-----	Employee Related Expenses capitalised – Plant and Equipment	4,092	415
-----	-----		5,949	969
		4. Other Operating Expenses		
-----	-----	Blood and Blood Products	57,309	46,813
15	35	Domestic Supplies and Services	101,777	94,402
-----	-----	Drug Supplies	393,738	361,088
-----	-----	Food Supplies	80,999	74,592
363	314	Fuel, Light and Power	72,482	63,735
70,096	76,825	General Expenses (b)	221,824	193,808
16,924	14,851	Information Management Expenses	81,450	59,057
203,263	225,708	Insurance	212,276	232,583
-----	26,045	Interstate Patient Outflows, NSW	116,113	115,419
49,630	55,808	Medical and Surgical Supplies	524,128	480,459
		Maintenance (c)		
		Maintenance Contracts	86,307	58,761
-----	-----	New/Replacement Equipment under $5,000	68,844	67,177
-----	-----	Repairs	79,040	71,101
792	1,557	Maintenance/Non Contract	37,561	41,041
-----	-----	Other Maintenance	10,286	21,897
751	1,132	Operating Lease Rental Expense – minimum lease payments	46,613	47,544
2,184	2,209	Postal and Telephone Costs	43,568	49,793
2,505	2,941	Printing and Stationery	41,107	41,327
	-----	Rates and Charges	9,602	9,455
6,080	6,920	Rental	31,027	29,326
-----	-----	Special Service Departments	189,999	199,716
17,465	17,002	Staff Related Costs	43,919	49,257
-----	-----	Sundry Operating Expenses (a)	88,299	111,284
3,038	3,381	Travel Related Costs	48,705	51,849
-----	-----	Visiting Medical Officers	441,393	401,917
373,106	434,728		3,128,366	2,973,401

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		4. Other Operating Expenses (continued)		
		(a) Sundry Operating Expenses comprise:		
-----	-----	Aircraft Expenses (Ambulance)	33,353	28,409
-----	-----	Contract for Patient Services	47,187	75,190
-----	-----	Isolated Patient Travel and Accommodation Assistance Scheme	7,759	7,685
-----	-----		88,299	111,284
		(b) General Expenses include:		
1,219	1,121	Advertising	9,217	9,154
330	416	Books, Magazines and Journals	8,497	8,402
		Consultancies:		
2,177	2,609	– Operating Activities	9,144	11,266
1,154	1,053	– Capital Works	1,606	4,016
222	70	Courier and Freight	10,384	9,308
242	216	Auditors Remuneration – Audit of financial reports	2,693	2,685
1,881	4,492	Legal Services	9,245	11,864
419	468	Motor Vehicle Operating Lease Expense – minimum lease payments	56,532	49,393
-----	-----	Membership/Professional Fees	4,578	5,609
-----	-----	Payroll Services	287	442
-----	-----	Translator Services	2,273	1,961
-----	-----	Quality Assurance/Accreditation	1,413	1,250
-----	-----	Data Recording and Storage	2,060	1,517
-----	22,473	Retirement of Port Macquarie lease	-----	22,473
		(c) Reconciliation Total Maintenance		
792	1,557	Maintenance expense – contracted labour and other (non employee related), included in Note 4 above	282,038	259,977
-----	-----	Employee related/Personnel Services maintenance expense included in Note 3	70,081	66,837
792	1,557	Total maintenance expenses included in Notes 3 and 4	352,119	326,814
		5. Depreciation and Amortisation Expense		
1,321	1,322	Depreciation – Buildings	243,455	237,218
3,028	1,889	Depreciation – Plant and Equipment	129,194	130,088
-----	-----	Depreciation – Infrastructure Systems	21,605	5,933
-----	-----	Amortisation – Leased Buildings	1,889	2,763
12,994	12,610	Amortisation – Intangibles	15,304	12,610
17,343	15,821		411,447	388,612

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		6. Grants and Subsidies		
		Payments to the National Blood Authority and the		
14,284	11,655	Red Cross Blood Transfusion Service	14,284	11,655
-----	-----	Operating Payments to Other Affiliated Health Organisations	459,353	416,506
-----	-----	Capital Payments to Affiliated Health Organisations	26,970	1,704
		Grants:		
83,283	18,704	– Cancer Institute NSW	83,283	18,704
22,829	22,663	– External Research	22,829	22,674
2,056	1,748	– NSW Institute of Psychiatry	2,056	1,748
3,552	3,499	– National Drug Strategy	3,552	3,499
41,139	36,758	– Non Government Voluntary Organisations	111,673	95,998
9,143,440	7,917,973	Payments to Controlled Health Entities	-----	-----
19,306	31,119	Other Payments	44,725	48,608
9,329,889	**8,044,119**		**768,725**	**621,096**
		7. Finance Costs		
-----	2,609	Finance Lease Interest Charges	2,310	5,127
1,649	-----	Other Interest Charges	2,580	1,114
1,649	**2,609**		**4,890**	**6,241**
		8. Sale of Goods and Services		
		(a) Sale of Goods comprise the following:		
-----	-----	Sale of Prosthesis	26,883	22,186
-----	-----	Cafeteria/Kiosk	18,323	18,924
-----	-----	Linen Service Revenues – Non Health Services	10,077	14,304
-----	-----	Meals on Wheels	2,947	2,913
-----	-----	Pharmacy Sales	4,992	3,605

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		8. Sale of Goods and Services (continued)		
		(b) Rendering of Services comprise the following:		
-----	-----	Patient Fees	315,924	289,554
-----	-----	Staff-Meals and Accommodation	10,755	7,471
		Infrastructure Fees:		
-----	-----	– Monthly Facility Charge	150,691	149,963
-----	-----	– Annual Charge	34,735	42,704
62,736	43,673	Department of Veterans' Affairs Agreement Funding	312,689	263,714
-----	-----	Ambulance Non Hospital User Charges	37,325	28,744
-----	-----	Use of Ambulance Facilities	1,920	1,868
28,500	28,500	Motor Accident Authority Third Party Receipts	28,500	28,500
-----	-----	Car Parking	16,597	15,692
-----	-----	Child Care Fees	6,925	6,487
-----	-----	Clinical Services	15,393	12,705
-----	-----	Commercial Activities	6,485	6,347
-----	-----	Fees for Medical Records	1,729	1,946
-----	-----	Services Provided to Non NSW Health Organisations	17,003	14,871
-----	-----	PADP Patient Copayments	560	305
986	-----	Personnel Services – Institute of Psychiatry	986	-----
4,992	4,848	Personnel Services – Health Professional Registration Boards	-----	-----
18,347	93	Patient Inflows from Interstate	614	93
1,321	9,014	Computer Support Charges – Health Services	-----	-----
33,187	15,283	Other*	64,211	76,342
150,069	**101,411**		**1,086,264**	**1,009,238**
		* Other includes a once off recognition of Sydney West Area Health Service Charitable Trust funds ($8.3 million) in the 2004/05 financial year.		
		9. Investment Income		
11,186	5,893	Interest	50,674	46,159
-----	-----	Lease and Rental Income	11,234	12,017
178	240	Other	228	1,109
11,364	**6,133**		**62,136**	**59,285**
		10. Grants and Contributions		
-----	-----	Clinical Drug Trials	11,767	12,848
6,931	3,340	Commonwealth Government grants	57,821	40,532
22,020	22,700	Health Super Growth	22,020	22,700
-----	-----	Industry Contributions/Donations	68,873	53,302
-----	-----	Mammography grants	19,820	-----
-----	-----	Research grants	32,601	27,025
-----	-----	University Commission grants	222	577
6,994	9,004	Other grants	33,089	44,686
35,945	**35,044**		**246,213**	**201,670**

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		11. Other Revenue		
		Other Revenue comprises the following:		
-----	-----	Commissions	2,518	1,867
-----	-----	Conference and Training Fees	2,332	1,615
-----	-----	Treasury Managed Fund Hindsight Adjustment	36,243	40,398
-----	-----	Sale of Merchandise, Old Wares and Books	1,176	1,434
14,035	935	Sundry Revenue	51,843	33,300
14,035	**935**		**94,112**	**78,614**
		12. Gain/(Loss) on Disposal		
1,302	721	Property, Plant and Equipment	282,639	133,053
(1,154)	(670)	Less Accumulated Depreciation	(270,219)	(92,550)
148	**51**	Written Down Value	**12,420**	**40,503**
(54)	(29)	Less Proceeds from Disposal	(6,236)	(44,972)
(94)	**(22)**	Gain/(Loss) on Disposal of Property Plant and Equipment	**(6,184)**	**4,469**
23,283	-----	Financial Assets at Fair Value	74,684	-----
(23,283)	-----	Less Proceeds from Disposal	(74,686)	-----
-----	-----	Gain/(Loss) on Disposal of Financial Assets at Fair Value	2	-----
-----	-----	Intangible Assets	119	-----
-----	-----	Less Proceeds from Disposal	-----	-----
-----	-----	Gain/(Loss) on Disposal of Intangible Assets	(119)	-----
-----	-----	Assets Held for Sale	7,630	-----
-----	-----	Less Proceeds from Disposal	(9,405)	-----
-----	-----	Gain/(Loss) on Disposal of Assets Held for Sale	1,775	-----
(94)	**(22)**	**Total Gain/(Loss) on Disposal**	**(4,526)**	**4,469**
		13. Other Gains/(Losses)		
(1,200)	-----	Financial instruments at fair value revaluation increment/(decrement)	3,180	-----
(2)	(487)	Impairment of Receivables	(22,143)	(19,658)
(1,202)	**(487)**		**(18,963)**	**(19,658)**

	Purchase of Assets $000	Health Promotion, Education and Research $000	Other $000	Total $000
14. Conditions on Contributions – Consolidated				
Contributions recognised as revenues during current year for which expenditure in manner specified had not occurred as at balance date	22,179	48,760	35,866	106,805
Contributions recognised in previous years which were not expended in the current financial year	37,716	227,099	140,326	405,141
Total amount of unexpended contributions as at balance date	59,895	275,859	176,192	511,946

Comment on restricted assets appears in Note 27.

PARENT				CONSOLIDATED	
2006 $'000	2005 $'000			2006 $'000	2005 $'00
		15. Appropriations			
		Recurrent appropriations			
9,226,042	8,027,362	Total recurrent drawdowns from Treasury (per Summary of Compliance)		9,226,042	8,027,362
9,226,042	8,027,362	Total		9,226,042	8,027,362
		Comprising:			
9,226,042	8,027,362	Recurrent appropriations (per Operating Statement)		9,226,042	8,027,362
9,226,042	8,027,362	Total		9,226,042	8,027,362
		Capital appropriations			
481,079	453,230	Total capital drawdowns from Treasury (per Summary of Compliance)		481,079	453,230
481,079	453,230	Total		481,079	453,230
		Comprising:			
481,079	453,230	Capital appropriations (per Operating Statement)		481,079	453,230
481,079	453,230	Total		481,079	453,230
		16. Acceptance by the Crown Entity of Employee Benefits and Other Liabilities			
		The following liabilities and/or expenses have been assumed by the Crown Entity or other government agencies:			
2,366	5,961	Superannuation		146,389	512,410
3,946	3,898	Long Service Leave		3,946	3,898
142	358	Payroll Tax		142	358
6,454	10,217			150,477	516,666

From 1 July 2005 NSW Health was required to meet all superannuation guarantee charge payments from within its cash allocation.

The 2005/06 Consolidated Fund Recurrent allocation was increased by $417.611 million to accommodate the change in funding arrangements.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

17. Programs/Activities of the Agency

Program 1.1 Primary and Community Based Services

Objective: To improve, maintain or restore health through health promotion, early intervention, assessment, therapy and treatment services for clients in a home or community setting.

Program 1.2 Aboriginal Health Services

Objective: To raise the health status of Aborigines and to promote a healthy life style.

Program 1.3 Outpatient Services

Objective: To improve, maintain or restore health through diagnosis, therapy, education and treatment services for ambulant patients in a hospital setting.

Program 2.1 Emergency Services

Objective: To reduce the risk of premature death and disability for people suffering injury or acute illness by providing timely emergency diagnostic, treatment and transport services.

Program 2.2 Overnight Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital on an overnight basis.

Program 2.3 Same Day Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital and discharged on the same day.

Program 3.1 Mental Health Services

Objective: To improve the health, well being and social functioning of people with disabling mental disorders and to reduce the incidence of suicide, mental health problems and mental disorders in the community.

Program 4.1 Rehabilitation and Extended Care Services

Objective: To improve or maintain the well being and independent functioning of people with disabilities or chronic conditions, the frail aged and the terminally ill.

Program 5.1 Population Health Services

Objective: To promote health and reduce the incidence of preventable disease and disability by improving access to opportunities and prerequisites for good health.

Program 6.1 Teaching and Research

Objective: To develop the skills and knowledge of the health workforce to support patient care and population health. To extend knowledge through scientific enquiry and applied research aimed at improving the health and well being of the people of New South Wales.

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		18. Current Assets – Cash		
131,796	173,711	Cash at bank and on hand	373,237	371,091
-----	-----	Short Term Deposits	256,859	217,590
131,796	173,711		630,096	588,681
		Cash assets recognised in the Balance Sheet are reconciled to cash at the end of the financial year as shown in the Cash Flow Statement as follows:		
131,796	173,711	Cash and Cash Equivalents (per Balance Sheet)	630,096	588,681
-----	-----	Bank Overdraft *	(8,850)	(7,573)
131,796	173,711	Closing Cash and Cash Equivalents (per Cash Flow Statement)	621,246	581,108
		* Health Services are not allowed to operate bank overdraft facilities. The amounts disclosed as "bank overdrafts" meet Australian Accounting Standards reporting requirements, however the relevant Health Services are in effect utilising and operating commercially available banking facility arrangements to their best advantage. The total of these facilities at a Health Service level is a credit balance which is inclusive of cash at bank and investments.		

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		19. Current/Non Current Receivables		
		Current		
35,316	20,350	(a) Sale of Goods and Services	177,152	150,753
7,812	5,458	Goods and Services Tax	63,212	30,757
762	817	Personnel Services – Institute of Psychiatry	762	817
2,305	876	Other Debtors	47,959	44,609
46,195	27,501	Sub Total	289,085	226,936
(102)	(102)	Less Allowance for Impairment	(34,886)	(36,855)
10,220	7,585	Prepayments	34,967	36,713
56,313	34,984		289,166	226,794
		(b) Impairment of Receivables during the year		
		Current Receivables		
-----	-----	– Sale of Goods and Services	15,003	4,794
2	487	– Other	8,249	5,285
2	487		23,252	10,079
		Non Current		
-----	-----	(a) Sale of Goods and Services	2,690	2,928
-----	-----		2,690	2,928
-----	-----	Less Allowance for Impairment	(722)	(677)
-----	-----	Prepayments	4,096	4,751
-----	-----		6,064	7,002
		(b) Impairment of Receivables during the year		
		Non Current Receivables		
-----	-----	– Sale of Goods and Services	656	725
-----	-----	– Other	159	480
-----	-----		815	1,205
		Receivables (both Current and Non Current) includes:		
-----	-----	Patient Fees – Compensable	16,191	14,796
-----	-----	Patient Fees – Ineligibles	14,062	14,317
-----	-----	Patient Fees – Other	50,088	41,859
		As indicated in Note 2(s) an allowance for impairment of receivables is recognised when there is objective evidence that the entity will not be able to collect all amounts due.		

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		20. Inventories		
		Current – Held for Distribution		
-----	-----	Drugs	31,805	29,531
-----	-----	Medical and Surgical Supplies	37,587	32,902
-----	-----	Food Supplies	1,918	2,436
-----	-----	Engineering Supplies	1,617	2,328
-----	-----	Other including Goods in Transit	3,432	4,981
-----	-----		76,359	72,178
		21. Current/Non Current Assets – Financial Assets at Fair Value		
		Current		
-----	-----	T Corp Hour Glass Investment Facilities	151,386	102,078
-----	-----		151,386	102,078
		Non Current		
-----	-----	T Corp Hour Glass Investment Facilities	32,214	32,077
2,661	3,061	Shares	3,055	3,639
2,661	3,061		35,269	35,716
		22. Current/Non Current Assets – Other Financial Assets		
		Current		
-----	-----	Other Loans and Deposits	54,064	141,870
41,648	23,031	Advances Receivable – Intra Health	-----	-----
41,648	23,031		54,064	141,870
		Non Current		
-----	-----	Other Loans and Deposits	-----	19
46,748	52,372	Advances Receivable – Intra Health	-----	-----
46,748	52,372		-----	19
		23. Non Current Assets – Other		
		Non Current		
-----	-----	Emerging Rights to Assets	11,350	9,347
-----	-----		11,350	9,347
		24. Non Current Assets Held for Sale		
		Assets Held for Sale		
-----	-----	Land and Buildings	15,943	17,739
-----	-----		15,943	17,739
		Amounts recognised in equity relating to assets held for sale		
		Available for sale financial asset revaluation increments/(decrements)		
-----	-----	– Note 32 refers	1,071	1,855
-----	-----		1,071	1,855
		The assets held for sale all relate to properties that have been classified as surplus to need. In such case sales are expected to be realised within the next reporting period.		

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

	PARENT	
	2006 $'000	2005 $'000
25. Property, Plant and Equipment		
Land and Buildings		
Gross Carrying Amount	133,552	131,803
Less Accumulated Depreciation and impairment	(32,400)	(31,079)
Net Carrying Amount at Fair Value	101,152	100,724
Plant and Equipment		
Gross Carrying Amount	35,753	38,410
Less Accumulated Depreciation and impairment	(25,248)	(25,535)
Net Carrying Amount at Fair Value	10,505	12,875
Total Property, Plant and Equipment Net Carrying Amount at Fair Value	111,657	113,599

			PARENT		
	Land $'000	Buildings $'000	Leased Buildings $'000	Plant and Equipment $'000	Total $'000
25. Property, Plant and Equipment – Reconciliations					
Year Ended 30 June 2006					
Net Carrying amount at start of year	65,595	35,129	-----	12,875	113,599
Additions	1,330	419		1,965	3,714
Disposals	-----	-----	-----	(148)	(148)
Administrative restructures transfers in/(out)	-----	-----	-----	(1,159)	(1,159)
Depreciation expense	-----	(1,321)	-----	(3,028)	(4,349)
Net Carrying amount at end of year	66,925	34,227	-----	10,505	111,657
Year Ended 30 June 2005					
Net Carrying amount at start of year	65,595	36,451	27,031	2,716	131,793
Additions	-----	-----	-----	11,610	11,610
Disposals	-----	-----	-----	(51)	(51)
Administrative restructures transfers in/(out)	(9,205)	(55,100)	-----	(2,652)	(66,957)
Net revaluation increment less revaluation decrements recognised in reserves	9,205	29,583	-----	1,627	40,415
Depreciation expense	-----	(1,322)	-----	(1,889)	(3,211)
Reclassifications	-----	25,517	(27,031)	1,514	-----
Net Carrying amount at end of year	65,595	35,129	-----	12,875	113,599

All Land and Buildings for the parent entity were valued by the State Valuation Office independently of the Department on 1 July 2003.

Plant and Equipment is predominantly recognised on the basis of depreciated cost.

	CONSOLIDATED	
	2006 $'000	2005 $'000
25. Property, Plant and Equipment		
Land and Buildings		
Gross Carrying Amount	12,365,828	11,222,288
Less Accumulated Depreciation and impairment	(4,674,209)	(3,793,803)
Net Carrying Amount at Fair Value	7,691,619	7,428,485
Plant and Equipment		
Gross Carrying Amount	1,895,774	1,782,729
Less Accumulated Depreciation and impairment	(1,181,605)	(1,150,165)
Net Carrying Amount at Fair Value	714,169	632,564
Infrastructure Systems		
Gross Carrying Amount	476,462	407,909
Less Accumulated Depreciation and impairment	(154,390)	(120,800)
Net Carrying Amount at Fair Value	322,072	287,109
Total Property, Plant and Equipment Net Carrying Amount at Fair Value	8,727,860	8,348,158

			CONSOLIDATED			
	Land $'000	Buildings $'000	Leased Buildings $'000	Plant and Equipment $'000	Infrastructure Systems $'000	Total $'000
25. Property, Plant and Equipment – Reconciliations						
Year Ended 30 June 2006						
Net Carrying amount at start of year	1,490,435	5,905,085	32,965	632,564	287,109	8,348,158
Additions	5,038	353,676	610	219,990	292	579,606
Recognition of Assets Held for Sale	(2,597)	(3,237)	-----	-----	-----	(5,834)
Disposals	(791)	(2,666)	-----	(8,944)	(19)	(12,420)
Administrative restructures transfers in/(out)	-----	-----	-----	(81)	-----	(81)
Net revaluation increment less revaluation decrements recognised in reserves	2,244	203,891	-----	-----	8,439	214,574
Depreciation expense	-----	(243,455)	(1,889)	(129,194)	(21,605)	(396,143)
Reclassifications	70	(67,601)	19,841	(166)	47,856	-----
Net Carrying amount at end of year	1,494,399	6,145,693	51,527	714,169	322,072	8,727,860
Year Ended 30 June 2005						
Net Carrying amount at start of year	1,277,050	5,381,249	61,227	564,460	76,513	7,360,499
Additions	4,829	267,185	12	181,330	503	453,859
Disposals	(16,640)	(1,099)	-----	(10,407)	(88)	(28,234)
Administrative restructures transfers in/(out)	-----	-----	-----	(1,025)	-----	(1,025)
Net revaluation increment less revaluation decrements recognised in reserves	222,206	592,365	-----	1,628	120,099	936,298
Depreciation expense	-----	(237,218)	(2,763)	(127,325)	(5,933)	(373,239)
Reclassifications	2,990	(97,397)	(25,511)	23,903	96,015	-----
Net Carrying amount at end of year	1,490,435	5,905,085	32,965	632,564	287,109	8,348,158

Land and Buildings include land owned by the NSW Department of Health and administered by either the Department or its controlled entities.
Valuations for each of the Health Services are performed regularly within a five year cycle. Revaluation details are included in the individual entities' financial reports.
Plant and Equipment is predominantly recognised on the basis of depreciated cost.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

	PARENT	
	2006 $'000	2005 $'000
26. Intangible Assets		
Software		
Cost (Gross Carrying Amount)	8,031	66,247
Less Accumulated Amortisation and Impairment	(3,975)	(25,562)
Net Carrying Amount	4,056	40,685
Total Intangible Assets at Net Carrying Amount	**4,056**	**40,685**

	PARENT		
	Software $'000	Other $'000	Total $'000
26. Intangibles – Reconciliation			
Year Ended 30 June 2006			
Net Carrying amount at start of year	40,685	-----	40,685
Administrative restructures transfers in/(out)	(23,635)	-----	(23,635)
Amortisation (recognised in depreciation and amortisation)	(12,994)	-----	(12,994)
Net Carrying amount at end of year	4,056	-----	4,056
Year Ended 30 June 2005			
Net Carrying amount at start of year	40,404	-----	40,404
Additions (from internal development or acquired separately)	12,891	-----	12,891
Amortisation (recognised in depreciation and amortisation)	(12,610)	-----	(12,610)
Net Carrying amount at end of year	40,685	-----	40,685

| | CONSOLIDATED | |
	2006 $'000	2005 $'000
26. Intangible Assets		
Software		
Cost (Gross Carrying Amount)	125,283	98,497
Less Accumulated Amortisation and Impairment	(72,849)	(56,200)
Net Carrying Amount	52,434	42,297
Other		
Cost (Gross Carrying Amount)	852	-----
Less Accumulated Amortisation and Impairment	-----	-----
Net Carrying Amount	852	-----
Total Intangible Assets at Net Carrying Amount	**53,286**	**42,297**

| | CONSOLIDATED | | |
	Software $'000	Other $'000	Total $'000
26. Intangibles – Reconciliation			
Year Ended 30 June 2006			
Net Carrying amount at start of year	42,297	-----	42,297
Additions (from internal development or acquired separately)	25,560	852	26,412
Amortisation (recognised in depreciation and amortisation)	(15,304)	-----	(15,304)
Disposals	(119)	-----	(119)
Net Carrying amount at end of year	52,434	852	53,286
Year Ended 30 June 2005			
Net Carrying amount at start of year	35,534	-----	35,534
Additions (from internal development or acquired separately)	22,136	-----	22,136
Amortisation (recognised in depreciation and amortisation)	(15,373)	-----	(15,373)
Disposals	-----	-----	-----
Net Carrying amount at end of year	42,297	-----	42,297

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			PARENT / CONSOLIDATED	CONSOLIDATED	
2006 $'000	2005 $'000			2006 $'000	2005 $'000
		27. Restricted Assets			
		The Department's financial statements include the following assets which are restricted by externally imposed conditions, eg donor requirements. The assets are only available for application in accordance with the terms of the donor restrictions.			
-----	-----	Specific Purposes		196,348	229,081
-----	-----	Perpetually Invested Funds		6,497	6,378
-----	-----	Research Grants		129,444	93,354
-----	-----	Private Practice Funds		111,037	96,634
-----	-----	Other		68,620	57,035
-----	-----			511,946	482,482

Details of Conditions on Contributions appears in Note 14.

Major categories included in the Consolidation are:

Category	Brief Details of Externally Imposed Conditions
Specific Purposes Trust Funds	Donations, contributions and fundraisings held for the benefit of specific patient, Department and/or staff groups.
Perpetually Invested Trust Funds	Funds invested in perpetuity. The income therefrom used in accordance with donors' or trustees' instructions for the benefit of patients and/or in support of hospital services.
Research Grants	Specific research grants.
Private Practice Funds	Annual Infrastructure Charges raised in respect of Salaried Medical Officers Rights of Private Practice arrangements.

PARENT				CONSOLIDATED	
2006 $'000	2005 $'000			2006 $'000	2005 $'000
		28. Payables			
		Current			
199	53	Accrued Salaries and Wages		144,903	176,138
2,206	2,859	Taxation and Other Payroll Deductions		29,547	27,668
32,225	34,132	Superannuation Guarantee Charge Payables, Department of Health		32,225	34,132
45,058	57,803	Creditors		450,476	422,680
		Other Creditors			
-----	-----	– Capital Works		51,054	28,939
15,616	76,467	– Intra Health Liability		-----	-----
95,304	171,314			708,205	689,557

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		29. Current/Non Current Borrowings		
		Current		
-----	-----	Bank Overdraft* – Unsecured	8,850	7,573
-----	-----	Treasury Advances Repayable – Secured	2,288	-----
-----	5,577	Other Loans and Deposits – Secured	-----	7,775
-----	-----	Finance Leases [See note 33(d)] – Secured	2,120	1,789
-----	5,577		13,258	17,137
		Non Current		
-----	-----	Treasury Advances Repayable – Secured	10,182	-----
-----	28,023	Other Loans and Deposits – Unsecured	-----	37,872
-----	-----	Finance Leases [See note 33(d)] – Secured	24,447	26,567
-----	28,023		34,629	64,439
		Repayment of Borrowings (Excluding Finance Leases)		
-----	5,577	Not later than one year	11,138	15,348
-----	28,023	Between one and five years	5,991	36,627
-----	-----	Later than five years	4,191	1,245
-----	33,600	Total Borrowings at face value (Excluding Finance Leases)	21,320	53,220
		* Health Services are not allowed to operate bank overdraft facilities. The amounts disclosed as "bank overdrafts" meet Australian Accounting Standards reporting requirements, however the relevant Health Services are in effect utilising and operating commercially available banking facility arrangements to their best advantage. The total of these facilities at a Health Service level is a credit balance which is inclusive of cash at bank and investments.		

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		30. Current/Non Current Liabilities – Provisions		
		Current Employee Benefits and Related On Costs		
6,665	5,492	Recreation Leave – Short Term Benefit	508,731	461,343
6,518	5,640	Recreation Leave – Long Term Benefit	238,731	203,230
269	-----	Long Service Leave – Short Term Benefit	135,496	100,271
852	-----	Long Service Leave – Long Term Benefit	896,309	820,233
-----	-----	Sick Leave – Long Term Benefit	789	823
14,304	11,132	Total current provisions	1,780,056	1,585,900
		Non Current Employee Benefits and Related On Costs		
-----	-----	Long Service Leave – Conditional	96,839	114,142
-----	-----	Total non current provisions	96,839	114,142
		Aggregate Employee Benefits and Related On Costs		
14,304	11,132	Provisions – current	1,780,056	1,585,900
-----	-----	Provisions – non current	96,839	114,142
34,630	37,044	Accrued Salaries and Wages and on costs (refer to Note 28)	206,675	237,938
48,934	48,176		2,083,570	1,937,980

As indicated in Note 2(a) i) leave is classified as current if the employee has an unconditional right to payment.

Short term/Long Term classification is dependent on whether or not payment is anticipated within the next twelve months.

PARENT			CONSOLIDATED	
		31. Other Liabilities		
		Current		
24,683	21,913	Income in Advance	57,462	33,126
24,683	21,913		57,462	33,126
		Non Current		
-----	-----	Income in Advance	32,778	31,452
2,796	6,081	Other	-----	-----
2,796	6,081		32,778	31,452

Income in advance has been received as a consequence of payments from the Department of Veterans' Affairs specifically for services to be provided in the next year. It also results from Health Services entering into agreements for the sale of surplus properties and the provision and operation of private health facilities and car parks.

	PARENT					
	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2006 $'000	2005 $'000	2006 $'000	2005 $'000	2006 $'000	2005 $'000
32. Equity						
Balance at the beginning of the Financial Year	**138,583**	**147,009**	**58,820**	**59,383**	**197,403**	**206,392**
Correction of Errors (Note 45)						
– decrease in Accumulated Funds	-----	(7,764)	-----	-----	-----	(7,764)
– decrease in Net Cost of Services	-----	(1,250)	-----	-----	-----	(1,250)
AASB 139 first-time adoption	(12,520)	-----	-----	-----	(12,520)	-----
Restated Opening Balance	126,063	137,995	58,820	59,383	184,883	197,378
Changes in Equity – transactions with owners as owners						
Decrease in net assets from administrative restructure	(24,794)	(68,109)	-----	-----	(24,794)	(68,109)
Total	(24,794)	(68,109)	-----	-----	(24,794)	(68,109)
Changes in Equity – other than transactions with owners as owners						
Result for the Year	97,703	27,719	-----	-----	97,703	27,719
Increment on Revaluation of:						
– Land and Buildings	-----	-----	-----	38,788	-----	38,788
– Plant and Equipment	-----	-----	-----	1,627	-----	1,627
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	(912)	40,978	912	(40,978)	-----	-----
Total	96,791	68,697	912	(563)	97,703	68,134
Balance at the end of the financial year	**198,060**	**138,583**	**59,732**	**58,820**	**257,792**	**197,403**

The asset revaluation reserve is used to record increments and decrements on the revaluation of non current assets. This accords with the Department's policy on the "Revaluation of Physical Non Current Assets" and "Investments", as discussed in Note 2(j).

The decrease in net assets from the administrative restructure reported by the Parent in 2004/05 relates to the transfer of Port Macquarie assets ($67.084 million) to the North Coast Area Health Service (fully eliminated upon consolidation) and the transfer of $1.025 million to the Cancer Institute. A further administrative transfer was also effected in respect of the newly established Health Technology entity which involved the recognition of annual leave liability and matching cash therefore having no effect in terms of net assets transferred. Plant and Equipment and Intangibles was also transferred to Health Technology in 2005/06.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

	CONSOLIDATED							
	Accumulated Funds		Asset Revaluation Reserve		Non Current Assets Held for Sale Reserves		Total Equity	
	2006 $'000	2005 $'000	2006 $'000	2005 $'000	2006 $'000	2005 $'000	2006 $'000	2005 $'000
32. Equity								
Balance at the beginning of the Financial Year	**5,863,880**	**4,433,199**	**1,190,391**	**1,722,707**	**1,855**	-----	**7,056,126**	**6,155,906**
AASB 139 first-time adoption	-----	-----	-----	-----	-----	-----	-----	-----
Restated Opening Balance	5,863,880	4,433,199	1,190,391	1,722,707	1,855	-----	7,056,126	6,155,906
Changes in Equity – transactions with owners as owners								
Decrease in net assets from administrative restructure (Note 43)	(6,277)	(1,025)	-----	-----	-----	-----	(6,277)	(1,025)
Total	(6,277)	(1,025)	-----	-----	-----	-----	(6,277)	(1,025)
Changes in Equity – other than transactions with owners as owners								
Result for the Year	63,193	(39,320)	-----	-----	-----	-----	63,193	(39,320)
Increment on Revaluation of:								
– Land and Buildings	-----	-----	206,135	814,571	-----	-----	206,135	814,571
– Plant and Equipment	-----	-----	-----	1,628	-----	-----	-----	1,628
– Infrastructure Systems	-----	-----	8,439	120,099	-----	-----	8,439	120,099
Increment/(decrement) on revaluation of available for sale financial assets	-----	-----	-----	4,267	-----	-----	-----	4,267
Transfer to Net Expenditure/ Revenue for the Year on disposal of available for sale financial assets	784	-----	-----	(1,855)	(784)	1,855	-----	-----
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	17,864	1,471,026	(17,864)	(1,471,026)	-----	-----	-----	-----
Total	81,841	1,431,706	196,710	(532,316)	(784)	1,855	277,767	901,245
Balance at the end of the financial year	**5,939,444**	**5,863,880**	**1,387,101**	**1,190,391**	**1,071**	**1,855**	**7,327,616**	**7,056,126**

The asset revaluation reserve is used to record increments and decrements on the revaluation of non current assets. This accords with the Department's policy on the "Revaluation of Physical Non Current Assets" and "Investments", as discussed in Note 2(j).

The transfers to/from Asset Revaluation Reserves in the Consolidated Entity in 2004/05 principally relate to the amalgamation of seventeen former Area Health Services to form eight new Area Health Services with effect from 1 January 2005. At that time any revaluation reserves reported by the former Area Health Services were transferred to Accumulated Funds.

PARENT				CONSOLIDATED	
2006 $'000	2005 $'000			2006 $'000	2005 $'000
		33. Commitments for Expenditure			
		(a) Capital Commitments			
		Aggregate capital expenditure contracted for at balance date and not provided for:			
-----	260	Not later than one year		275,459	221,800
-----	-----	Later than one year and not later than five years		299,128	198,843
-----	-----	Later than five years		115,122	120
-----	260	Total Capital Expenditure Commitments (including GST)		689,709	420,763

		Although not necessarily covered by contractual arrangement the Government is committed to capital expenditures as follows in accordance with the Department's Asset Acquisition Program:			
			2006 $'000	2005 $'000	
		Not later than one year	633,094	646,379	
		Later than one year and not later than five years	1,433,431	1,619,950	
		Later than five years	801,856	-----	
		Total Capital Program	2,868,381	2,266,329	

PARENT				CONSOLIDATED	
		(b) Other Expenditure Commitments			
		Aggregate other expenditure contracted for at balance date and not provided for:			
10,161	109	Not later than one year		23,410	31,495
2,593	469	Later than one year and not later than five years		129,179	24,464
-----	-----	Later than five years		781,243	-----
12,754	578	Total Other Expenditure Commitments (including GST)		933,832	55,959
		(c) Operating Lease Commitments			
		Commitments in relation to non cancellable operating leases are payable as follows:			
8,322	9,584	Not later than one year		100,534	108,408
15,560	24,711	Later than one year and not later than five years		199,807	213,763
-----	-----	Later than five years		52,069	44,495
23,882	34,295	Total Operating Lease Commitments (including GST)		352,410	366,666

The operating leases include motor vehicles arranged through a lease facility negotiated by State Treasury as well as electro medical equipment. Operating leases have also been included for information technology equipment. These operating lease commitments are not recognised in the financial statements as liabilities.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			PARENT	CONSOLIDATED	
2006 $'000	2005 $'000			2006 $'000	2005 $'000
			33. Commitments for Expenditure (cont)		
			(d) Finance Lease Commitments (including GST)		
			Minimum lease payment commitments in relation to finance leases payable as follows:		
-----	-----		Not later than one year	4,600	4,509
-----	-----		Later than one year and not later than five years	19,143	18,829
-----	-----		Later than five years	15,796	20,734
-----	-----		**Minimum Lease Payments**	**39,539**	**44,072**
-----	-----		Less: Future Financing Charges	(9,378)	(11,709)
-----	-----		Less: GST Component	(3,594)	(4,007)
-----	-----		**Present Value of Minimum Lease Payments**	**26,567**	**28,356**
-----	-----		Current	2,120	1,789
-----	-----		Non-Current	24,447	26,567
-----	-----			**26,567**	**28,356**
			The present value of finance lease commitments is as follows:		
-----	-----		Not later than one year	2,120	1,789
-----	-----		Later than one year and not later than five years	13,782	11,424
-----	-----		Later than five years	10,665	15,143
-----	-----			**26,567**	**28,356**

(e) Contingent Asset related to Commitments for Expenditure

The total "Expenditure Commitments" above includes input tax credits of $3.331 million in relation to the Parent Entity and $183.227 million in relation to NSW Health that are expected to be recoverable from the Australian Taxation Office for the 2005/06 year. The comparatives for 2004/05 are $3.194 million and $80.679 million respectively.

(f) Mater Private/Public Partnership

In 2005/06, the Health Administration Corporation entered into a contract with a private sector provider, Novacare Project Partnership for financing, design, construction and commissioning of a new Mater Hospital, a mental health facility and refurbishment of existing buildings, and facilities management and delivery of ancillary non-clinical services on the site until November 2033. The redevelopment will be completed in three stages and full service commencement is anticipated in mid 2009.

When construction is completed, the Hunter New England Area Health Service (HNEAHS) will transfer the Mater Hospital to Mercy Health Care (Newcastle) Limited and will recognise the transfer as a grant expense of $107M. The recognition is based on the fact that services will be delivered by Mercy Health being a Third Schedule Hospital health care provider which is outside the accounting control of either HNEAHS or the Department.

HNEAHS will recognise the new mental health facility as an asset of $39M. The refurbished Convent and McAuley buildings at the Mater hospital site, to be occupied by HNEAHS, will also be recognised as an asset and off setting liability of $11M. The basis for the accounting treatment is that services will be delivered by HNEAHS on the site of Mater Hospital for the duration of the Head Lease of these facilities until November 2033.

In addition, the HNEAHS will recognise the liability to Novacare, payable over the period to 2033, for the construction of both hospitals.

33. Commitments for Expenditure (cont)

An estimate of the commitments inclusive of Goods and Services Tax which has been recognised in Notes 33(a) and (b) is as follows:

Capital Commitments – New Mental Health Building and Refurbished Buildings

Nominal $'000	2006	2005
Not later than one year	-----	-----
Later than one year and not later than five years	20,202	-----
Later than five years	104,585	-----

Other Expenditure Commitments – Redevelopment of Mater Hospital (which will be recognised as a grant after completion of construction) and provision of facilities management and other non-clinical services to both hospitals.

Nominal $'000	2006	2005
Not later than one year	-----	-----
Later than one year and not later than five years	90,344	-----
Later than five years	779,576	-----

34. Trust Funds

The NSW Department of Health's controlled entities hold Trust Fund monies of $41.6 million, which are used for the safe keeping of patients' monies, deposits on hired items of equipment and Private Practice Trusts. These monies are excluded from the financial statements as the Department or its controlled entities perform only a custodial role and cannot use them for the achievement of their objectives. The following is a summary of the transactions in the trust account:

	Patient Trust		Refundable Deposits		Private Practice Trust Funds		Total Trust Funds	
	2006 $'000	2005 $'000	2006 $'000	2005 $'000	2006 $'000	2005 $'000	2006 $'000	2005 $"000
Cash Balance at the beginning of the financial year	3,508	3,551	17,304	22,064	21,835	18,363	42,647	43,978
Receipts	4,471	5,360	44,025	54,355	124,886	107,284	173,382	166,999
Expenditure	(4,106)	(5,403)	(40,453)	(59,115)	(129,859)	(103,812)	(174,418)	(168,330)
Cash Balance at the end of the financial year	3,873	3,508	20,876	17,304	16,862	21,835	41,611	42,647

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

35. Contingent Liabilities (Parent and Consolidated)

(a) Claims on Managed Fund

Since 1 July 1989, the NSW Department of Health has been a member of the NSW Treasury Managed Fund. The Fund will pay to or on behalf of the Department all sums, which it shall become legally liable to pay by way of compensation, or legal liability if sued except for employment related, discrimination and harassment claims that do not have statewide implications. The costs relating to such exceptions are to be absorbed by the Department. As such, since 1 July 1989, no contingent liabilities exist in respect of liability claims against the Department. A Solvency Fund (now called Pre-Managed Fund Reserve) was established to deal with the insurance matters incurred before 1 July 1989 that were above the limit of insurance held or for matters that were incurred prior to 1 July 1989 that would have become verdicts against the State. That Solvency Fund will likewise respond to all claims against the Department.

(b) Workers Compensation Hindsight Adjustment

TMF normally calculates hindsight premiums each year. However, in regard to workers compensation the final hindsight adjustment for the 1999/2000 final year and an interim adjustment for the 2001/02 fund year were not calculated until 2005/06. As a result, the 2000/01 final and 2002/03 interim hindsight calculations will be paid in 2006/07.

(c) Third Schedule Organisations

Based on the definition of control in Australian Accounting Standard AASB127, Affiliated Health Organisations listed in the Third Schedule of the *Health Services Act, 1997* are only recognised in the Department's consolidated Financial Statements to the extent of cash payments made.

However, it is accepted that a contingent liability exists which may be realised in the event of cessation of health service activities by any Affiliated Health Organisation. In this event the determination of assets and liabilities would be dependent on any contractual relationship, which may exist or be formulated between the administering bodies of the organisation and the Department.

(d) Mater Private/Public Partnership

Note 33 provides disclosure of commitments for expenditure concerning the Mater Private/Public Partnership under which the Health Administration Corporation has entered into a contract with a private sector provider, Novocare Project Partnerships for financing, design, construction and commissioning of a range of health facilities.

The liability to pay Novocare for the redevelopment of the Mater Hospital is based on a financing arrangement involving CPI linked finance and fixed finance. An interest rate adjustment will be made as appropriate for the CPI linked interest component over the project term. The estimated value of the contingent liability is unable to be fully determined because of uncertain future events.

(e) Other Legal Matters

Three legal matters are currently on foot, which carry a potential total liability of $115,000 (inclusive of costs).

(f) Claim by Lessee of Certain Property

Macquarie International Health Clinic Pty Ltd, lessee of certain property controlled by Sydney South West Area Health Service (SSWAHS) has made a claim against SSWAHS. The claim is in relation to Supreme Court proceedings in respect of recision of an agreement and lease regarding a proposed private hospital on the Royal Prince Alfred Hospital Campus, which was to be constructed and operated by the lessee. Litigation is ensuing with a claim by the lessee for compensation in respect of rentals unpaid to date together with damages which have not been quantified.

36. Charitable Fundraising Activities

Fundraising Activities

The consolidation of fundraising activities by health services under Departmental control is shown below.

Income received and the cost of raising income for specific fundraising, has been audited and all revenue and expenses have been recognised in the financial statements of the individual health services. Fundraising activities are dissected as follows:

	INCOME RAISED $000's	DIRECT EXPENDITURE* $000's	INDIRECT EXPENDITURE+ $000's	NET PROCEEDS $000's
Appeals Consultants	156	81	7	68
Appeals (In House)	18,319	1,929	2,375	14,015
Fetes	487	261	13	213
Raffles	127	9	14	104
Functions	7,396	199	27	7,170
	26,485	2,479	2,436	21,570
Percentage of Income	**100%**	**9.4%**	**9.2%**	**81.4%**

* Direct Expenditure includes printing, postage, raffle prizes, consulting fees, etc.
+ Indirect Expenditure includes overheads such as office staff administrative costs, cost apportionment of light, power and other overheads.

The net proceeds were used for the following purposes:	$000's
Purchase of Equipment	6,178
Research	5,761
Other Expenses	4,588
Held in Special Purpose and Trust Fund Pending Purchase	5,043

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		37. Reconciliation of Cash Flows from Operating Activities to Net Cost of Services		
20,459	170,057	Net Cash Used on Operating Activities	600,366	634,804
(17,343)	(15,821)	Depreciation	(411,447)	(388,612)
(2)	(487)	Allowance for Impairment	1,924	(8,374)
(6,454)	(10,217)	Acceptance by the Government of Employee Benefits and Other Liabilities	(150,477)	(516,666)
(2,950)	(101)	(Increase)/Decrease in Provisions	(176,853)	(192,668)
22,531	6,391	Increase/(Decrease) in Prepayments and Other Assets	65,694	52,272
76,303	(133,450)	(Increase)/Decrease in Creditors	(22,195)	(145,278)
(94)	(22)	Net Gain/(Loss) on Sale of Property, Plant and Equipment	(4,528)	4,469
-----	-----	Net Gain/(Loss) on Disposal of Financial Assets	2	-----
(9,226,042)	(8,027,362)	Recurrent Appropriation	(9,226,042)	(8,027,362)
(481,079)	(453,230)	Capital Appropriation	(481,079)	(453,230)
(4,225)	(1,806)	Other	10,230	4,067
(9,618,896)	**(8,466,048)**	**Net Cost of Services**	**(9,794,405)**	**(9,036,578)**
		38. Non Cash Financing and Investing Activities		
(1,200)	-----	Financial instruments at fair value revaluation increment/(decrement)	3,180	-----
-----	-----	Assets Received by Donation	7,050	4,067
(1,200)	**-----**		**10,230**	**4,067**

39. 2005/06 Voluntary Services

It is considered impracticable to quantify the monetary value of voluntary services provided to health services. Services provided include:

■ Chaplaincies and Pastoral Care – Patient and Family Support

■ Pink Ladies/Hospital Auxiliaries – Patient Services, Fund Raising

■ Patient Support Groups – Practical Support to Patients and Relatives

■ Community Organisations – Counselling, Health Education, Transport, Home Help and Patient Activities.

40. Unclaimed Monies

Unclaimed salaries and wages of Health Services are paid to the credit of the Department of Industrial Relations and Employment in accordance with the provisions of the *Industrial Arbitration Act, 1940*, as amended.

All money and personal effects of patients which are left in the custody of Health Services by any patient who is discharged or dies in the hospital and which are not claimed by the person lawfully entitled thereto within a period of twelve months are recognised as the property of health services.

All such money and the proceeds of the realisation of any personal effects are lodged to the credit of the Samaritan Fund, which is used specifically for the benefit of necessitous patients or necessitous outgoing patients.

41. Budget Review (Consolidated)

Net Cost of Services

The actual Net Cost of Services of $9.794 billion was at variance with the budget by $245 million.
The following variations were not recognised in the budget: **$ M**

■ Cash supplementation provided from either the Treasurer's Advance or Section 22 of the
Public Finance and Audit Act or Section 28 of the *Appropriation Act*. The application of such
monies included the funding of Industrial Relation Commission approved award increases,
transfers of function between Departments, the Immunisation Program, increases in mental health,
research and capital grants, and increased funding to reduce elective surgery long waits.   101

■ Superannuation costs stemming from the payment of award increases and increased workforce.   34

■ Increase in leave expensing stemming from approved award increases and due adherence
to Australian Accounting Standard measurement criteria.   63

■ Expensing of Capital Projects that do not satisfy criteria for recognition as assets.   76

■ Operating Savings to source capital increases   (13)

■ Depreciation and Biofirst savings against budget   (18)

■ Other Expenses incurred and recognised.   2

                                                                                                   245

Result for the Year

The Result for the Year is derived as the difference between the above Net Cost of Services
result and the amounts injected by Government for recurrent services, capital works and
superannuation/long service leave costs: **$ M**

■ Variation from budget for Net Cost of Services as detailed above   245

■ Additional recurrent appropriation   (101)

■ Additional capital appropriation   (26)

■ Crown acceptance of employee liabilities   (29)

                                                                                                   89

Assets and Liabilities

Net assets increased by $260 million from budget. This included the following variations: **$ M**

■ The restatement of Property, Plant and Equipment, Intangibles and Assets Held for Sale
per independent asset valuations , additional capital funding, reduced depreciation
and a reduction in asset sales   335

■ Increase in Leave Provisions due to awards and increases in accumulated leave entitlements   (37)

■ Increase in Receivables   63

■ Increase in Current Payables   (53)

■ Decrease in Cash/Other Financial Assets   (58)

■ Reduction in Borrowings   33

■ Increase in Other Liabilities   (24)

■ Other   1

                                                                                                   260

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

Cash Flows

Cash Flows from Operating Activities

■ **Payments** – 2005/06 total payments exceeded the budget by $591 million which reflects the use of additional recurrent budget supplementation from NSW Treasury $101 million; $75 million for expensing of items funded from a capital source that do not satisfy the recognition of asset criteria, $34 million for superannuation costs stemming from the payment of award increases and increased workforce, the use of revenue favourabilities/ Cash at Bank $130 million, Goods and Services Tax (GST) payments offset by increases in Australian Tax Office cash receipts of $302 million. Reduced payments occurred through the result of increases in non-capital Accounts Payable $31 million and Provisions $38 million.

■ **Receipts** – 2005/06 total revenue receipts were $389 million more than budget estimates due to increases in GST related receipts of $270 million, favourable revenues of $146 million less other movements in receivables of $40 million (including GST of $32 million), and Income in Advance/ Non Cash revenues of $13 million. From these increases the movement in receivables of $40 million (including GST of $32 million) is then deducted.

Cash Flows from Government

■ The movement of $127 million in Cash Flows from Government results from approved supplementations provided after the budget was formulated ($101 million Recurrent and $26 million Capital).

42. Financial Instruments

a) Interest Rate Risk

Interest rate risk, is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. The Department of Health's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised, at the (consolidated) Balance Sheet date of 30 June are as follows:

| Financial Instruments | Floating interest rate | | Fixed interest rate maturing in: | | | | | | Non-interest bearing | | Total carrying amount as per the Balance Sheet | |
| | | | 1 year or less | | Over 1 to 5 years | | More than 5 years | | | | | |
	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000
Financial Assets												
Cash	546,231	458,615	83,125	129,504	-----	-----	-----	-----	740	562	630,096	588,681
Receivables	54,387	47,022	-----	-----	-----	-----	-----	-----	201,780	145,310	256,167	192,332
Shares	3,055	3,062	-----	-----	-----	-----	-----	-----	-----	577	3,055	3,639
Other Loans and Deposits – T Corp	183,600	104,745	-----	29,410	-----	-----	-----	-----	-----	-----	183,600	134,155
Other Loans and Deposits – Other	7,359	-----	46,705	103,691	-----	4,404	-----	-----	-----	33,794	54,064	141,889
Total Financial Assets	794,632	613,444	129,830	262,605	-----	4,404	-----	-----	202,520	180,243	1,126,982	1,060,696
Financial Liabilities												
Borrowings – Bank Overdraft	8,850	7,573	-----	-----	-----	-----	-----	-----	-----	-----	8,850	7,573
Borrowings – Other	35,801	38,372	3,236	6,881	-----	20,756	-----	7,312	-----	682	39,037	74,003
Accounts Payable	-----	-----	-----	-----	-----	-----	-----	-----	708,205	689,557	708,205	689,557
Total Financial Liabilities	44,651	45,945	3,236	6,881	-----	20,756	-----	7,312	708,205	690,239	756,092	771,133

Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

42. Financial Instruments

b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation thereunder.

The Department of Health's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the consolidated Statement of Financial Position.

Credit Risk by classification of counterparty.

	Governments		Banks		Patients		Other		Total	
	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000
Financial Assets										
Cash	189,354	117,274	292,640	284,678	-----	-----	148,102	186,729	630,096	588,681
Receivables	79,973	14,380	19	-----	57,381	66,472	118,794	111,480	256,167	192,332
Shares	3,055	3,061	-----	-----	-----	-----	-----	578	3,055	3,639
Other Loans and Deposits	108,197	72,999	-----	133,101	-----	-----	129,467	69,944	237,664	276,044
Total Financial Assets	380,579	207,714	292,659	417,779	57,381	66,472	396,363	368,731	1,126,982	1,060,696

The only significant concentration of credit risk arises in respect of patients ineligible for free treatment under the Medicare provisions.

Receivables from this source totalled $14.062 million at balance date.

c) Derivative Financial Instruments

The Department of Health holds no Derivative Financial Instruments.

43. Increase/Decrease in Net Assets from Administrative Restructure

Note 2 (v) comments on the transfer of the Breast Screening and Cervical Screening programs to the Cancer Institute in 2005/06. Comment is also included on the creation of the Cancer Institute in 2004/05.

Details of the equity transfers are as follows:

	2006 $000	2005 $000
Assets		
Cash	(6,792)	......
Property, Plant and Equipment		
– Land and Buildings	(81)	......
– Plant and Equipment		(1,025)
Liabilities		
Provisions	596	......
Net Assets/Equity	(6,277)	(1,025)

The Cash assets above of $6.792 million less the amount relating to provisions ($0.596 million) is $6.196 million as per the Cash Flow Statement.

The NSW Institute of Medical Education and Training was established and reported as part of the Health Administration Corporation (HAC) with effect from 1 September 2005. This administrative restructure had no effect on the parent entity or the consolidated entity as all transactions were previously reported by the Northern Sydney & Central Coast Area Health Service which, together with HAC are consolidated by the NSW Department of Health.

Administrative restructures in 2004/05 also occurred in respect of the Parent Entity as follows:

■ Transfer of Port Macquarie assets per Note 32 to North Coast Area Health Service (nil effect on Consolidation)

■ Establishment of Health Technology as a separate reporting entity under the control of the NSW Department of Health with effect from 1 April 2005 (Approval was obtained for Health Technology to produce its first audited statements for the 15 months ending 30 June 2006). Annual leave values of $932,000 transferred in 2004/05 as did the matching cash thereby resulting in no movement in the net assets.

■ In 2005/06 Plant and Equipment with a carrying value of $1.159 million and Software with a carrying value of $23.635 million transferred from the Department to HAC in respect of the operations of the Health Technology unit.

44. After Balance Date Events

Long Bay Forensic and Prison Hospitals Private Public Partnership (PPP)

In 2005-06 a private sector company, PPP Solutions (Long Bay) Pty Limited, was engaged to finance, design, construct and maintain a forensic hospital at Long Bay. At 30 June 2006 one contractual conditions precedent remained unfulfilled but it has since been satisfied. The PPP Project Deed became effective on 19 July 2006.

Under the arrangement, Justice Health, a Health Service under the control of the Department, is obligated to make payments commencing in 2008-09 until the end of the contract term in July 2034 as an asset and liability with an initial value of $86 million for the Forensic Hospital. The costs of the services to be provided over the term of the arrangement cannot be estimated at present as they are dependent on uncertain future events.

45. Prior Period Errors (Parent)

The Department previously included the various Health Professional Registration Boards on the understanding that the Boards came under the control of the Department. However, the Department exercises no control over the functioning of the Boards and, accordingly any values relating to the Boards, other than transactions for Employee Related Expense and related benefits have been excluded from the 2005/06 financial statements. 2004/05 comparatives have also been restated in accordance with the requirements of Australian Accounting Standard AASB108.

The error had the effect of overstating Net Cost of Services by $1.250 million for the year ended 30 June 2005 and overstating Accumulated Funds by $7.764 million as at 30 June 2005.

END OF AUDITED FINANCIAL STATEMENTS

Health Administration Corporation
Independent Audit Report

The accounts of the Health Administration Corporation
at the time of tabling in Parliament the 2005/06
Annual Report of the NSW Department of Health
are still subject to audit and are therefore
"unaudited financial statements".

Health Administration Corporation Certification of Accounts

Certificate of Accounts reserved to be signed by the Director General and Chief Financial Officer when unaudited financial statements have been subject to audit review.

Health Administration Corporation Operating Statement

for the year ended 30 June 2006

PARENT					CONSOLIDATED		
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000		Notes	Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
			Expenses excluding losses				
			Operating Expenses				
214,150	294,793	272,577	– Employee Related	3	301,785	294,793	272,577
87,635	-----	-----	– Personnel Services	4	-----	-----	-----
146,122	124,993	93,981	– Other Operating Expenses	5	146,122	124,993	93,981
15,386	15,519	14,086	Depreciation and Amortisation	2(h), 6	15,386	15,519	14,086
1,372	1,295	542	Grants and Subsidies	7	1,372	1,295	542
107	20	183	Finance Costs	8	107	20	183
464,772	436,620	381,369	Total Expenses excluding losses		464,772	436,620	381,369
			Revenue				
118,574	107,110	75,202	Sale of Goods and Services	9	118,574	107,110	75,202
1,419	927	1,042	Investment Income	10	1,419	927	1,042
8,804	5,161	4,419	Grants and Contributions	11	6,002	5,161	4,419
9,485	7,484	5,327	Other Revenue	12	9,485	7,484	5,327
138,282	120,682	85,990	Total Revenue		135,480	120,682	85,990
94	368	(129)	Gain/(Loss) on Disposal	13	94	368	(129)
(9,591)	(6,630)	(6,400)	Other gains/(losses)	14	(9,591)	(6,630)	(6,400)
335,987	322,200	301,908	Net Cost of Services		338,789	322,200	301,908
			Government Contributions				
300,709	300,709	258,580	NSW Department of Health Recurrent Allocations	2(d)	300,709	300,709	258,580
67,757	67,757	15,034	NSW Department of Health Capital Allocations	2(d)	67,757	67,757	15,034
(125)	-----	(968)	Asset Sale Proceeds transferred to the NSW Department of Health		(125)	-----	(968)
6,868	9,595	19,963	Acceptance by the Crown Entity of employee superannuation benefits	2(a)	9,670	9,595	19,963
375,209	378,061	292,609	Total Government Contributions		378,011	378,061	292,609
39,222	**55,861**	**(9,299)**	**RESULT FOR THE YEAR**	**29**	**39,222**	**55,861**	**(9,299)**

The accompanying notes form part of these Financial Statements

Health Administration Corporation
Statement of Changes in Equity

for the year ended 30 June 2006

| PARENT | | | | | CONSOLIDATED | | |
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000		Notes	Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
41,296	-----	-----	Net increase/(decrease) in Property, Plant and Equipment Revaluation Reserve	29	41,296	-----	-----
41,296	**-----**	**-----**	**TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY**		**41,296**	**-----**	**-----**
39,222	55,861	(9,299)	Result for the Year	29	39,222	55,861	(9,299)
80,518	**55,861**	**(9,299)**	**TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR**		**80,518**	**55,861**	**(9,299)**

The accompanying notes form part of these Financial Statements

Health Administration Corporation
Balance Sheet

as at 30 June 2006

| PARENT | | | | | CONSOLIDATED | | |
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000		Notes	Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
			ASSETS				
			Current Assets				
16,745	9,735	3,046	Cash and Cash Equivalents	17	16,745	9,735	3,046
39,543	17,329	8,990	Receivables	18	39,543	17,329	8,990
1,881	1,526	1,527	Inventories	19	1,881	1,526	1,527
-----	-----	1,850	Other Financial Assets	20	-----	-----	1,850
1,616	-----	668	Non Current Assets Held for Sale	21	1,616	-----	668
-----	-----	73	Other		-----	-----	73
59,785	28,590	16,154	Total Current Assets		59,785	28,590	16,154
			Non-Current Assets				
488	494	494	Receivables	18	488	494	494
			Property, Plant and Equipment:				
158,241	129,282	121,541	– Land and Buildings	22	158,241	129,282	121,541
68,115	54,289	40,809	– Plant and Equipment	22	68,115	54,289	40,809
226,356	183,571	162,350	Total Property, Plant and Equipment		226,356	183,571	162,350
46,080	37,156	-----	Intangible Assets	23	46,080	37,156	-----
272,924	221,221	162,844	Total Non-Current Assets		272,924	221,221	162,844
332,709	249,811	178,998	**Total Assets**		332,709	249,811	178,998
			LIABILITIES				
			Current Liabilities				
42,745	15,837	19,890	Payables	25	42,745	15,837	19,890
16,711	140	1,802	Borrowings	26	16,711	140	1,802
90,465	84,436	78,680	Provisions	27	90,465	84,436	78,680
968	101	2,101	Other	28	968	101	2,101
150,889	100,514	102,473	Total Current Liabilities		150,889	100,514	102,473
			Non-Current Liabilities				
-----	-----	1,093	Borrowings	26	-----	-----	1,093
2,516	2,697	2,011	Provisions	27	2,516	2,697	2,011
2,516	2,697	3,104	Total Non-Current Liabilities		2,516	2,697	3,104
153,405	103,211	105,577	**Total Liabilities**		153,405	103,211	105,577
179,304	146,600	73,421	**Net Assets**		179,304	146,600	73,421
			EQUITY				
97,728	56,672	56,672	Reserves	29	97,728	56,672	56,672
81,576	89,928	16,749	Accumulated Funds	29	81,576	89,928	16,749
179,304	146,600	73,421	**Total Equity**		179,304	146,600	73,421

The accompanying notes form part of these Financial Statements

Health Administration Corporation
Cash Flow Statement

for the year ended 30 June 2006

PARENT				Notes	CONSOLIDATED		
Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000			Actual 2006 $'000	Budget 2006 $'000	Actual 2005 $'000
			CASH FLOWS FROM OPERATING ACTIVITIES				
			Payments				
(180,912)	(264,091)	(243,445)	Employee Related		(280,324)	(275,868)	(243,445)
(982)	(1,366)	(596)	Grants and Subsidies		(982)	(1,366)	(596)
(107)	(20)	(183)	Finance Costs		(107)	(20)	(183)
(244,698)	(156,634)	(106,747)	Other		(145,286)	(144,857)	(106,747)
(426,699)	(422,111)	(350,971)	**Total Payments**		(426,699)	(422,111)	(350,971)
			Receipts				
98,582	106,363	70,041	Sale of Goods and Services		98,582	106,363	70,041
1,420	927	1,042	Interest Received		1,420	927	1,042
19,919	8,158	17,560	Other		17,117	8,158	17,560
119,921	115,448	88,643	**Total Receipts**		117,119	115,448	88,643
			Cash Flows From Government				
296,592	317,264	258,580	NSW Department of Health Recurrent Allocations		296,592	317,264	258,580
67,757	67,757	15,034	NSW Department of Health Capital Allocations		67,757	67,757	15,034
(2,802)	-----	-----	Cash Reimbursement from Crown Entity		-----	-----	-----
(125)	-----	(968)	Asset Sale Proceeds transferred to the NSW Department of Health		(125)	-----	(968)
361,422	385,021	272,646	Net Cash Flows from Government		364,224	385,021	272,646
54,644	**78,358**	**10,318**	**NET CASH FLOWS FROM OPERATING ACTIVITIES**	32	**54,644**	**78,358**	**10,318**
			CASH FLOWS FROM INVESTING ACTIVITIES				
4,008	3,248	2,270	Proceeds from Sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		4,008	3,248	2,270
(57,320)	(73,264)	(10,773)	Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(57,320)	(73,264)	(10,773)
100	-----	(350)	Purchases of Investments		100	-----	(350)
(53,212)	(70,016)	(8,853)	**NET CASH FLOWS FROM INVESTING ACTIVITIES**		(53,212)	(70,016)	(8,853)
			CASH FLOWS FROM FINANCING ACTIVITIES				
16,555	-----	2,000	Proceeds from Borrowings and Advances		16,555	-----	2,000
(3,794)	(2,755)	(2,933)	Repayment of Borrowings and Advances		(3,794)	(2,755)	(2,933)
12,761	(2,755)	(933)	**NET CASH FLOWS FROM FINANCING ACTIVITIES**		12,761	(2,755)	(933)
14,193	5,587	532	**NET INCREASE/(DECREASE) IN CASH**		14,193	5,587	532
1,944	1,944	1,412	Opening Cash and Cash Equivalents		1,944	1,944	1,412
452	-----	-----	Cash Transferred in/(out) as a result of administrative restructuring		452	-----	-----
16,589	7,531	1,944	**CLOSING CASH AND CASH EQUIVALENTS**	17	16,589	7,531	1,944

The accompanying notes form part of these Financial Statements

Health Administration Corporation
Program Statement – Expenses and Revenues

for the year ended 30 June 2006

SERVICESS EXPENSES AND REVENUES	Program 1.1 * 2006 $000	Program 1.1 * 2005 $000	Program 1.2 * 2006 $000	Program 1.2 * 2005 $000	Program 1.3 * 2006 $000	Program 1.3 * 2005 $000	Program 2.1 * 2006 $000	Program 2.1 * 2005 $000	Program 2.2 * 2006 $000	Program 2.2 * 2005 $000	Program 2.3 * 2006 $000	Program 2.3 * 2005 $000	Program 3.1 * 2006 $000	Program 3.1 * 2005 $000	Program 4.1 * 2006 $000	Program 4.1 * 2005 $000	Program 5.1 * 2006 $000	Program 5.1 * 2005 $000	Program 6.1 * 2006 $000	Program 6.1 * 2005 $000	Total 2006 $000	Total 2005 $000
Expenses excluding losses																						
Operating Expenses																						
– Employee Related	517	159	21	4	535	96	290,466	270,570	2,112	380	292	52	1,005	173	481	86	114	20	6,242	1,037	301,785	272,577
– Other Operating Expenses	2,788	40	164	2	4,563	65	106,440	92,963	17,447	247	3,431	49	2,629	47	2,886	41	1,649	23	4,125	504	146,122	93,981
Depreciation and Amortisation	58	------	2	------	128	------	14,317	14,025	449	------	66	------	78	1	85	------	14	------	189	60	15,386	14,086
Grants and Subsidies	------	------	------	------	------	------	334	542	------	------	------	------	------	------	------	------	------	------	1,038	------	1,372	542
Finance Costs	------	------	------	------	------	------	107	183	------	------	------	------	------	------	------	------	------	------	------	------	107	183
Total Expenses excluding losses	3,363	199	187	6	5,226	161	411,664	378,283	20,008	627	3,789	101	3,712	221	3,452	127	1,777	43	11,594	1,601	464,772	381,369
Revenue																						
Sale of Goods and Services	795	------	55	------	1,891	------	92,233	75,076	13,954	110	1,425	------	1,151	------	3,838	------	356	------	2,876	16	118,574	75,202
Investment Income	22	------	------	------	30	------	1,028	1,040	111	2	16	------	14	------	31	------	9	------	158	------	1,419	1,042
Grants and Contributions	------	131	------	10	------	53	5,957	3,459	------	146	------	40	------	35	------	163	------	20	45	362	6,002	4,419
Other Revenue	70	------	4	------	128	------	8,382	5,299	340	28	66	------	47	------	141	------	68	------	239	------	9,485	5,327
Total Revenue	887	131	59	10	2,049	53	107,600	84,874	14,405	286	1,507	40	1,212	35	4,010	163	433	20	3,318	378	135,480	85,990
Gain/(Loss) on Disposal	------	------	------	------	------	------	94	(129)	------	------	------	------	------	------	------	------	------	------	------	------	94	(129)
Other Gains/(Losses)	------	------	------	------	------	------	(9,591)	(6,400)	------	------	------	------	------	------	------	------	------	------	(9,591)	------	(9,591)	(6,400)
Net Cost of Services	2,476	68	128	-4	3,177	108	313,561	299,938	5,603	341	2,282	61	2,500	186	(558)	(36)	1,344	23	8,276	1,223	338,789	301,908

The name and purpose of each program is summarized in Note 16. The Program Statement uses statistical data to 31 December 2005 to allocate currents year's financial information to each program.

Health Administration Corporation
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for the year ended 30 June 2006

1. The Health Service Reporting Entity

Both Health Technology and The Institute of Medical Education and Training were established as health support services under the Public Health System Support Division of the Health Administration Corporation (HAC) in accordance with the provisions of *The Health Services Act*. The units were established from 1 April 2005 and 1 September 2005 respectively.

From 17 March 2006 the Director General became responsible for providing health support services. Under Section 8A of the *Health Administration Act* she has determined that HAC may exercise this function.

In prior years Ambulance Services were provided by a statutory corporation called the Ambulance Service of NSW, established under the *Ambulance Service Act 1990*. On 17 March 2006:

- The *Act* was repealed and The Corporation dissolved
- Its staff were transferred to the Crown under the description "The Ambulance Service of NSW division of the NSW Health Service"
- The function of providing ambulance services was transferred to the Director General
- The Director General has determined that HAC may exercise such functions.

HAC as a reporting entity also encompasses the Special Purposes and Trust Funds of these units which, while containing assets which are restricted for specified uses by the grantor or the donor, are nevertheless controlled by HAC. HAC is a not for profit entity.

With effect from 17 March 2006 fundamental changes to the employment arrangements of Health Services including those reported under HAC were made through amendment to the *Public Sector Employment and Management Act 2002* and other Acts including the *Health Services Act 1997*. The status of the previous employees of HAC changed from that date. They are now employees of the Government of New South Wales in the service of the Crown rather than employees of the HAC. Employees of the Government are employed in Divisions of the Government Service.

In accordance with Accounting Standards these Divisions are regarded as special purpose entities that must be consolidated with the financial report of the related Health Service. This is because the Divisions were established to provide personnel services to enable a Health Service, including HAC to exercise its functions.

As a consequence the values in the annual financial statements presented herein consist of HAC (as the parent entity), the financial report of the special purpose entity Division and the consolidated financial report for the economic entity. Notes have been extended to capture both the Parent and Consolidated values with Notes 3, 4, 11, 25, 27 and 32 being especially relevant.

In the process of preparing the consolidated financial statements for the economic entity consisting of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated.

The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

These financial statements have been authorised for issue by the Chief Financial Officer and Director General on 21 November 2006.

2. Summary of Significant Accounting Policies

HAC's financial statements are a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS)), the requirements of the *Health Services Act 1997* and its regulations including observation of the Accounts and Audit Determination for Area Health Services and Public Hospitals.

Property, plant and equipment, and other assets held for sale are measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention. All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

Judgements, key assumptions and estimations made by management are disclosed in the relevant notes to the financial statements.

The financial statements and notes comply with Australian Accounting Standards which include AEIFRS. Although this constitutes the initial set of financial statements presented by HAC comparatives are available for 2004/05 operations of the NSW Ambulance Service (12 months) and Health Technology (3 months) and where necessary figures have been recast in accordance with AEIFRS requirements.

Note 2 v) (b) includes separate disclosure of the 1 July 2005 equity adjustments arising from the adoption of AASB132 and AASB139.

The following Accounting Standards are being early adopted from 1 July 2005:

- AASB 2005–4 regarding the revised AAS139 fair value option
- UIG 9 regarding the reassessment of embedded derivatives
- AASB 2005–06, which excludes from the scope of AASB3, business combinations involving entities or businesses under common control.

Any initial impacts on first time adoption are discussed as part of the AEIFRS first time adoption note disclosure (refer Note 2 v) (a)) along with the other AEIFRS impacts.

Other significant accounting policies used in the preparation of these financial statements are as follows:

(a) Employee Benefits and Other Provisions

i) *Salaries and Wages, Current Annual Leave, Sick Leave and On Costs (including non-monetary benefits)*

At the consolidated level of reporting liabilities for salaries and wages (including non monetary benefits), annual leave and paid sick leave that fall wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

All Annual Leave employee benefits are reported as "Current" as there is an unconditional right to payment. Current liabilities are then further classified as "Short Term" or "Long Term" based on past trends and known resignations and retirements. Anticipated payments to be made in the next twelve months are reported as "Short Term".

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of workers' compensation insurance premiums and fringe benefits which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

Consequential to the legislative changes of 17 March 2006 no salary costs or provisions are recognised by the Parent Entity beyond that date.

ii) *Long Service Leave and Superannuation Benefits*

At the consolidated level of reporting Long Service Leave employee leave entitlements are dissected as "Current" if there is an unconditional right to payment and "Non Current" if the entitlements are conditional. Current entitlements are further dissected between "Short Term" and "Long Term" on the basis of anticipated payments for the next twelve months. This in turn is based on past trends and known resignations and retirements.

Long Service Leave provisions are measured on a short hand basis at an escalated rate of 17.4 per cent for short term entitlements and 7.6 per cent for long term entitlements above the salary rates immediately payable at 30 June 2006 for all employees with five or more years of service. Actuarial assessment has found that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

HAC's liability for the closed superannuation pool schemes (State Authorities Superannuation Scheme and State Superannuation Scheme) is assumed by the Crown Entity. HAC accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of Employee Benefits". Any liability attached to Superannuation Guarantee Charge cover is reported in Note 25, "Payables".

The superannuation expense for the financial year is determined by using the formulae specified by the NSW Department of Health. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Consequential to the legislative changes of 17 March 2006 no salary costs or provisions are recognised by the Parent Entity beyond that date.

iii) *Other Provisions*

Other provisions exist when: the agency has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

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These provisions are recognised when it is probable that a future sacrifice of economic benefits will be required and the amount can be measured reliably.

(b) Insurance

HAC's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government Agencies. The expense (premium) is determined by the Fund Manager based on past experience.

(c) Finance Costs

Finance costs are recognised as expenses in the period in which they are incurred.

(d) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of revenue are discussed below.

Sale of Goods and Services

Revenue from the sale of goods and services comprises revenue from the provision of products or services, ie user charges. User charges are recognised as revenue when the service is provided or by reference to the stage of completion.

Investment Income

Interest revenue is recognised using the effective interest method as set out in AASB139, "Financial Instruments: Recognition and Measurement". Rental revenue is recognised in accordance with AASB117 "Leases" on a straight line basis over the lease term. Dividend revenue is recognised in accordance with AASB118 when the Health Service's right to receive payment is established.

Debt Forgiveness

Debts are accounted for as extinguished when and only when settlement occurs through repayment or replacement by another liability.

Grants and Contributions

Grants and Contributions are generally recognised as revenues when HAC obtains control over the assets comprising the contributions. Control over contributions is normally obtained upon the receipt of cash.

HAC, as a not-for-profit entity has applied the requirements in AASB 1004 Contributions regarding contributions of assets (including grants) and forgiveness of liabilities. There are no differences in the recognition requirements between the new

AASB 1004 and the previous AASB 1004. However, the new AASB 1004 may be amended by proposals in Exposure Draft ED 125 Financial Reporting by Local Governments and ED 147 Revenue from Non-Exchange Transactions (Including Taxes and Transfers). If the ED 125 and ED 147 approach is applied, revenue and/or expense recognition will not occur until either HAC supplies the related goods and services (whee grants are in-substance agreements for the provision of goods and services) or until conditions are satisfied. ED 125 and ED 147 may therefore delay revenue recognition compared with AASB 1004, where grants are recognised when controlled. However, at this stage, the timing and dollar impact of these amendments is uncertain.

NSW Department of Health Allocations

Payments are made by the NSW Department of Health on the basis of the allocation for HAC as adjusted for approved supplementations mostly for salary agreements, computer hardware/software acquisitions and approved enhancement projects eg for rescue services. This allocation is included in the Operating Statement before arriving at the "Result for the Year" on the basis that the allocation is earned in return for the health services provided on behalf of the Department. Allocations are normally recognised upon the receipt of Cash.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- the amount of GST incurred by the Health Service as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense

- receivables and payables are stated with the amount of GST included.

(f) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by HAC. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition

except for assets transferred as a result of an administrative restructure.

Fair value means the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where settlement of any part of cash consideration is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

Land and Buildings which are owned by the Health Administration Corporation or the State and administered by the Health Service are deemed to be controlled by the Health Service and are reflected as such in the financial statements.

(g) Plant and Equipment and Infrastructure Systems

Individual items of property, plant and equipment costing $5,000 and above are capitalised.

(h) Depreciation

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to HAC. Land is not a depreciable asset.

Details of depreciation rates initially applied for major asset categories are as follows:

Buildings	2.5%
Electro Medical Equipment	
– Costing less than $200,000	10.0%
– Costing more than or equal to $200,000	12.5%
Computer Equipment	20.0%
Infrastructure Systems	2.5%
Office Equipment	10.0%
Plant and Machinery	10.0%
Linen	20.0%
Furniture, Fittings and Furnishings	5.0%

Depreciation rates are subsequently varied where changes occur in the assessment of the remaining useful life of the assets reported.

(i) Revaluation of Non Current Assets

Physical non-current assets are valued in accordance with the NSW Department of Health's "Valuation of Physical Non-Current Assets at Fair Value". This policy adopts fair value in accordance with AASB116, "Property, Plant & Equipment" and AASB140, "Investment Property".

Property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio-political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

HAC entities are required to revalue Land and Buildings at minimum every five years by independent valuation and with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date. The last revaluation for assets for The NSW Ambulance Service was completed on 31 May 2006 and was based on an independent assessment.

Non-specialised generalised assets with short useful lives are measured at depreciated historical cost, as a surrogate for fair value.

When revaluing non-current assets by reference to current prices for assets newer than those being revalued (adjusted to reflect the present condition of the assets), the gross amount and the related accumulated depreciation are separately restated.

For other assets, any balances of accumulated depreciation existing at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the Result for the Year , the increment is recognised immediately as revenue in the Result for the Year.

Revaluation decrements are recognised immediately as expenses in the Result for the Year , except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

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Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

(j) Impairment of Property, Plant and Equipment

As a not-for-profit entity HAC is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are regarded as material. Selling costs are regarded as immaterial.

(k) Restoration Costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(l) Non Current Assets (or disposal groups) Held for Sale

HAC has certain non-current assets classified as held for sale, where their carrying amount will be recovered principally through a sale transaction, not through continuing use. Non-current assets held for sale are recognised at the lower of carrying amount and fair value less costs to sell. These assets are not depreciated while they are classified as held for sale.

(m) Intangible Assets

HAC recognises intangible assets only if it is probable that future economic benefits will flow to HAC and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition. All research costs are expensed. Development costs are only capitalised when certain criteria are met. The useful lives of intangible assets are assessed to be finite. Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for HAC's intangible assets, the assets are carried at cost less any accumulated amortisation. HAC's intangible assets are amortised using the straight line method over a period of 5 years [for items of computer software]. In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity HAC is effectively exempted from impairment testing (see Note 2[j]).

(n) Maintenance and Repairs

Day to day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset in which case the costs are capitalised and depreciated.

(o) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

Where a non-current asset is acquired by means of a finance lease, the asset is recognised at its fair value at the commencement of the lease term. The corresponding liability is established at the same amount. Lease payments are allocated between the principal component and the interest expense.

Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

(p) Inventories

Inventories are stated at cost. Costs are assigned to individual items of stock mainly on the basis of weighted average costs.

Obsolete items are disposed of in accordance with instructions issued by the NSW Department of Health.

(q) Other Financial Assets

Financial assets are initially recognised at fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs.

HAC subsequently measures financial assets classified as held for trading at fair value through profit or loss. Gains or losses on these assets are recognised in the Operating Statement. Assets intended to be held to maturity are subsequently measured at amortised cost using the effective interest method. Gains or losses on impairment or disposal of these assets are recognised in the Operating Statement. Any residual investments that do not fall into any other category are accounted for as available for sale financial assets and measured at fair value directly in equity until disposed or impaired. All financial assets (except those measured at fair value through profit or loss) are subject to annual review for impairment.

Purchases or sales of financial assets under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date ie the date HAC commits itself to purchase or sell the assets.

(r) Equity Transfers

The transfer of net assets between agencies as a result of an administrative restructure, transfers of programs/functions and parts thereof between NSW public sector agencies is designated as a contribution by owners and is recognised as an adjustment to "Accumulated Funds".

Transfers arising from an administrative restructure between Health Services/government departments are recognised at the amount at which the asset was recognised by the transferor Health Service/Government Department immediately prior to the restructure. In most instances this will approximate fair value. All other equity transfers are recognised at fair value.

In establishing Health Technology, a component of HAC, various net assets and equity totalling $23.635 million transferred from the Department of Health to HAC under the provisions of Section 126B of the *Health Service Act*. From 1 September 2005 the Institute of Medical Education and Training was also established as a unit of HACC and received net assets of $ 0.471 million in an administrative restructure from Northern Sydney and Central Coast AHS.

(s) Financial Instruments

Financial instruments give rise to positions that are a financial asset of either HAC or its counter party and a financial liability (or equity instrument) of the other party. For HAC these include cash at bank, receivables, other financial assets, payables and interest bearing liabilities. (Delete interest bearing liabilities if not applicable).

In accordance with Australian Accounting Standard AASB39, "Financial Instruments: Recognition and Measurement" disclosure of the carrying amounts for each of the AASB139 categories of financial instruments is disclosed in Note 35. The specific accounting policy in respect of each class of such financial instrument is stated hereunder.

Classes of instruments recorded and their terms and conditions measured in accordance with AASB139 are as follows:

Cash

Accounting Policies – Cash is carried at nominal values reconcilable to monies on hand and independent bank statements.

Terms and Conditions – Monies on deposit attract an effective interest rate of approximately 5.23 per cent as compared to 4.91 per cent in the previous year.

Loans and Receivables

Loans and receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

Terms and Conditions – Accounts are generally issued on 30-day terms.

Other Investments

Terms and interest conditions – Short term deposits have an average maturity of 4 days and effective interest rates of 5.44 per cent as compared to 5.23 per cent in the previous year. Fixed term deposits have a maturity of up to 181 days and effective interest rates of 5.3 per cent to 5.53 per cent as compared to 5.3 per cent to 5.56 per cent in the previous year.

Trade and Other Payables

Accounting Policies -– These amounts represent liabilities for goods and services provided to HAC and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to HAC.

Terms and Conditions – Trade liabilities are settled within any terms specified. If no terms are specified, payment is made by the end of the month following the month in which the invoice is received.

Borrowings

Accounting Policies – Bank Overdrafts are carried at the principal amount. Other loans are classified as non trading liabilities and measured at amortised cost. Interest is charged as an expense as it accrues. Finance Lease Liability is accounted for in accordance with AASB117, "Leases".

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Terms and Conditions- Bank Overdraft interest is charged at the bank's benchmark rate. Non interest bearing loans are repayable in full in 2006/07.

All financial instruments including revenue, expenses and other cash flows arising from instruments are recognised on an accruals basis.

(t) Borrowings

Non interest bearing loans within NSW Health are initially measured at fair value and amortised thereafter. All other loans are valued at amortised cost. The finance lease liability is determined in accordance with AASB117, "Leases".

(u) Budgeted Amounts

The budgeted amounts are drawn from the budgets agreed with the NSW Department of Health at the beginning of the financial reporting period and with any adjustments for the effects of additional supplementation provided.

(v) The Financial Impact Of Adopting Australian Equivalents To International Financial Reporting Standards (AEIFRS)

HAC has applied the AEIFRS for the first time in the 2005/06 financial report. The key areas where changes in accounting policies have impacted the financial report are disclosed below. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts arise from options in AEIFRS that were not available or not applied under previous AGAAP. HAC has adopted the options mandated by NSW Treasury for all NSW public sector agencies. The impacts below reflect Treasury's mandates and policy decisions.

The impacts of adopting AEIFRS on total equity and the Result for the Year as reported under previous AGAAP are shown below. There are no material impacts on HAC's cash flows.

PARENT 30 June 2005 $'000		CONSOLIDATED 30 June 2005 $'000
	(a) Reconciliation of key aggregates	
	Reconciliation of equity under previous AGAAP to equity under AEIFRS:	
73,421	Total equity under AGAAP Adjustments to accumulated funds	73,421
	Recognition of Assets Held for Sale Note 1	
(493)	Land	(493)
(1,495)	Buildings Gross Value	(1,495)
1,320	Depreciation on Buildings Written Back	1,320
668	Current Assets, "Assets Held for Sale" Asset Revaluation Reserves	668
73,421	Accumulated Funds Total equity under AEIFRS	73,421
	Reconciliation of Result for the Year under AGAAP to Net Expenditure/ (Revenue) under AEIFRS.	
	Result for the Year	
$'000	Net Expenditure for the Year ended 30 June 2005	$'000
(9,299)	Result for the Year	(9,299)
------	Effects of Adoption of AEIFRS	------
(9,299)	**Result for the Year**	(9,299)
	The Net Cost of Services reported was similarly unaffected by the application of AEIFRS in 2004/05.	
	(b) Financial Instruments – 1 July 2005 first time adoption impacts	
	As discussed in the opening of Note 2, the comparative information for 2004/05 for financial instruments has not been restated and is presented in accordance with previous AGAAP. AASB 132 and AASB 139 have been applied from 1 July 2005. However no change in accounting treatment is required.	

	Accumulated Funds $'000	Other reserves $'000	Total $'000
Total opening 1 July 2005 AEIFRS equity	16,749	56,672	73,421
Adjustments	-----	-----	-----
Restated opening 1 July 2005 AEIFRS equity	16,749	56,672	73,421

Note 1

AASB 5 Non-current Assets Held for Sale and Discontinued Operations requires non current assets classified as "held for sale" to be reclassified as current and recognised at the lower of the carrying amount and the fair value less costs to sell. "Held for Sale" assets are not depreciated. Under previous AGAAP these assets were treated as property, plant & equipment and measured at fair value. The change reduced the carrying amount of the affected assets and decreased the depreciation expense.

However, as the majority of the reclassified asset constituted "Land" the effect of reducing depreciation charges was nil.

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PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		3. Employee Related		
		Employee related expenses comprise the following:		
142,222	210,370	Salaries and Wages	209,074	210,370
9,663	9,649	Superannuation [see note 2(a)] – defined benefit plans	12,465	9,649
12,787	10,314	Superannuation [see note 2(a)] – defined contributions	16,501	10,314
8,104	8,543	Long Service Leave [see note 2(a)]	10,459	8,543
26,826	22,549	Annual Leave [see note 2(a)]	34,615	22,549
6	7	Sick Leave and Other Leave	8	7
42	73	Redundancies	54	73
328	22	Other Agency Payments	328	22
12,077	10,861	Workers Compensation Insurance	15,579	10,861
2,095	189	Fringe Benefits Tax	2,702	189
214,150	272,577		301,785	272,577
		The following additional information is provided:		
4,049	-----	Employee Related Expenses capitalised – Plant and Equipment	4,049	-----
		4. Personnel Services		
		Personnel Services comprise the purchase of the following:		
66,852	-----	Salaries and Wages	-----	-----
2,802	-----	Superannuation [see note 2(a)] – defined benefit plans		
3,714	-----	Superannuation [see note 2(a)] – defined contributions		
2,355	-----	Long Service Leave [see note 2(a)]	-----	-----
7,789	-----	Annual Leave [see note 2(a)]	-----	-----
2	-----	Sick Leave and Other Leave	-----	-----
12	-----	Redundancies	-----	-----
3,502	-----	Workers Compensation Insurance	-----	-----
607	-----	Fringe Benefits Tax	-----	-----
87,635	-----		-----	-----
		5. Other Operating Expenses		
1,606	1,461	Domestic Supplies and Services	1,606	1,461
15	-----	Food Supplies	15	-----
1,102	979	Fuel, Light and Power	1,102	979
39,059	33,740	General Expenses (See (a) below)	39,059	33,740
23,701	98	Information Management Expenses	23,701	98
2,405	2,045	Insurance	2,405	2,045

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		Maintenance (See (b) below)		
13,156	49	Maintenance Contracts	13,156	49
4,113	4,488	New/Replacement Equipment under $5,000	4,113	4,488
9,577	8,821	Repairs	9,577	8,821
1	-----	Maintenance/Non Contract	1	-----
55	-----	Other	55	-----
6,691	6,162	Medical and Surgical Supplies	6,691	6,162
4,633	3,591	Postal and Telephone Costs	4,633	3,591
1,066	715	Printing and Stationery	1,066	715
1	-----	Rates and Charges	1	-----
3,782	2,647	Rental	3,782	2,647
883	405	Staff Related Costs	883	405
33,019	27,866	Ambulance Aircraft Expenses	33,019	27,866
1,257	914	Travel Related Costs	1,257	914
146,122	93,981		146,122	93,981
		(a) General Expenses include:		
141	------	Advertising	141	-----
448	410	Catering Costs	448	410
3,689	3,386	Contractors	3,689	3,386
535	482	Debt Collection	535	482
5,082	4,390	Fuel and Oil	5,082	4,390
2,314	2,811	Interstate Transport Refunds	2,314	2,811
15	-----	Books, Magazines and Journals	15	------
258	212	Legal Expenses	258	212
1,685	2,101	Officers Uniforms	1,685	2,101
960	1,204	Consultancies, Operating Activities	960	1,204
4	-----	Courier and Freight	4	-----
110	85	Auditor's Remuneration – Audit of financial reports	110	85
106	-----	Legal Services	106	------
3	-----	Membership/Professional Fees	3	-----
16,746	14,173	Motor Vehicle Operating Lease Expense – minimum lease payments	16,746	14,173
280	-----	Other Operating Lease Expense – minimum lease payments	280	------
1,862	1,439	Relocation Costs	1,862	1,439
631	616	Vehicle Registration	631	616
1	-----	Payroll Services	1	-----
16	6	Data Recording and Storage	16	6
4,173	2,425	Miscellaneous Expenses	4,173	2,425
39,059	33,740		39,059	33,740
		(b) Reconciliation Total Maintenance		
		Maintenance expense – contracted labour and other		
26,902	13,358	(non employee related), included in Note 5	26,902	13,358
		Employee related/Personnel Services maintenance expense		
4,279	4,195	included in Notes 3 and 4	4,279	4,195
31,181	17,553	Total maintenance expenses included in Notes 3, 4 and 5	31,181	17,553

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		6. Depreciation and Amortisation		
5,858	5,666	Depreciation – Buildings	5,858	5,666
9,528	8,420	Depreciation – Plant and Equipment	9,528	8,420
		Amortisation – Intangible Assets		
15,386	14,086		15,386	14,086
		7. Grants and Subsidies		
334	542	Non Government Voluntary Organisations	334	542
1,038	-----	Other	1,038	-----
1,372	542		1,372	542
		8. Finance Costs		
107	183	Interest	107	183
107	183		107	183
		9. Sale of Goods and Services		
217	212	Fees for Medical Records	217	212
88,205	72,878	Patient Transport Fees	88,205	72,878
1,920	1,868	Use of Ambulance Facilities	1,920	1,868
162	134	Salary Packaging Fee	162	134
27,303	110	Shared Corporate Services	27,303	110
767	------	Other	767	------
118,574	75,202		118,574	75,202
		10. Investment Income		
800	362	Interest	800	362
619	680	Lease and Rental Income	619	680
1,419	1,042		1,419	1,042

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		11. Grants and Contributions		
6,002	3,419	Industry Contributions/Donations	6,002	3,419
-----	1,000	NSW Government grants	-----	1,000
2,802	-----	Personnel Services-Superannuation Defined Benefits	-----	-----
8,804	4,419		6,002	4,419
		12. Other Revenue		
		Other Revenue comprises the following:		
230	159	Bad Debts recovered	230	159
65	28	Conference and Training Fees	65	28
6,406	4,663	Treasury Managed Fund Hindsight Adjustment	6,406	4,663
2,784	477	Other	2,784	477
9,485	5,327		9,485	5,327
		13. Gain/(Loss) on Disposal of Non Current Assets		
21,905	17,151	Property Plant and Equipment	21,905	17,151
(18,589)	(14,359)	Less Accumulated Depreciation	(18,589)	(14,359)
3,316	2,792	Written Down Value	3,316	2,792
3,249	2,650	Less Proceeds from Disposal	3,249	2,650
(67)	(142)	Gain/(Loss) on Disposal of Property Plant and Equipment	(67)	(142)
158	2,028	Assets Held for Sale	158	2,028
319	2,041	Less Proceeds from Disposal	319	2,041
161	13	Gain/(Loss) on Disposal of Assets Held for Sale	161	13
94	**(129)**	**Total Gain/(Loss) on Disposal**	**94**	**(129)**
		14. Other Gains/(Losses)		
(9,591)	(6,400)	Impairment of Receivables	(9,591)	(6,400)
(9,591)	(6,400)		(9,591)	(6,400)

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

	PARENT		
	Purchase of Assets $'000	Other $'000	Total $'000
15. Conditions on Contributions			
Contributions recognised as revenues during the current reporting period for which expenditure in the manner specified had not occurred as at balance date	96	521	617
Contributions recognised in previous years which were not expended in the current financial year	283	1,377	1,660
Total amount of unexpended contributions as at balance date	379	1,898	2,277

	CONSOLIDATED		
	Purchase of Assets $'000	Other $'000	Total $'000
Contributions recognised as revenues during the current reporting period for which expenditure in the manner specified had not occurred as at balance date	96	521	617
Contributions recognised in previous years which were not expended in the current financial year	283	1,377	1,660
Total amount of unexpended contributions as at balance date	379	1,898	2,277

Comment on restricted assets appears in Note 24

16. Programs/Activities of the Health Service

Program 1.1   Primary and Community Based Services

Objective: To improve, maintain or restore health through health promotion, early intervention, assessment, therapy and treatment services for clients in a home or community setting.

Program 1.2   Aboriginal Health Services

Objective: To raise the health status of Aborigines and to promote a healthy life style.

Program 1.3   Outpatient Services

Objective: To improve, maintain or restore health through diagnosis, therapy, education and treatment services for ambulant patients in a hospital setting.

Program 2.1   Emergency Services

Objective: To reduce the risk of premature death and disability for people suffering injury or acute illness by providing timely emergency diagnostic, treatment and transport services.

Program 2.2   Overnight Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital on an overnight basis.

Program 2.3   Same Day Acute Inpatient Services

Objective: To restore or improve health and manage risks of illness, injury and childbirth through diagnosis and treatment for people intended to be admitted to hospital and discharged on the same day.

Program 3.1   Mental Health Services

Objective: To improve the health, well being and social functioning of people with disabling mental disorders and to reduce the incidence of suicide, mental health problems and mental disorders in the community.

Program 4.1   Rehabilitation and Extended Care Services

Objective: To improve or maintain the well being and independent functioning of people with disabilities or chronic conditions, the frail aged and the terminally ill.

Program 5.1   Population Health Services

Objective: To promote health and reduce the incidence of preventable disease and disability by improving access to opportunities and prerequisites for good health.

Program 6.1   Teaching and Research

Objective: To develop the skills and knowledge of the health workforce to support patient care and population health. To extend knowledge through scientific enquiry and applied research aimed at improving the health and well being of the people of New South Wales.

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		17. Current Assets – Cash and Cash Equivalents		
8,341	1,075	Cash at bank and on hand	8,341	1,075
1,750	-----	Short Term Deposits	1,750	-----
6,654	1,971	Other (Short Term Deposits)	6,654	1,971
16,745	3,046		16,745	3,046
		Cash assets recognised in the Balance Sheet are reconciled to cash at the end of the financial year as shown in the Cash Flow Statement as follows:		
16,745	3,046	Cash and cash equivalents (per Balance Sheet)	16,745	3,046
(156)	(1,102)	Bank overdraft	(156)	(1,102)
16,589	1,944	Closing Cash and Cash Equivalents (per Cash Flow Statement)	16,589	1,944
		18. Current/Non Current Receivables		
		Current		
167	-----	(a) Sale of Goods and Services	167	-----
17,749	15,323	Patient Transport fee	17,749	15,323
1,883	-----	Leave Mobility	1,883	-----
2,181	1,353	Goods and Services Tax	2,181	1,353
4,391	783	NSW Department of Health	4,391	783
2,971	3,174	Other Debtors	2,971	3,174
12,544	619	Intra Health	12,544	619
41,886	21,252	Sub Total	41,886	21,252
(5,695)	(1,219)	Less Allowance for impairment	(5,695)	(1,219)
(6,147)	(12,179)	Less Provision for Write Backs	(6,147)	(12,179)
30,044	7,854	Sub Total	30,044	7,854
9,499	1,136	Prepayments	9,499	1,136
39,543	8,990		39,543	8,990
		(b) Impairment of Receivables during the year		
9,543	8,432	– Current receivables, Sale of Good and Services	9,543	8,432
9,543	8,432	Sub Total	9,543	8,432
		Non Current		
488	494	Prepayments	488	494
488	494		488	494
		19. Inventories		
		Current – at cost		
614	427	Uniform	614	427
285	231	Fuel and Oil	285	231
621	515	Medical and Surgical Supplies	621	515
361	354	Motor Vehicle Parts and Other	361	354
1,881	1,527		1,881	1,527

PARENT			CONSOLIDATED	
2006	2005		2006	2005
$'000	$'000		$'000	$'000
		20. Current/Non Current Assets – Other Financial Assets		
		Current		
-----	1,850	Other Loans and Deposits	-----	1,850
-----	1,850		-----	1,850
		21. Non Current Assets held for sale		
1616	668	Assets held for Sale Land and Buildings	1,616	668
1616	668		1,616	668
		22. Property, Plant and Equipment		
		Land and Buildings		
282,905	232,399	Gross Carrying Amount	282,905	232,399
(124,664)	(110,858)	Less Accumulated depreciation and impairment	(124,664)	(110,858)
158,241	121,541	Net Carrying Amount at Fair Value	158,241	121,541
		Plant and Equipment		
73,379	51,713	Gross Carrying Amount	73,379	51,713
(31,842)	(30,615)	Less Accumulated depreciation and impairment	(31,842)	(30,615)
41,537	21,098	Net Carrying Amount at Fair Value	41,537	21,098
		Vehicle and Aircraft		
38,924	41,949	Gross Carrying Amount at Fair Value	38,924	41,949
(16,643)	(23,725)	Less Accumulated Depreciation and impairment	(16,643)	(23,725)
22,281	18,224	Net Carrying Amount at Fair Value	22,281	18,224
4,297	**1,487**	**Capital works in progress**	**4,297**	**1,487**
226,356	**162,350**	**Total Property, Plant and Equipment Net Carrying Amount at Fair Value**	**226,356**	**162,350**

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

	Land $'000	Buildings $'000	Work in Progress $'000	PARENT Plant and Equipment $'000	Vehicles and Aircraft $'000	Total $'000
22. Property, Plant and Equipment Reconciliations						
2006						
Carrying amount at start of year	50,819	70,722	1,487	21,098	18,224	162,350
Additions	-----	-----	25,963	15,518	-----	41,481
Reclassifications	1,275	3,430	(23,153)	8,798	9,650	-----
Recognition of Assets Held for Sale	(781)	(835)	-----	-----	-----	(1,616)
Disposals	(852)	(4,183)	-----	(4,196)	(12,674)	(21,905)
Administrative restructures – transfers in (out)	-----	-----	-----	1,547	-----	1,547
Adjustment of depreciation concerning disposals	-----	3,208	-----	4,191	11,190	18,589
Net revaluation increment less revaluation decrements recognised in reserves	9,611	31,685	-----	-----	-----	41,296
Depreciation expense	-----	(5,858)	-----	(5,419)	(4,109)	(15,386)
Net Carrying amount at end of year	**60,072**	**98,169**	**4,297**	**41,537**	**22,281**	**226,356**
2005						
Carrying amount at start of year	51,211	75,917	1,549	20,225	18,139	167,041
Additions	-----	-----	12,849	6	-----	12,855
Reclassifications	440	1,214	(12,911)	4,817	6,440	-----
Recognition of Assets Held for Sale	(494)	(174)	-----	-----	-----	(668)
Disposals	(338)	(441)	-----	(1,551)	(14,821)	(17,151)
Adjustment of depreciation concerning disposals	-----	(128)	-----	1,546	12,941	14,359
Depreciation expense	-----	(5,666)	-----	(3,945)	(4,475)	(14,086)
Net Carrying amount at end of year	**50,819**	**70,722**	**1,487**	**21,098**	**18,224**	**162,350**

	Land $'000	Buildings $'000	CONSOLIDATED Work in Progress $'000	Plant and Equipment $'000	Vehicles and Aircraft $'000	Total $'000
22. Property, Plant and Equipment Reconciliations						
2006						
Carrying amount at start of year	50,819	70,722	1,487	21,098	18,224	162,350
Additions	-----	-----	25,963	15,518	-----	41,481
Reclassifications	1,275	3,430	(23,153)	8,798	9,650	-----
Recognition of Assets Held for Sale	(781)	(835)	-----	-----	-----	(1,616)
Disposals	(852)	(4,183)	-----	(4,196)	(12,674)	(21,905)
Administrative restructures – transfers in (out)	-----	-----	-----	1,547	-----	1,547
Adjustment of depreciation concerning disposals	-----	3,208	-----	4,191	11,190	18,589
Net revaluation increment less revaluation decrements recognised in reserves	9,611	31,685	-----	-----	-----	41,296
Depreciation expense	-----	(5,858)	-----	(5,419)	(4,109)	(15,386)
Net Carrying amount at end of year	60,072	98,169	4,297	41,537	22,281	226,356
2005						
Carrying amount at start of year	51,211	75,917	1,549	20,225	18,139	167,041
Additions	-----	-----	12,849	6	-----	12,855
Reclassifications	440	1,214	(12,911)	4,817	6,440	-----
Recognition of Assets Held for Sale	(494)	(174)	-----	-----	-----	(668)
Disposals	(338)	(441)	-----	(1,551)	(14,821)	(17,151)
Adjustment of depreciation concerning disposals	-----	(128)	-----	1,546	12,941	14,359
Depreciation expense	-----	(5,666)	-----	(3,945)	(4,475)	(14,086)
Net Carrying amount at end of year	50,819	70,722	1,487	21,098	18,224	162,350

PARENT 2006 $'000	2005 $'000		CONSOLIDATED 2006 $'000	2005 $'000
		23. Intangible Assets		
		Software		
70,799	-----	Gross Carrying Amount	70,799	-----
(24,719)	-----	Less Accumulated Amortisation and Impairment	(24,719)	-----
46,080	-----	Total Intangible Assets	46,080	-----

PARENT Software $'000	Total $'000		CONSOLIDATED Software $'000	Total $'000
		23. Intangible Reconciliation		
-----	-----	**Net Carrying amount at start of year**	-----	-----
22,445	22,445	Additions (from internal development or acquired separately)	22,445	22,445
23,635	23,635	Transfers from Department of Health Parent Entity	23,635	23,635
-----	-----	Amortisation (recognised in depreciation and amortisation)	-----	-----
46,080	46,080	Net Carrying amount at end of year	46,080	46,080

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		24. Restricted Assets		
		Category		
2,277	2,060	Specific Purposes	2,277	2,060
2,277	2,060		2,277	2,060
		The assets are only available for application in accordance with the terms of the donor restrictions.		
		25. Payables		
		Current		
-----	4,109	Accrued Salaries and Wages	3,230	4,109
-----	780	Payroll Deductions	6,333	780
29,994	11,781	Creditors	29,994	11,781
196	-----	Refundable Deposits	196	-----
		Other Creditors		
1,199	1,230	– Capital Works	1,199	1,230
1,793	1,990	– Intra Health Liability	1,793	1,990
9,563	-----	Personel Service Liability	-----	-----
42,745	19,890		42,745	19,890
		26. Current/Non Current Borrowings		
		Current		
156	1,102	Bank Overdraft	156	1,102
16,555	700	Intra Health Loans and Deposits	16,555	700
16,711	1,802		16,711	1,802
		Non Current		
-----	1,093	Other Loans and Deposits	-----	1,093
-----	1,093		-----	1,093
		Loans still to be extinguished represent monies to be repaid to the NSW Department of Health. Repayment is scheduled for 2006/07		
		Repayment of Borrowings		
		(excluding Finance Leases)		
16,711	1,802	Not later than one year	16,711	1,802
-----	1,093	Between one and five years	-----	1,093
16,711	2,895	Total Borrowings at face value (excluding Finance Leases)	16,711	2,895

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		27. Provisions		
		Current Employee benefits and related on-costs		
-----	21,275	Employee Annual Leave – Short Term Benefit	24,107	21,275
-----	8,991	Employee Annual Leave – Long Term Benefit	10,852	8,991
-----	3,748	Employee Long Service Leave – Short Term Benefit	4,272	3,748
-----	44,666	Employee Long Service Leave – Long Term Benefit	51,234	44,666
90,465	----	Provision for Personnel Services Liability	-----	----
90,465	78,680	Total Current Provisions	90,465	78,680
		Non Current Employee benefits and related on-costs		
----	1,863	Employee Long Service Leave – Conditional	2,395	1,863
----	148	Sick Leave	121	148
2,516	----	Provision for Personnel Services Liability	-----	----
2,516	2,011	Total Non Current Provisions	2,516	2,011
		Aggregate Employee Benefits and Related On-costs		
----	78,680	Provisions – current	90,465	78,680
----	2,011	Provisions – non-current	2,516	2,011
92,981	----	Provisions for Personnel Services Liability	----	----
----	4,889	Accrued Salaries and Wages and on costs (Note 25)	9,563	4,889
9,563	----	Accrued Liability – Purchase of Personnel Services (Note 25)	----	----
102,544	85,580		102,544	85,580
		As indicated in Note 2 a) (i) leave is classified as current if the employee has an unconditional right to payment.		
		Short Term/Long Term Classification is dependent on whether or not payment is anticipated within the next twelve months.		
		28. Other Liabilities		
		Current		
968	101	Income in Advance	968	101
----	2,000	Other	----	2,000
968	2,101		968	2,101

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

| | PARENT | | | | | |
| | Accumulated Funds | | Asset Revaluation Reserve | | Total Equity | |
	2006 $'000	2005 $'000	2006 $'000	2005 $'000	2006 $'000	2005 $'000
29. Equity						
Balance at the beginning of the financial reporting period	**16,749**	**25,730**	**56,672**	**56,990**	**73,421**	**82,720**
Restated Opening Balance	16,749	25,730	56,672	56,990	73,421	82,720
Changes in equity – transactions with owners as owners						
Increase in Net Assets from Administrative Restructure	25,365	-----	-----	-----	25,365	-----
Total	42,114	25,730	56,672	56,990	98,786	82,720
Changes in equity – other than transactions with owners as owners						
Result for the year	39,222	(9,299)	-----	-----	39,222	(9,299)
Increment/(Decrement) on Revaluation of: – Land and Buildings	-----	-----	41,296	-----	41,296	-----
Total	39,222	(9,299)	41,296	-----	80,518	(9,299)
Transfers within equity						
Asset revaluation reserve balances transferred to accumulated funds on disposal of asset	240	318	(240)	(318)	-----	-----
Total	240	318	(240)	(318)	-----	-----
Balance at the end of the financial reporting period	**81,576**	**16,749**	**97,728**	**56,672**	**179,304**	**73,421**

The asset revaluation reserve is used to record increments and decrements on the revaluation of non current assets. This accords with the Department of Health's policy on the "Revaluation of Physical Non Current Assets" and "Investments", as discussed in Note 2(i).

	CONSOLIDATED					
	Accumulated Funds		Asset Revaluation Reserve		Total Equity	
	2006 $'000	2005 $'000	2006 $'000	2005 $'000	2006 $'000	2005 $'000
29. Equity						
Balance at the beginning of the financial reporting period	**16,749**	**25,730**	**56,672**	**56,990**	**73,421**	**82,720**
Restated Opening Balance	16,749	25,730	56,672	56,990	73,421	82,720
Changes in equity – transactions with owners as owners						
Increase in Net Assets from Administrative Restructure	25,365	-----	-----	-----	25,365	-----
Total	42,114	25,730	56,672	56,990	98,786	82,720
Changes in equity – other than transactions with owners as owners						
Result for the year	39,222	(9,299)	-----	-----	39,222	(9,299)
Increment/(Decrement) on Revaluation of: Land and Buildings	-----	-----	41,296	-----	41,296	-----
Total	39,222	(9,299)	41,296	-----	80,518	(9,299)
Transfers within equity						
Asset revaluation reserve balances transferred to accumulated funds on disposal of asset	240	318	(240)	(318)	-----	-----
Total	240	318	(240)	(318)	-----	-----
Balance at the end of the financial reporting period	**81,576**	**16,749**	**97,728**	**56,672**	**179,304**	**73,421**

The asset revaluation reserve is used to record increments and decrements on the revaluation of non current assets. This accords with the Department of Health's policy on the "Revaluation of Physical Non Current Assets" and "Investments", as discussed in Note 2(i).

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

| PARENT | | | CONSOLIDATED | |
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		30. Commitments for Expenditure		
		(a) Capital Commitments		
		Aggregate capital expenditure contracted for at balance date but not provided for in the accounts:		
327	1,455	Not later than one year	327	1,455
327	1,455	Total Capital Expenditure Commitments (including GST)	327	1,455
		(b) Other Expenditure Commitments		
		Aggregate other expenditure contracted for at balance date but not provided for in the accounts:		
3,396	257	Not later than one year	3,396	257
3,396	257	Total Other Expenditure Commitments (including GST)	3,396	257
		(c) Operating Lease Commitments		
		Commitments in relation to non-cancellable operating leases are payable as follows:		
18,375	17,692	Not later than one year	18,375	17,692
38,543	36,731	Later than one year and not later than five years	38,543	36,731
1,383	2,508	Later than five years	1,383	2,508
58,301	56,931	Total Operating Lease Commitments (including GST)	58,301	56,931
		The above leases relate to motor vehicles and premises of the NSW Ambulance Service		
		(d) Contingent Asset related to Commitments for Expenditure		
		The Total " Expenditure Commitments" above includes input tax credits of $5.639 million in relation to both Parent and Consolidated entities that are expected to be recoverable from the Australian Taxation Office for the 2005/06 year. The comparatives for 2004/05 are $ 5.331 million.		

31. Contingent Liabilities

(a) Claims on Managed Fund

Since 1 July 1989, the NSW Ambulance Service, a component of the Health Administration Corporation (HAC) entity has been a member of the NSW Treasury Managed Fund. Other components of the Health Administration Corporation entity are also covered from the time of their inception. The Fund will pay to or on behalf of the HAC all sums which it shall become legally liable to pay by way of compensation or legal liability if sued except for employment related, discrimination and harassment claims that do not have statewide implications. The costs relating to such exceptions are to be absorbed by HAC. As such, since 1 July 1989, apart from the exceptions noted above no contingent liabilities exist in respect of liability claims against HAC. A Solvency Fund (now called Pre-Managed Fund Reserve was established to deal with the insurance matters incurred before 1 July 1989 that were above the limit of insurance held or for matters that were incurred prior to 1 July 1989 that would have become verdicts against the State. That Solvency Fund will likewise respond to all claims against HAC.

(b) Workers Compensation Hindsight Adjustment

Treasury Managed Fund normally calculates hindsight premiums each year. However, in regard to workers compensation the final hindsight adjustment for the 1999/2000 fund year and an interim adjustment for the 2001/2002 fund year were not calculated until 2005/06. As a result, the 2000/2001 final and 2002/03 interim hindsight calculations applicable to the NSW Ambulance Service will be paid in 2006/07.

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

PARENT			CONSOLIDATED	
2006 $'000	2005 $'000		2006 $'000	2005 $'000
		32. Reconciliation of Net Cost of Services to Net Cash Flows from Operating Activities		
57,446	10,318	Net Cash Flows from Operating Activities	54,644	10,318
(15,386)	(14,086)	Depreciation	(15,386)	(14,086)
(9,591)	(6,400)	Allowance for Impairment	(9,591)	(6,400)
(9,670)	(19,963)	Acceptance by the Crown Entity of Employee Superannuation Benefits	(9,670)	(19,963)
354	42	Increase/(Decrease) in Inventories	354	42
13,573	5,002	Increase/(Decrease) in Receivables	13,573	5,002
22,853	3,463	Increase/(Decrease) in Prepayments and Other Assets	22,853	3,463
(23,656)	1,729	(Increase)/Decrease in Creditors	(23,656)	1,729
(296,569)	(258,580)	NSW Department of Health Recurrent Allocations	(296,569)	(258,580)
(67,757)	(15,034)	NSW Department of Health Capital Allocations	(67,757)	(15,034)
125	968	Asset Sale Proceeds transferred to the NSW Department of Health	125	968
(12,291)	(10,811)	Provision for Employee Entitlements/Personnel Services Liability	(12,291)	(10,811)
94	(129)	Net Gain/(Loss) on Disposal of Non-Current Assets	94	(129)
4,488	1,573	Industry Contribution in kind	4,488	1,573
(335,987)	(301,908)	Net Cost of Services	(338,789)	(301,908)

Consolidated

33. Unclaimed Moneys

Unclaimed salaries and wages are paid to the credit of the Department of Industrial Relations and Employment in accordance with the provisions of the *Industrial Arbitration Act*, *1940*, as amended.

34. Budget Review

Net Cost of Services

The actual Net Cost of Services was higher than budget by $ 16.6 million, this was primarily due to the expensing of capital allocations.

Result for the Year

The result for the year is derived as the difference between the above Net Cost of Services and the amount provided as Government Contributions. The applicable value of $16.6 million also primarily relates to the increase in Operating Expenses.

Assets and Liabilities

Net assets increased by $ 33 Million over budget. This included the following variations:	**$M**
■ Increase in Cash	7
■ Additional Property, Plant and Equipment and Intangibles Assets	52
■ Increase in Payables net of movements in Receivables	(5)
■ Increase in Borrowings	(17)
■ Increase in Leave Provisions	(6)
■ Other	2
■ **Total**	**33**

Cash Flows

Net Cash Inflows exceeded budget by $8.6 million due to:

■ Variation in Receipts/Payments	(2.9)
■ Reduction in Net Cash Flows from Government	(20.8)
■ Reduction in Investing Activities	16.8
■ Increase from Financing Activities	15.5
■ **Total**	**8.6**

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

35. Financial Instruments

Interest Rate Risk

Interest rate risk, is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. The Health Administration Corporation's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised, at the Balance Sheet date are as follows:

PARENT

Financial Instruments	Floating interest rate		Fixed interest rate maturing in: 1 year or less		Over 1 to 5 years		Non-interest bearing		Total carrying amount as per the Balance Sheet	
	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000
Financial Assets										
Cash	13,076	802	3,620	2,197	-----	-----	49	47	16,745	3,046
Receivables	-----	-----	-----	-----	-----	-----	30,044	7,854	30,044	7,854
Other Loans and Deposits-Other	-----	-----	-----	1,850	-----	-----	-----	-----	-----	1,850
Total Financial Assets	13,076	802	3,620	4,047	-----	-----	30,093	7,901	46,789	12,750
Financial Liabilities										
Borrowings-Bank Overdraft	156	1,102	-----	-----	-----	-----	-----	-----	156	1,102
Borrowings – Other	-----	-----	-----	700	-----	1,093	16,555	-----	16,555	1,793
Payables	-----	-----	-----	-----	-----	-----	42,745	19,890	42,745	19,890
Other	-----	-----	-----	-----	-----	-----	968	2,101	968	2,101
Total Financial Liabilities	156	1,102	-----	700	-----	1,093	60,268	21,991	60,424	24,886

35. Financial Instruments

Interest Rate Risk

Interest rate risk, is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates.

The Health Administration Corporation's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised, at the Balance Sheet date are as follows:

CONSOLIDATED

Financial Instruments	Floating interest rate		Fixed interest rate maturing in: 1 year or less		Over 1 to 5 years		Non-interest bearing		Total carrying amount as per the Balance Sheet	
	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000
Financial Assets										
Cash	13,076	802	3,620	2,197	-----	-----	49	47	16,745	3,046
Receivables	-----	-----	-----	-----	-----	-----	30,044	7,854	30,044	7,854
Other Loans and Deposits-Other	-----	-----	-----	1,850	-----	-----	-----	-----	-----	1,850
Total Financial Assets	13,076	802	3,620	4,047	-----	-----	30,093	7,901	46,789	12,750
Financial Liabilities										
Borrowings – Bank Overdraft	156	1,102	-----	-----	-----	-----	-----	-----	156	1,102
Borrowings – Other	-----	-----	-----	700	-----	1,093	16,555	-----	16,555	1,793
Payables	-----	-----	-----	-----	-----	-----	42,745	19,890	42,745	19,890
Other	-----	-----	-----	-----	-----	-----	968	2,101	968	2,101
Total Financial Liabilities	156	1,102	-----	700	-----	1,093	60,268	21,991	60,424	24,886

Health Administration Corporation
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

35. Financial Instruments

b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation thereunder. HAC's maximum exposure to credit risk is represented by the carrying amounts of the financial assets included in the consolidated Balance Sheet.

Credit Risk by classification of counterparty.

PARENT

	Governments		Banks		Patients		Other		Total	
	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000
Financial Assets										
Cash	5,254	46	11,488	2,999	-----	-----	3	1	16,745	3,046
Receivables	20,963	2,136	-----	105	5,907	1,924	3,174	3,689	30,044	7,854
Other Loans and Deposits	-----	-----	-----	1,850	-----	-----	-----	-----	-----	1,850
Total Financial Assets	26,217	2,182	11,488	4,954	5,907	1,924	3,177	3,690	46,789	12,750

CONSOLIDATED

	Governments		Banks		Patients		Other		Total	
	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000	2006 $000	2005 $000
Financial Assets										
Cash	5,254	46	11,488	2,999	-----	-----	3	1	16,745	3,046
Receivables	20,963	2,136	-----	105	5,907	1,924	3,174	3,689	30,044	7,854
Other Loans and Deposits	-----	-----	-----	1,850	-----	-----	-----	-----	-----	1,850
Total Financial Assets	26,217	2,182	11,488	4,954	5,907	1,924	3,177	3,690	46,789	12,750

c) Derivative Financial Instruments

The Health Administration Corporation holds no Derivative Financial Instruments.

Health Administration Corporation Special Purpose Entity Independent Audit Report

The Accounts of the Health Administration Corporation Special Purpose Entity at the time of tabling in Parliament the 2005/06 Annual Report of the NSW Department of Health are still subject to audit and are therefore "unaudited financial statements".

Health Administration Corporation Special Purpose Entity Certification of Accounts

Certificate of Accounts reserved to be signed by the Director General and Chief Financial Officer when unaudited financial statements have been subject to audit review.

Health Administration Corporation Special Purpose Entity Income Statement

for the period ended 30 June 2006

	2006 $000
Income	
Personnel Services	84,833
Acceptance by the Crown Entity of Employee Superannuation Benefits	2,802
Total income	87,635
Expenses	
Salaries and Wages	66,852
Superannuation – Defined Benefit Plans	2,802
Superannuation – Defined Contributions	3,714
Long Service Leave	2,355
Annual Leave	7,789
Sick Leave	2
Redundancy	12
Workers Compensation Insurance	3,502
Fringe Benefits Tax	607
Total Expenses	87,635
RESULT FOR THE YEAR	-----

The accompanying notes form part of these Financial Statements

Health Administration Corporation Special Purpose Entity Statement of Changes in Equity

for the year ended 30 June 2006

	2006 $000
Result for the Year	-----
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	-----

The accompanying notes form part of these Financial Statements

Health Administration Corporation Special Purpose Entity Balance Sheet

as at 30 June 2006

	Notes	2006 $000
Assets		
Current Assets		
Receivables	2	100,028
Total Current Assets		100,028
Non-Current Assets		
Receivables	2	2,516
Total Non-Current Assets		2,516
Total Assets		**102,544**
Liabilities		
Current Liabilities		
Payables	3	9,563
Provisions	4	90,465
Total Current Liabilities		100,028
Non-Current Liabilities		
Provisions	4	2,516
Total Non-Current Liabilities		2,516
Total Liabilities		**102,544**
Net Assets		**-----**
Equity		
Accumulated funds		-----
Total Equity		**-----**

The accompanying notes form part of these Financial Statements

Health Administration Corporation Special Purpose Entity Cash Flow Statement

for the year ended 30 June 2006

	2006 $000
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee Related	-----
Total Payments	-----
Receipts	
Sale of Goods and Services	-----
Total Receipts	-----
NET CASH FLOWS FROM OPERATING ACTIVITIES	**-----**
NET INCREASE/(DECREASE) IN CASH	**-----**
Opening Cash and Cash Equivalents	-----
CLOSING CASH AND CASH EQUIVALENTS	-----

The accompanying notes form part of these Financial Statements

The Special Purpose Service Entity does not hold any cash or cash equivalent assets and therefore there are nil cash flows.

Health Administration Corporation Special Purpose Entity
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

1. Summary of Significant Accounting Policies

(a) Reporting Entity

The Health Administration Corporation (HAC) Special Purpose Entity consists of Divisions of the Government Service, established pursuant to Part 2 of Schedule 1 to the *Public Sector Employment and Management Act 2002* and amendment of the *Health Services Act 1997* in respect of the NSW Ambulance Service, Health Technology and the Institute of Medical Education and Training. It is a not-for-profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts.

The Entity's objective is to provide personnel services to HAC.

The Entity commenced operations on 17 March 2006 when it assumed responsibility for the employees and employee-related liabilities of HAC. The assumed liabilities were recognised on 17 March 2006 together with an offsetting receivable representing the related funding due from the former employer.

The financial report was authorised for issue by the Chief Executive on 21 November 2006. The report will not be amended and reissued as it has been audited.

(b) Basis of preparation

This is a general purpose financial report prepared in accordance with the requirements of Australian Accounting Standards, the requirements of the *Health Services Act 1997* and its regulations including observation of the Accounts and Audit Determination.

This is the first financial report prepared on the basis of Australian equivalents to International Financial Reporting Standards.

Generally, the historical cost basis of accounting has been adopted and the financial report does not take into account changing money values or current valuations.

The accrual basis of accounting has been adopted in the preparation of the financial report, except for cash flow information.

Management's judgements, key assumptions and estimates are disclosed in the relevant notes to the financial report.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Comparative information

As this is the Entity's first financial report, comparative information for the previous year is not provided.

(d) Income

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- the amount of GST incurred by the Special Purpose Entity as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense

- receivables and payables are stated with the amount of GST included.

(f) Receivables

A receivable is recognised when it is probable that the future cash inflows associated with it will be realised and it has a value that can be measured reliably. It is derecognised when the contractual or other rights to future cash flows from it expire or are transferred.

A receivable is measured initially at fair value and subsequently at amortised cost using the effective interest rate method, less any allowance for doubtful debts. A short-term receivable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial. An invoiced receivable is due for settlement within thirty days of invoicing.

If there is objective evidence at year end that a receivable may not be collectable, its carrying amount is reduced by means of an allowance for doubtful debts and the resulting loss is recognised in the income statement. Receivables are monitored during the year and bad debts are written off against the allowance when they are determined to be irrecoverable. Any other loss or gain arising when a receivable is derecognised is also recognised in the income statement.

(g) Payables

Payables include accrued wages, salaries, and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted.

A short-term payable with no stated interest rate is measured at historical cost if the effect of discounting is immaterial.

(h) Employee benefit provisions and expenses

Provisions are made for liabilities of uncertain amount or uncertain timing of settlement.

Employee benefit provisions represent expected amounts payable in the future in respect of unused entitlements accumulated as at the reporting date. Liabilities associated with, but that are not, employee benefits (such as fringe benefits tax) are recognised separately.

Superannuation and leave liabilities are recognised as expenses and provisions when the obligations arise, which is usually through the rendering of service by employees.

All Annual Leave employee benefits are reported as "Current" as there is an unconditional right to payment. Current Liabilities are then further classified as "Short Term" and "Long Term" based on past trends and known resignations and retirements. Anticipated payments to be made in the next twelve months are reported as "Short Term".

Long-term Long Service Leave (ie that is not expected to be taken within twelve months) is measured on a short hand basis at an escalated rate of 17.4 per cent for short term entitlements and 7.6 per cent for long term entitlements above the salary rates immediately payable at 30 June 2006 for all employees with five or more years of service.

Actuarial assessment has found that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

The superannuation expense for the financial year is determined by using the formulae specified by the NSW Department of Health. The expense for certain superannuation schemes (ie Basic Benefit and First State Super) is calculated as a percentage of the salary. For other superannuation schemes (ie State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

Liability for the closed superannuation pool schemes (State Authorities Superannuation Scheme and State Superannuation Scheme) is assumed by the Crown Entity. The HAC Special Purpose Entity accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee entitlements and other liabilities". Any liability attached to Superannuation Guarantee Charge cover is reported in Note 3, "Payables".

Consequential to the legislative changes of 17 March 2006 no salary costs or provisions are recognised by the Parent Entity beyond that date.

(i) Accounting standards issued but not yet effective

The following Accounting Standards are being early adopted from 1 July 2005:

■ AASB 2005–4 regarding the revised AAS139 fair value option

■ UIG 9 regarding the reassessment of embedded derivatives

■ AASB 2005–06, which excludes from the scope of AASB 3, business combinations involving entities or businesses under common control.

Health Administration Corporation Special Purpose Entity
Notes to and forming part of the Financial Statements

for the year ended 30 June 2006

	2006 $000
2. Current/Non Current Receivables	
Current	
Accrued Income – Personnel Services Provided	100,028
Total Current Receivable	100,028
Non Current	
Accrued Income Personnel Services Provided	2,516
Total Non Current Receivable	2,516
3. Payables	
Current	
Accrued Salary and Wages	3,230
Payroll Deductions	6,333
Total Current Payables	9,563
4. Provisions	
Current Employee benefits and related on-costs	
Employee Annual Leave – Short Term Benefit	24,107
Employee Annual Leave – Long Term Benefit	10,852
Employee Long Service Leave – Short Term Benefit	4,272
Employee Long Service Leave – Long Term Benefit	51,234
Total Current Provisions	90,465
Non Current Employee benefits and related on-costs	
Employee Long Service Leave – Conditional	2,395
Employee Sick Leave	121
Total Non Current Provisions	2,516
Aggregate Employee Benefits and Related On-costs	
Provisions – current	90,465
Provisions – non-current	2,516
Accrued Liability, Purchase of Personnel Services (Note 3)	9,563
	102,544

5. Financial Instruments

(a) Interest Rate Risk

Interest rate risk, is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates. The HAC Special Purpose Entity's exposure to interest rate risks and the effective interest rates of financial assets and liabilities, both recognised and unrecognised, at the Balance Sheet date are as follows:

| Financial Instruments | Floating interest rate | Fixed interest rate maturing in: | | | Non-interest bearing | Total carrying amount as per the Balance Sheet |
		I year or less	Over 1 to 5 years	More than 5 years		
	2006 $000	2006 $000	2006 $000	2006 $000	2006 $000	2006 $000
Financial Assets						
Receivables	-----	-----	-----	-----	102,544	102,544
Total Financial Assets	-----	-----	-----	-----	102,544	102,544
Financial Liabilities						
Payables	-----	-----	-----	-----	9,563	9,563
Total Financial Liabilities	-----	-----	-----	-----	9,563	9,563

Weighted average effective interest rate is not applicable for non interest bearing financial instruments.

(b) Credit Risk

Credit risk is the risk of financial loss arising from another party to a contract/or financial position failing to discharge a financial obligation thereunder. The HAC Special Purpose Entity's maximium exposure to credit risk is represented by the carrying amounts of the financial assets included in the Balance Sheet.

Credit Risk by classification of counterparty.

	Governments 2006 $000	Banks 2006 $000	Patients 2006 $000	Other 2006 $000	Total 2006 $000
Financial Assets					
Receivables	102,544	-----	-----	-----	102,544
Total Financial Assets	102,544	-----	-----	-----	102,544

(c) Derivative Financial Instruments

The HAC Special Purpose Entity holds no Derivative Financial Instruments.

Appendices

Appendix 1

Our commitment to service

NSW Health is committed to providing the people of NSW with the best possible health care. Our commitment to service explains what you can expect from NSW Health as an Australian resident, no matter who you are or where you live in NSW.

Following is a summary of what can be expected from the NSW public health system as an Australian resident.

Standards of service

NSW Health will:

■ Respect an individual's dignity and needs.

■ Provide care and skill, in keeping with recognised standards, practices and ethics.

■ Offer access to a range of public hospital and community-based health services. Eligibility criteria apply to some services.

■ Offer health care based on individual health needs, irrespective of financial situation or health insurance status.

Medical records

Generally, individuals can apply for access to personal health information or other personal information relating to them. Access should be requested from the Clinical Information Department or manager of the health service the individual attended for personal health information, or the head of the organisation that collected the personal information relating to them. A Freedom of Information (FOI) application may also be lodged requesting access to records. Access to records may not be granted in special circumstances as determined by the *Freedom of Information Act 1989*.

Records are kept confidential and are only seen by staff involved in the care and treatment of the individual, except where disclosure to third parties is required or allowed by law.

Treatment services

NSW Health will:

■ Allow for and explain public and private patient treatment choices in a public hospital.

■ Clearly explain proposed treatments such as significant risks and alternatives in understandable terms.

■ Provide and arrange free interpreter services.

■ Obtain consent before treatment, except in emergencies or where the law intervenes regarding treatment.

■ Assist in obtaining second opinions.

Additional information

NSW Health will:

■ Allow individuals to decide whether or not to take part in medical research and health student education (although in some circumstances, information may be used or disclosed without consent for public interest research projects. Strict conditions apply including privacy legislation).

■ Respect an individual's right to receive visitors with full acknowledgement of culture, religious beliefs, conscientious convictions, sexual orientation, disability issues and right to privacy.

■ Inform an individual of their rights under the *NSW Mental Health Act 1990* if admitted to a mental health facility.

Applications for financial assistance towards travel and accommodation costs incurred by patients who are disadvantaged by distance, and who have to travel more than 100km (one way) to access specialist medical treatment not available locally, can be made to the Transport for Health program in the Area Health Service where the patient resides. Contact details for the Transport for Health offices can be accessed via the NSW Health website.

Appendix 2

Consumer participation

NSW Health is committed to providing the best care possible to the community, involving health consumers in decisions about the health system and providing information to improve their own health and the health of their communities.

The Department of Health has developed appropriate mechanisms to engage the community and clinicians in health decision-making and to ensure the delivery of quality health care. The following initiatives have been established:

NSW Health Care Advisory Council

The NSW Health Care Advisory Council (HCAC), established in March 2005, is the peak community and clinical advisory body providing advice to the Director General and Minister. It is chaired by the Rt Hon Ian Sinclair AC and Professor Judith Whitworth AC.

The Minister asked the HCAC to address the following priorities for 2006:

- Service Delivery Models
- Early Intervention
- Workforce
- Mental Health
- Quality in Health Care
- State Health Plan.

To date the HCAC has met six times and focused on three priorities: Workforce, Early Intervention, and Service Delivery Models.

Health Priority Taskforces

The Health Priority Taskforces provide advice to the HCAC, Director General and the Minister on policy directions and service improvements in each of the high priority areas of the NSW health system. The Health Priority Taskforces include:

- Aboriginal Health
- Chronic, Aged and Community Health
- Children and Young People's Health
- Critical Care
- Greater Metropolitan Clinical Taskforce
- Information, Management and Technology
- Maternal and Perinatal Health
- Mental Health
- Population Health
- Rural Health
- Sustainable Access.

Further details about the Health Priority Taskforces can be found in Appendix 11.

Area Health Advisory Councils

Area Health Advisory Councils (AHACs) have been established for each of the Area Health Services and a Children's Hospital Advisory Council has been established for the Children's Hospital at Westmead. The Area Health Advisory Councils comprise clinicians and members of the community working together to provide advice to the Health Service Chief Executive on planning and delivering health services.

The Council membership consists of between nine and 13 members, who have experience in the provision of health services, represent the interests of consumers, health services and the local community and/or have expertise, knowledge or experience in Aboriginal health.

An Orientation Framework was developed in 2005 by NSW Health to assist Area Health Services plan, develop and conduct detailed orientation programs for the establishment of the AHACs. NSW Health provided ongoing secretariat support to the AHACs and convenes six-monthly workshops with the Area Health Service Chief Executive, Children's Hospital and Area Health Advisory Councils.

Area Health Advisory Councils developed Charters and Key Performance Indicators for reporting to the Minister and Parliament. Work on the development of two year rolling work-plans has commenced.

Compliments or complaints

- All compliments are treated confidentially.
- Compliments or complaints regarding health care or services can be made to any member of a hospital or staff of a health service.
- If individuals are not satisfied with the manner in which a complaint has been handled, they can write to the Chief Executive of the relevant Area Health Service.
- Individuals can also contact the Health Care Complaints Commission (HCCC) which is independent of the public health system. A complaint may be investigated by the Commission, referred to another body or person for investigation, referred to conciliation with the complainant's permission or referred to the Director General of the NSW Department of Health.

  Assistance is available from the HCCC Complaints Resolution Service to help resolve the concern locally.

The HCCC can be contacted at:

The Health Care Complaints Commission
Locked Bag 18
Strawberry Hills NSW 2012
Tel. (02) 9219 7444
Tollfree. 1800 043 159
TTY. (02) 9219 7555
Website www.hccc.nsw.gov.au

If individuals have a concern about their treatment or the treatment of someone they know has received at a NSW health facility, the following list of contacts will help then decide how to proceed:

- Contact the relevant health facility regarding treatment in a public hospital, community health centre or another NSW Health service.
- Contact the relevant private hospital regarding treatment in a private hospital.
- Contact the Aged Care Complaints Resolution Scheme regarding health care in a Commonwealth-funded aged care service.
- Contact the NSW Medical Board regarding treatment by a general practitioner in private practice.
- Contact the relevant registration board regarding treatment by other practitioners, such as podiatrists, psychologists, etc.
- Contact the Health Care Complaints Commission for further assistance.

Appendix 3

Code of conduct

The NSW Health Code of Conduct applies to staff working in any permanent, temporary, casual, termed appointment or honorary capacity within any NSW Health facility.

NSW Health provides a comprehensive range of health and health related services covering health protection, health promotion and education, research, health screening, diagnosis, treatment, transport, acute care, rehabilitation, continuing care for chronic illness, counselling, support and palliative care. These services are provided in a wide range of settings from primary care outposts to metropolitan based tertiary health centres and within patients/clients' homes and are supported by a range of policy, corporate services and administrative functions.

The environment in which this Code of Conduct operates is a complex one. This Code of Conduct has been developed to assist staff by providing a framework for day to day decisions and actions while working in Health Services.

Specifically this document:

- States the standards expected of staff within Health Services in relation to conduct in their employment
- Assists in the prevention of corruption, maladministration and serious and substantial waste by alerting staff to behaviours that could potentially be corrupt or involve maladministration or waste
- Provides a resources list to assist staff to gain further information or more detailed guidance.

Values and principles underpinning this Code of Conduct

Staff in Health Services, like other public sector organisations, must conduct themselves in a way that promotes public confidence and trust in their organisation.

Staff have a duty of care to the patients and clients utilising services as well as to other staff. Staff must ensure that, as far as practicable, the best interests of patients and clients are maintained in decision-making and when undertaking duties within the Health Service, having regard to the duty of care the Health Service has to staff as well as patients and clients.

The reputation of the public sector and its standing in the community are built on the following principles and these principles must be incorporated into the decisions, actions and behaviour of all staff:

- Competence
- Courtesy and respect for individuals
- Cultural sensitivity

- Ethical behaviour
- Fairness and impartiality
- Transparency, openness, honesty and accountability
- Responsibility
- Efficiency and effectiveness.

(based on NSW Ombudsman, *Good Conduct and Administrative Practice*, August 2003)

Staff must not be subjected to unnecessary employment conditions simply because they work in the public sector. Staff retain all the usual rights under common and statute law.

1.0 **Competence and professionalism**
All staff will carry out their duties to the best of their ability and to follow the highest standards of conduct.

1.1 **Personal and professional behaviour**
I will carry out my job with:

- Courtesy and respect for everyone.
- Openness, honesty and accountability.

I will be mindful and accepting of the needs of people from different backgrounds and cultures when doing my job.

My decisions will be fair and impartial.

I will take care in my duties and will always present myself for work in a fit and proper condition. I will never present myself for work under the influence of alcohol, drugs or other substances that could affect my ability to work safely and efficiently.

When carrying out my tasks I will always:

- observe any laws, professional codes of conduct and ethics relevant to my profession
- follow lawful directions from a person in authority. If I have a concern about following any lawful direction, I may appeal either through my workplace complaint/grievance procedures or to the Chief Executive of the Health Service or her or his delegate.
- behave with honesty and openness. I have a duty to report other staff who are behaving in a way that breaches this Code of Conduct
- report to an appropriate person or authority any situations that may affect clinical or professional standards
- try to work to a standard that reflects favourably on NSW Health.

- follow the policies of the Health Service, whether or not I agree with these policies. If a situation arises where I cannot comply with a policy because of my personal or clinical views I will discuss the matter with my immediate supervisor to try and resolve the situation.

1.2 Good faith

- I will undertake all my duties in good faith and in the spirit of honesty, correct purpose and with the best motives. I will ensure that my actions are appropriate and totally within the area of my authority.

1.3 Professional standards

- If I find any conflict between my professional standards and this Code of Conduct I will take up the matter with my immediate supervisor or the Health Service Chief Executive or his or her delegate.

- I will fulfil my professional responsibilities by continuing to maintain and enhance my skills, knowledge and competence while undertaking my Health Service duties.

1.4 Personal relationships with patients or clients

- I will not have personal relationships with patients or clients that result in any form of exploitation, obligation or sexual gratification.

- If a family member/spouse/partner becomes a patient or client of the service where I work, I will report this to my immediate supervisor so she or he can assess any conflict of interest issues.

Dealing with finance or property for patients or clients

- As a general rule I will not become involved in any transaction that involves dealing with cash, bank accounts, credit cards or property.

- Where a patient or client requires such services, especially if they live at home and cannot conduct such transactions for themselves, I will discuss low risk alternatives with them. If they give their consent I will do the following:
  - contact relatives
  - contact other agencies that can assist in such matters (eg Department of Community Services)
  - contact patient or client's bank etc and advise them of the situation and make appropriate accountable arrangements.
  - use accountable methods, such as a 'non-negotiable' cheque made payable to the appropriate payee.

- I will contact the Guardianship Tribunal if I am concerned that a patient or client's capacity to manage financial affairs may be impaired.

Management of employment, promotion and transfer where close relationships exist

- Where I am required to work with a close relative or another person with whom I share a close personal relationship, potentially compromising circumstances may occur. I will advise my immediate supervisor that a real and/or perceived conflict of interest may arise in the course of my work.

1.5 Sexual relationships with patients of clients

- I will not exploit my relationship of trust with patients or clients in any way because I recognise that such behaviour is a breach of professional and ethical boundaries and amounts to serious misconduct.

- I will not have a sexual relationship with a patient or client during the professional relationship.

1.6 Quality service

- To the best of my ability, I will provide accurate, frank and honest information to decision-makers, as required.

- I am responsible for helping to create and maintain a public health system that provides safe and high quality health care.

- I will ensure that I get good value for any public money spent, and avoid waste.

- I will ensure that all the money I spend is for legitimate items related to the work of the Health Service, and not for personal benefit.

- While at work, my attention will remain focussed on my duties.

- I will carry out my duties within the agreed time frames. If resource issues prevent me from fulfilling my duties or meeting the time frames, I will report this to my immediate supervisor for advice and action.

2.0 Conflicts of interest

Staff will avoid and resolve any conflict of interest and be open and honest in all activities where personal interests may clash with work requirements.

2.1 Managing conflicts of interest

- I will perform my duties fairly and ensure that my decisions are not influenced by self-interest or personal gain.

- I will avoid situations that give rise to conflicts of interest.

- I will report any actual, potential or perceived conflicts of interest to my immediate supervisors, my Health Service Chief Executive or his or her delegate at the first available opportunity, preferably in writing. A decision can then be made as to what action should be taken to avoid or to deal with the conflict.

- If I am not sure whether a conflict exists, I will discuss the matter with my immediate supervisor to try and resolve the matter.

- If I am aware that another staff member has a real, potential or perceived conflict of interest I will report the matter to my immediate supervisor.

2.2 Bribes, gifts and benefits

- I will not allow the offer of any gift or bribe to change the way I work or the decisions I make.

- I will never accept gifts of cash and as a general rule I will not accept any gifts or benefits.

- I will take all reasonable steps to ensure that neither myself nor my immediate family members accepts gifts or benefits that an impartial observer could view as a means of securing my influence or favour.

Token gifts

- I may accept token or inexpensive gifts offered as a gesture of appreciation, and not to secure favour.

- I will report the acceptance of the gift to my supervisors and seek their agreement to retain the gift.

Non token gifts

- As a general rule I will not accept gifts that are more than a token.

- If I do receive a non-token gift I will declare it to my immediate supervisor straight away.

- I will only accept a gift or other benefit that is more than a token (including modest acts of hospitality) in the following cases:

  - where these are given for reasons other than my job or status

  - where the gift is given to me in a public forum in appreciation for the work, assistance or involvement of myself or the health service, and refusal to accept the gift would cause embarrassment or affront eg an overseas delegation (the issue of causing embarrassment or affront does not apply to gifts offered by commercial organisations)

  - where there is no chance that accepting the gift could reflect badly on myself or the Health Service

  - in circumstances generally approved by the Chief Executive or delegate of my Health Service. Otherwise I need the formal written approval of the Chief Executive or delegate, preferably in advance.

- If I accept a gift in these circumstances, I will indicate that I am accepting the gift on behalf of my Health Service. The Chief Executive or delegate will determine the most appropriate use of the gift.

- If any offer or suggestion of a bribe is made directly or indirectly to me, I will report the facts to my immediate supervisor as soon as possible.

- I am particularly alert to attempts to influence me when I am dealing with, or have access to, sensitive or confidential information.

2.3 Recommending services

- I will not recommend a particular private service provider to patients or their relatives for either my own personal gain or to benefit my family members or friends.

- If patients or clients request a list of private practitioners, I will include the statement that the Health Service does not recommend or favour these services and does not accept responsibility for any private practitioners whose names are included on the list. I will do this even when the list contains names of practitioners who work within the facility.

- In all circumstances, I will make it clear that the information is provided to assist the patient, client or relative in making informed decisions between a wide range of alternative and appropriate services. These may be private or public, clinical or non-clinical.

2.4 Outside employment and business activities

- If I work full-time in a Health Service and want to undertake another paid job or participate in other business activities (including a family company or business) I will seek the approval of my Health Service Chief Executive or his or her delegate.

- If there is any real, potential or perceived conflict of interest, I will put the duties of my Health Service job first or reach an agreement on ways to resolve the conflict.

- If I work for a Health Service on a part-time or casual basis (includes permanent, sessional (less than ten sessions per week), temporary or contract I will advise my Chief Executive or delegate of any actual, potential or perceived conflict of interest between my job in the Health Service and any other employment.

- I will provide details of any other employment to my Health Service in the event of allegations of conflict of interest.

- Any work I perform outside my Health Service employment will:

  - be performed outside my normal working hours

  - not conflict with Health Service work

  - not adversely affect my work performance

  - not affect my safety or the safety of colleagues, patient, clients or the public

  - not involve the use of Health Service resources.

- I will not misuse my Health Service position to obtain opportunities for future employment and will not allow myself to be inappropriately influenced by plans for, or offers of, outside employment.

2.5 Party political participation

- I will carry out my duties in a politically neutral manner.

- When participating in political activities, I will ensure that I present my views as my own and not as the views of NSW Health.

- I will also ensure, as far as possible, that others do not present my views or actions as an official comment of NSW Health, but as my individual views or those of the political organisation I am representing.

- I will not undertake political activities in paid Health Service time.

- I will meet the special requirements that exist if I contest State or Federal elections.

2.6 Participation in voluntary organisations, charities and professional associations

- When participating in voluntary organisations, charities or professional associations, I will ensure that I present my views as my own and not as the views of NSW Health and ensure I do not commit my Health Service to any action without approval to do so.

- If I wish to join the Rural Fire Service Volunteers/State Emergency Service I will seek the approval of my Chief Executive or delegate, in the same way as seeking approval to undertake secondary employment.

2.7 Public comment

- If I make public comment and publicly debate political and social issues, I will make it clear that I am presenting my own views and not speaking as a Health Service staff member representing an official position of NSW Health.

- I will not use my job title when making such comment as this may create the impression that I am officially representing the views of the Health Service.

- I may make official comment on matters relating to NSW Health or my Health Service if I am:
  - authorised to do this by my Chief Executive or delegate
  - giving evidence in court or
  - authorised or required by law.

- I will only release official information when given authority to do this.

3.0 Use of official resources

Staff will use all equipment, goods and materials provided to them at work for work related purposes only.

3.1 Using official resources

- I will use official resources lawfully, efficiently and only for official purposes.

- I understand that it is illegal to use official resources to:

  - intentionally create, transmit, distribute or store any offensive information, data or material that violates Commonwealth or State laws

  - produce, disseminate or possess child pornography images

  - transmit, communicate or access any material that may discriminate against, harass or vilify colleagues, patients/clients or the public.

- I will not use official resources to display, access, store or distribute inappropriate or objectionable (non work related) material that may be offensive to others.

- I understand that this includes material that depicts, expresses or deals with matters of nudity, sexual activity, sex, drug misuse or addiction, crime, cruelty or violence in a manner that a reasonable adult would generally regard as unsuitable.

- I will only use official resources for non-official purposes if I have obtained permission from my Chief Executive or his or her delegate beforehand.

- If I am authorised to use official resources for non-official purposes I will:

  - take responsibility for maintaining, replacing and safeguarding the property and follow any special directions or conditions that apply to its use for non-official purposes

  - ensure the resources are used effectively and economically.

- I will not use official resources for any private commercial purposes, under any circumstances.

4.0 Use of official information

All staff will ensure that they keep all information they may obtain or have access to, in the course of their work, private and confidential. The trust of our patients and clients is paramount.

4.1 Using official information

I will never:

- use official information without proper authority or for purposes that breach privacy law

- use or disclose official information acquired in the course of my employment outside of my workplace or professional relationships (eg Professional Colleges) unless required by law or given proper authority to do this

- misuse information gained while undertaking my work role for personal gain.

4.2 Personal health information

- I will always comply with the *Privacy and Personal Information Protection Act 1998*, *Health Records and Information Privacy Act 2002* and PD2005_362 (Privacy Manual) with regard to personal information held by my Health Service.

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In doing this I will:

- follow privacy and security procedures in relation to any personal information accessed in the course of my duties
- preserve the confidentiality of this information
- inform the appropriate person immediately if a breach of privacy or security relating to information occurs
- only access personal information that is essential for my duties. This includes accessing any records relating to other staff
- ensure that any personal information is used solely for the purposes for which it was gathered
- only divulge personal information to authorised staff of the Health Service who need this information to carry out their duties.

4.3 Security of official information

I will:

- ensure that unauthorised parties cannot readily access confidential and/or sensitive official information held by me, in any form whether documents, emails, computer files etc
- maintain the security of confidential and/or sensitive official information overnight and at all other times when my place of work is unattended
- only discuss confidential and/or sensitive official information with authorised people, either within or outside NSW Health.

4.4 Staff information

- If I am requested to release information about staff of the Health Service to external bodies (eg in response to Freedom of Information or Heath Care Complaints Commission requests) I will first obtain appropriate legal authority and the authorisation of my Chief Executive or delegate.

4.5 Providing referee reports

I will:

- provide honest and accurate comments when giving verbal or written references for other staff members, or people outside the Health Service
- take care to avoid making statements that could be regarded as malicious
- keep a record of what was said, when providing verbal references
- avoid using Health Service letterhead for writing references.

4.6 Using intellectual property

- I will respect other people's/parties intellectual property rights.

5.0 Employment screening and reporting of serious offences

Staff must report serious criminal charges against them to their Chief Executive.

5.1 Employment screening

- I will undergo probity screening (criminal record checks and working with children checks as appropriate) when working in any capacity in NSW Health.

5.2 Reporting serious offences

- I will report any charges and convictions against me relating to any serious sex or violence offence in writing to my Chief Executive within seven days of the charge being laid or of conviction.
- As a visiting practitioner, if I have a finding of unsatisfactory professional conduct or professional misconduct made against me under any relevant health professional registration *Act*, I will, within seven days of receiving notice of the finding, report the fact to my Chief Executive. I will provide a copy of the finding.
- I will report to my Chief Executive any charges brought against me relating to the production, dissemination or possession of child pornography.

6.0 Fairness in decision making

Staff must be fair, in all actions, when making decisions at work.

6.1 Fairness in decision making

I will:

- deal with issues, cases or complaints consistently, promptly, openly and fairly
- act fairly and reasonably when using any statutory or discretionary power that could affect individuals within or outside of NSW Health
- avoid any unnecessary delay in making decisions or taking action
- follow the principles of equal employment opportunity in employment-related decisions
- take all reasonable steps to ensure that the information I act or decide on is factually correct and relevant.

6.2 Use of statutory power

When I make a decision based on a statutory power (ie power defined in legislation), I will ensure that:

- I am authorised by the law to make the decision
- I comply with any required procedures
- I document my decision and the reasons for it.

6.3 Use of discretionary power

- I will only exercise discretionary power (ie power to act according to my own judgement) for proper purposes and on relevant grounds.

6.4 **Appealing decisions**

- I will promptly inform individuals who are adversely affected by or who wish to challenge a decision, of their rights to object, appeal or obtain a review. I will also inform them how they can exercise those rights.

7.0 Discrimination, harassment, bullying and violence

Staff must treat all people in the workplace with dignity and respect.

7.1 **Discrimination, harassment and bullying**

I will never:

- harass, discriminate or bully other staff, patients or members of the public
- encourage or support other staff in harassing, discriminating or bullying staff, patients or members of the public
- discriminate against someone because of their sex, race, ethnic or ethno-religious background, marital status, pregnancy, disability, age, homosexuality, transgender or carers' responsibilities
- victimise or take detrimental action against individuals
- make malicious or vexatious allegations.

7.2 **Violence**

- I will not act violently or knowingly place myself at unnecessary risk of violence.

8.0 Occupational health and safety

Staff must look out for their safety and the safety of all others in the workplace.

8.1 Occupational health and safety

I will:

- follow all occupational health and safety policies and safe working procedures
- take reasonable care for the health and safety of people who are at my place of work and who may be affected by anything that I do or fail to do
- cooperate with my Health Service to comply with OHS legislative requirements including reporting workplace hazards when I become aware of them
- I will never intentionally or recklessly interfere with or misuse anything provided to me in the interests of health, safety or welfare (eg personal protective equipment such as safety glasses, gloves etc).

8.2 **Injury management**

- I will take care and cooperate with my Health Service to prevent work related injuries to myself and others.
- If I am injured in the workplace I will register my injury in the Register of Injuries and, if appropriate, seek first aid or medical attention.

9.0 Complying with reporting obligations

Staff must abide by all legal and policy reporting obligations.

9.1 **Complying with reporting obligations**

I will meet all the legal reporting obligations that apply to me including those related to:

- corruption, maladministration and serious and substantial waste
- public health issues
- reportable conduct related to child protection (eg sexual misconduct, assault, neglect)
- other criminal matters.

9.2 **Child protection**

- I will follow NSW Health and Health Service policy in relation to the care and treatment of children and young people.
- I will report any behaviour or circumstance that leads me to suspect reportable conduct towards a child by another staff member to my supervisor or the designated person within my Health Service.

9.3 **Reporting corrupt conduct, maladministration and serious and substantial waste**

- I will report any suspected instances of possible corrupt conduct, maladministration and serious and substantial waste of public resources to my Chief Executive or delegate or the appropriate external body. I will refer to local Health Service policy to determine reporting procedures.

9.4 **Protected disclosures**

- I will not take action against or victimise another person for making a protected disclosure.

10.1 Conduct of former staff members

Former staff must not take workplace information or property with them when they leave.

10.1 **Conduct of former staff members**

- When I leave my current employment I will not use or take advantage of confidential information obtained in the course of my official duties until this information is publicly available.
- I will not take documents that are the property of the Health Service to another position prior to or after my resignation without approval.
- I will not give, or appear to give, favourable treatment or access to privileged information to former staff of NSW Health.

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11.1 Breaches of the NSW Health Code of Conduct

Staff must be aware of, and abide by, this Code of Conduct.

11.1 Breaches of this Code of Conduct

■ I will familiarise myself with the contents of Part 2 of the *Code of Conduct Policy Directive*, to ensure that I have a clear understanding of all of the standards of behaviour required in this Code of Conduct.

■ If I do not understand any issue covered in this Code of Conduct I will discuss it with my immediate supervisor or my Health Service Human Resource or Internal Audit Manager.

■ I will abide by the standards outlined in this Code of Conduct and the legislation, policies and procedures it reflects. Breaches of this Code of Conduct may lead to disciplinary action.

■ Certain sections of the Code of Conduct reflect the requirements of legislation, and I am aware that breaches of these conditions may be punishable under law.

■ If I become aware of a breach of this Code of Conduct, by either myself or by other staff members, I will immediately report the matter to my supervisor.

Further information

For further information on the NSW Health Code of Conduct staff should consult their manager or contact the NSW Department of Health Corporate Personnel Services. The complete NSW Health Code of Conduct is available on the NSW Health website, including Part 2 – Explanatory Information – NSW Health Code of Conduct.

Accompanying the NSW Health Code of Conduct is a policy: Effectively Communicating the NSW Health Code of Conduct. This policy provides detailed information and strategies for Chief Executives and senior managers to assist them in ensuring that the Code is effectively communicated to, and understood by, all staff.

Appendix 4

Human Resources

The Corporate Personnel Services Unit is responsible for developing, implementing and evaluating a broad range of human resource initiatives.

Human resource issues include recruitment, conditions of employment, training, equity, salaries, occupational health and safety, workers compensation and rehabilitation, job evaluation, grievance resolution, organisational change, performance management and staff establishment.

The following initiatives were achieved by the Corporate Personnel Services Unit during 2005/06:

- The human resource management aspects of the administrative organisational restructure, involving approximately 200 staff, was implemented to achieve savings targets and to refocus the Department on its core functions. Three Branches (Primary Health and Community Partnerships, Quality and Safety, and Demand and Performance Evaluation) were completely restructured. A new Branch (Corporate Governance and Risk Management) was also created.

- An internal merit recruitment process was conducted late in 2005 in accordance with Premier's Department major restructuring guidelines. The recruitment action included substantively vacant positions throughout the Department as well as those positions established with new roles within the new Branch structures. This process contributed to the successful placement of many staff affected by the restructure, facilitated permanent appointments to positions that had been filled by various temporary staffing arrangements and resulted in a stabilisation of staffing throughout the organisation.

Corporate Personnel Services provided extensive support to the change management process including:

- managing consultations and negotiations with employee representative organisations
- advising management on structures and transitional processes
- developing and evaluating new position descriptions
- providing training, coaching and counselling services to management and staff
- managing redeployment and recruitment processes
- providing online resources including templates and tailored information kits.

Positive relations were maintained with employee organisations throughout the restructure which was completed on target in December 2005.

A key feature of the restructure was the highly effective redeployment process. Only a very small number of staff remained unplaced in December 2005. These were provided with individual case management support.

A successful voluntary redundancy program was conducted in July/August 2005 targeting staff in positions affected by the administrative restructure and new and existing displaced staff. The majority of staff who accepted voluntary redundancy also participated in post-redundancy training under the Department's Job Assist Scheme.

CHRIS payroll reporting processes were enhanced to improve the quality and efficiency of regular reporting on staff numbers and the staffing mix. This information was provided to the Management Board to monitor closely the Department's staffing profile and levels. Standard forms to initiate job evaluation, job creation and staff recruitment action were also introduced. These assist Branches with the approval process and provide comprehensive information to assist senior executive decision-making on staffing requirements.

Strategic advice on structural efficiency and organisational development was provided to a number of Branches including Finance and Business Management, Centre for Aboriginal Health, Centre for Mental Health, Centre for Drug and Alcohol and some Branches within the Population Health Division.

Staff training

Continuous learning is vital for our staff to adapt effectively in a rapidly changing and complex environment. As a department committed to supporting its staff, we aim to encourage a learning and development environment. This year Corporate Personnel Services provided a comprehensive range of training, planning and development services to assist staff in developing their individual careers as well as achieving organisational goals and priorities:

- A number of internal training programs were updated and refreshed including the Staff Selection Techniques and TRIM training. The Department's Induction program is currently being reviewed including the development of additional on-line resources.

- Targeted CAPS training has been implemented for a number of Branches, particularly where the CAPS review program was disrupted by the Administrative Savings 2005 restructure.

- The Leadership Development Program for managers was updated and implemented in 2006.

- Business writing was added to the training calendar following strong interest from staff.

- 'Custom Plus', a highly successful development program for staff at Clerk 7/8 level was developed and delivered on three occasions.
- Training programs and information sessions were conducted for a range of areas requiring compliance, such as recruitment, job evaluation, procurement and financial management.
- Contributed to sector-wide initiatives including the review of job evaluation processes.

Staff awards

The Department of Health has two staff awards to recognise outstanding individual and team service for their performance according to the Department's corporate values of fairness, respect, integrity, learning and creativity and effectiveness. The Awards are conducted quarterly in March, June and September with the Staff Member of the Year and the Team of the Year awarded in December.

> "Receiving the Annual Team Staff Award was real encouragement for the PACU team, who appreciate this acknowledgement and reward for their efforts. Knowing that the commitment and performance of the team is recognised and valued is very satisfying. We also acknowledge that we rely greatly on the assistance and cooperation of other parts of the Department and Health Services. We couldn't do our work without their efforts." [PACU team]

July – September 2005

Individual award
Leanne O'Shannessy, Legal and Legislative Services

Joint teams award
HPRB Finance Section Team
Maria Rosales, Wendy Nakoul, Endadul Hoque, Hunter Jiang, Bradley Evans, Barrie Pitt and Scott Hazledine

Futures Planning Unit
Kim White, Kerry Viney and Brody Atterby

October – December 2005

Annual individual award
Juliette Sharman, Employee Relations

Annual team award
Parliamentary and Cabinet Unit
Matthew Monaghan, Mal Swain, Myra Mitreski, Kim Lord

January – March 2006

Individual award
Jenny Curtis, Corporate Personnel Services

Team award
Nursing and Midwifery Office
Alwen Williams, Cecilia Lau, Elaine Ford, Helen Miller, Margaret Rout, Jim Ellis, Jo-ann Cuneo, Julie Williams, Liz Harford, Marieanne Goodwin, Natalie Cutler, Nick Miles, Peter Short, Phyllis Daas, Shirley-Ann Wilson, Sue Balding and Susie Lang

April – June 2006

Joint individual award
Fiona Porteous, Library and Knowledge Services

Meredith Sims, Centre for Mental Health

Team award
Executive Assistants
Marilyn Johnston, Val Johnson, Cath Power and Analisa Capati.

Award for long standing years of service

The Department of Health recognises employees' long standing years of service in the NSW health system and the NSW Public Sector. In August 2005 the following staff in the Department were recognised:

- Juliette Sharman – 30 years health system
- John Chalder – 41 years public service
- Gregory Wallin – 40 years public service
- Noeleen Lott – 44 years public service
- Diamante Rofe – 32 years public service
- Philip Johnson – 30 years health system
- Mary Christopher – 33 years public service
- Robyn Cruikshank – 31 years public service
- Elena Manning – 21 years health system
- John Purcell – 43 years public service
- Grant Lavender – 42 years public service
- Anna Fenech – 32 years public service

Scholarships

The Department introduced the Margaret Samuels Scholarship for Women in 1997 and the Peter Clark Memorial Scholarship for Men in 2002.

The scholarships are designed to assist Departmental officers graded up to and including Clerk Grade 7/8, to pursue tertiary studies in an area that is relevant to the Department's functions. Areas may include health and general administration, finance, human resources, information technology and law. The scholarships were awarded to the following staff:

Margaret Samuel Memorial Scholarship
Helen Gardiner, Centre for Aboriginal Health
– To continue a Graduate Certificate in Public Health, University of Wollongong

Melinda Varga, Environmental Health and Water
– To undertake a Associate Diploma in Food Nutrition, Australian Correspondence School

Peter Clark Memorial Scholarship
Wilson Yeung, Quality and Safety
To undertake a Masters of Health Administration, University of NSW

Appendix 5

Health workforce

Workforce development and leadership

The Department of Health's Workforce Development and Leadership Branch is responsible for overseeing workforce development for the NSW public health system. The Branch works with stakeholders at the state and national level to improve the supply, distribution and education of the health workforce.

Workforce Development and Leadership Branch major achievements for the year included:

■ Thirty-six General Practitioners in rural and remote areas have received training in the specialties of mental health, Obstetrics, Anaesthetics, Emergency Medicine and Surgery through the NSW Rural General Practice Procedural Training Program.

■ Funding for the Basic Physician Training (BPT) initiative resulted in an increase of 20 BPT trainees between 2005 and 2006, bringing the total number of trainees to over 304 full time equivalents (FTE). Over the same period Psychiatry trainees increased by 11 (FTEs) bringing the total number to 193.

■ There was an increase in the number of pre-registration pharmacist training positions from 40 in 2005 to 54 in 2006. An audit of the 2005 cohort showed that up to 63 per cent of trainee pharmacists were retained or seeking permanent employment in public hospitals. One-off funding of $700,000 was provided to Area Health Services to support the program.

■ The annual Labour Force Survey was continued for the following registered professions: medical practitioners, registered and enrolled nurses, physiotherapists, pharmacists, podiatrists, psychologists and dentists. In 2006, the Department commenced a survey for dental hygienists and dental therapists. The information obtained from these surveys informs workforce planning, projections and policy issues.

■ A working group was established to examine barriers to recruiting and retaining clinical staff in rural and remote areas and development of sustainable strategies to address these barriers.

■ Thirty-two dental officers were recruited, in conjunction with the Centre for Oral Health Strategy, from Australia, New Zealand, Ireland and the United Kingdom. Further, ten new dental officer positions in rural and metropolitan Areas were created.

■ Recommendations from the Inquiry into Dental Services in NSW, are progressing, including a review of State Awards for dental officers, specialists, therapists and hygienists; attracting staff to rural Areas; and addressing issues of overseas trained dentists practicing under limited registration.

■ During 2005/06 the Workforce Development and Leadership Branch actively participated in the Council of Australian Governments (COAG) workforce reform agenda aimed at strengthening the health workforce.

Initiatives to be further progressed in 2006/07 include:

■ improving structures for innovation and reform

■ national professional registration scheme and national health education and training accreditation scheme

■ national process for assessment of overseas trained doctors

■ improving recruitment and retention in rural and remote areas.

Number of Full Time Equivalent Staff (FTE) Employed in the
NSW Department of Health and Health Services as at June 2006

	June 2003	June 2004	June 2005	June 2006
Medical	6,112	6,357	6,462	6,826
Nursing	32,550	33,488	35,523	36,920
Allied Health	6,323	6,563	6,848	7,122
Other professional and para-professionals	4,222	4,036	3,431	3,383
Oral Health practitioners and therapists	988	976	990	1,008
Ambulance Clinicians	2,815	2,935	3,019	3,155
Corporate Services	5,441	5,469	4,996	4,523
Scientific and technical clinical support staff	4,922	5,019	5,831	5,944
Hotel services	8,330	8,181	8,326	8,242
Maintenance and trades	1,311	1,281	1,246	1,221
Hospital support workers	9,933	10,037	10,723	10,709
Other	322	385	350	353
TOTAL	83,270	84,727	87,745	89,406
Medical, nursing, allied health, other health professionals, oral health practitioners and ambulance clinicians as a proportion of all staff	63.7	64.2	64.1	65.3

Source: Health Information Exchange and Health Service local data

Notes:

1. FTE calculated as the average for the month of June, paid productive and paid unproductive hours.

2. As at March 2006, the employment entity of NSW Health Service staff transferred from the respective Health Service to the State of NSW (the Crown). Third Schedule Facilities have not transfered to the Crown and as such are not reported in the Department of Health's Annual Report as employees.

3. Includes salaried (FTEs) staff employed with Health Services and the NSW Department of Health. All non-salaried staff such as contracted Visiting Medical Officers (VMO) are excluded.

4. In 2006, the collation of data has been improved by including an additional four staff categories to provide greater clarity between staff functions. Previous years data has been re-cast to reflect these changes, which has resulted in variations from figures reported in previous Annual Reports. The previous category 'Hospital Employees' has been replaced with 'Other Professionals and Para-professionals', which includes health education officers, interpreters etc and 'Scientific and technical support workers', eg hospital scientists and cardiac technicians.

   Award codes assigned to allied health have been reviewed and only the following professions have been included in the category; audiologist, pharmacist, social worker, dietitian, physiotherapist, occupational therapist, medical radiation scientist, clinical psychologist, psychologist, orthoptist, speech pathologist, orthotist/prosthetist, medical radiation therapist, nuclear medical technologist, radiographer and podiatrist to more accurately reflect this workforce. A category for Oral Health Practitioners and Therapists has been included as well as one for Hospital support workers, which includes ward clerks and IT support officers etc. Uniformed Ambulance officers have been revised to reflect ambulance on road staff and ambulance support staff.

5. FTEs associated with the following health organisations Health Technology, the Institute of Medical Education and Training, Health Support, HealthQuest, Clinical Excellence Commission and the Health Professional Registration Boards are reported separately.

Employee relations

The Department of Health's Employee Relations Branch is responsible for public health system industrial relations and human resources policy. It aims to facilitate a fair, safe, healthy and harmonious working environment for the NSW Health workforce.

Significant wage movements

Medical radiation scientists

The Industrial Relations Commission awarded special case and work value increases and an altered grading structure for the three classifications of Medical Radiation Scientists – Radiation Therapists, Radiographers and Nuclear Medicine Technologists. The increases essentially aligned the remuneration of Medical Radiation Scientists to that applying to Pharmacists.

Staff specialists

The Industrial Relations Commission awarded special case and work value increases for the remuneration of Staff Specialists. The Commission also agreed to incorporate into the new Award consent changes, which included:

■ a new Normal Duties clause expressly providing for at least 40 hours per week or ten sessions per week to be worked over five days per week

■ the right to roster emergency physicians on weekend and evening shifts with attendant shift penalty rates

■ provision for at least two primary work locations within the scope of ordinary working arrangements.

Memoranda of Understanding

In the reporting period, Memoranda of Understanding were concluded for administrative staff of the Ambulance Service (September 2005), and trades-based staff of the Health Services (October 2005). These were the final Memoranda for NSW Health Service employees under the current wages round to 2008. The wages outcomes and conditions of employment are generally consistent with other NSW Health Service MOU outcomes.

Statewide human resource policies released in 2005/06

Workplace camera surveillance: policy and guidelines

Developed to assist public health organisations to effectively use workplace camera surveillance as part of their security risk management program, and to ensure that they are meeting the relevant requirements of the NSW *Workplace Surveillance Act 2005*. The policy and guidelines were released as an additional chapter in the NSW Health Security Manual *Protecting People and Property: NSW Health Policy and Guidelines for Security Risk Management*.

Guidelines for the management of OHS Issues associated with the care of bariatric (severely obese) patients

Developed to assist public health organisations meet their occupational health and safety obligations in relation to the management of obese patients. It supports *Workplace Health and Safety: Policy and Better Practice Guide* and contains tools and strategies for developing and activating a facility bariatric management plan on presentation of such a patient.

Guidelines for the safe use of hazardous substances and dangerous goods

Developed to assist public health organisations meet their occupational health and safety obligations in relation to the management of hazardous substances and dangerous goods. It supports *Workplace Health and Safety: Policy and Better Practice Guide*, and provides detailed guidance and practical tools to support effective implementation of the relevant requirements of the NSW Occupational Health and Safety Regulation 2001.

Public sector employees contesting elections

Developed to advise NSW Health Service employees about the provisions and requirements for staff contesting state or federal elections, and includes the relevant requirements as set out under the *NSW Health Code of Conduct.*

NSW Health Code of Conduct

Developed as a comprehensive Code of Conduct for all staff working in any capacity in NSW Health. Part One of the Code outlines the specific standards and behaviours required from staff, while Part Two provides explanatory information to assist staff in understanding and meeting these requirements.

Accompanying the NSW Health Code of Conduct is a policy titled *Effectively Communicating the NSW Health Code of Conduct*. It provides detailed information and strategies for Chief Executives and senior managers to assist them in ensuring that the Code is effectively communicated to, and understood by, all staff.

Other major Department of Health Employee Relations' achievements for the year include:

■ Developed and implemented health legislation amendments to preserve fair and equitable industrial arrangements for NSW Health staff within the State jurisdiction.

■ Supported NSW Health influenza pandemic planning to ensure workforce capacity and readiness.

■ Developed the Human Resource Policy e-compendium for the NSW Health website.

■ Ongoing education and training of nurse managers in management of workload issues.

■ Completed establishment of the Health Executive Service.

■ Ongoing industrial support for reform of NSW Health administration.

The following future initiatives will be undertaken by Employee Relations:

- Revise and streamline recruitment and selection policy for the NSW Health Service.
- Develop policy on the role of job evaluation in the NSW Health Service.
- Revise and update leave policy e-manual for the NSW Health Service.
- Develop anti-bullying guidelines to support the NSW Health Anti-Bullying Policy.
- Comprehensive review of the NSW Health disciplinary policy.
- Revise the performance management system for the NSW Health Executive Service.

Nursing and Midwifery

The Nursing and Midwifery Office provides advice on professional nursing and midwifery issues and on policy issues, monitors policy implementation, manages Statewide nursing and midwifery initiatives, represents the NSW Department of Health on various committees and allocates funding for nursing and midwifery initiatives.

NSW Health initiatives to address nursing workforce shortages have resulted in a steady increase in the total number of nurses and midwives permanently employed in the NSW public health system over the last four years. In June 2006, there were 40,456 nurses employed which is a net increase of 6,452 (19 per cent) from January 2002. Highlights from nursing recruitment initiatives in 2005/06 include:

- 1,000 nurses interviewed during two overseas recruitment campaigns for experienced registered nurses in the United Kingdom, Scandinavia, Canada, the USA, Ireland and New Zealand and over 600 international nurses commenced employment in Area Health Services in 2005/06.

- 983 Trainee Enrolled Nurses were employed in the public health system while they undertook their full-time 12-month course. 85 per cent commenced employment as Enrolled Nurses on completion of their course.
- 1,438 nurses employed in public hospitals through the Nursing Re-Connect campaign since January 2002.
- In partnership with the Department of Workplace Relations 28 Aboriginal people have been employed in the Trainee Enrolled Nursing course with a 96 per cent retention rate.
- In partnership with the NSW Premier's Department NSW Health has employed 35 Aboriginal Nursing and Midwifery cadets. This program financially supports Aboriginal people in completing their full-time undergraduate studies. At the completion of their studies, all cadets are offered ongoing employment.
- $5.5 million was allocated for Nurse Practitioner positions. 131 Nurse Practitioner positions have been filled with Authorised Nurse Practitioners and nurses undergoing transition to Nurse Practitioner status.
- Over $2 million was awarded for 831 education scholarships and 803 clinical placement grants.
- For the first time Innovation Scholarships of $10,000 each were awarded to nine teams of nurses and midwives to implement new, patient-focused strategies to improve patient care.
- $6 million has been provided for nurses and midwives to access study leave. This funding allows more nurses and midwives to access further education and to upgrade their skills.

Appendix 6

Registered health professionals in NSW

The number of registered health professionals as at 30 June 2006

	2005	2006
Chiropractors	1,306	1,346
# Dentists	4,300	4,358
Dental Hygienists		309
Dental Therapists		497
Dental Technicians		
Dental Prosthetists	419	439
Dental Technicians	723	756
# Medical Practitioners	27,147	27,918
(general registration – 22,630		
conditional registration – 3,172		
retired/non practising – 2,116)		
Nurses and Midwives		
Registered Nurses	81,584	82,740
Registered Midwives	18,679	18,455
Enrolled Nurses	16,497	16,898
Authorised Nurse Practitioners	60	70
Authorised Midwife Practitioners	2	2
Optical Dispensers	1,436	1,482
Optometrists	1,654	1,664
Osteopaths	508	541
# Pharmacists	7,583	7,814
Physiotherapists	6,454	6,617
Podiatrists	783	804
Psychologists (includes 1,336 provisionals)	8,636	9,052
TOTAL	**177,771**	**181,762**

Figures for # Dentists, # Medical Practitioners and # Pharmacists have been provided by their individual Boards.

Appendix 7

Senior executive service

Number of CES/SES positions at each level within the Department of Health

SES Level	As at 30 June 2006	As at 30 June 2005
8	1	1
7	4	4
6	–	–
5	4	4
4	5	4 + 1*
3	14	13
2	8 + 2**	10 + 2*
1	6 + 1**	7
TOTAL positions	42 + 3**	43 + 3*

Note:

*Limited term project positions associated with the Clinical Services Redesign Program

**Limited term project positions (Bio-preparedness, Clinical Services Redesign and Corporate Strategic Planning)

Number of female CES/SES officers within the Department of Health

	As at 30 June 2006	As at 30 June 2005
	19	19

Appendix 8

Senior executive performance statements

Name	Robyn Kruk AM
Position title	Director General
Period	1 July 2005 to 30 June 2006
SES level	8
Remuneration	$387,250 per annum
Period in position	4 years

The Minister for Health has expressed satisfaction with Ms Kruk's performance during 2005/06.

During a challenging year in which the demand for health services and public hospital activity continued to increase Ms Kruk provided sound management and leadership of the NSW Department of Health and NSW Health.

Major achievements during 2005/06

- Significant improvements to key performance indicators measuring hospital and surgical activity, and performance.

- Finalisation of the NSW Health *Better Planning for Reforms* with the completion of the amalgamation of 17 Area Health Services into eight and the introduction a common management structure across Areas, new governance and accountability arrangements and the recruitment of senior managerial staff.

- Meeting the corporate service and administrative savings targets set for the Department and NSW Health and the subsequent reinvestment of these savings into frontline clinical services.

- Development of a five year mental health plan to provide a better balance between community and acute hospital care for those suffering from mental illness and an increased emphasis on early intervention.

- Improvements to emergency and community care provided to those with mental illness through the rollout of the Psychiatric Emergency Care Centres (PECCs) program and expansion of the Housing and Accommodation and Support Initiative (HASI).

- Ensuring NSW Health continues to focus on monitoring worldwide movements and trends in the detection and spread of avian influenza and planning for a NSW Health response in the event of a pandemic.

- Representing NSW Health and providing strategic direction and input into a range of high level cross-jurisdictional and cross agency forums including COAG and the Australian Health Ministers' Advisory Council (AHMAC).

- Ensuring the Department of Health and NSW Health continue to build strong and collaborative relationships with other NSW government agencies resulting in improved policy development and service options for public health services in NSW.

In summary, during 2005/06 Ms Kruk's management of the NSW Department of Health and the direction and leadership she provided to NSW Health in driving change, reform and improvements in the delivery of public health services, was of a consistently high standard.

Name	Dr Richard Matthews
Position title	Deputy Director General, Strategic Development
SES level	7
Remuneration	$330,447
Period in position	2.5 years

The Director General has expressed satisfaction with Dr Matthews' performance throughout 2005/06 in the position of Deputy Director General Strategic Development. Dr Matthews achieved the performance criteria contained in his performance agreements.

Significant achievements in 2005/06

- Completed the service models of care, particularly for emergency and non-acute mental health.

- Established Psychiatric Emergency Care Centre (PECC) units and implemented the Rural Mental Health Emergency and Critical Care Access Plan.

- Co-led (with the DDG, Public Health) the development of 20 year strategic directions for the NSW public health system.

- Oversaw the continued development of the Area Healthcare Services Plans.

- Led health reform through the Council of Australian Government's health reform process.

- Successfully implemented the 2003–2008 Australian Health Care Agreement.

- Completed the allocation and implementation of intensive care enhancements.

- Supported the development of the Critical Care Adult Tertiary Referral Networks – Intensive Care Default Policy.

- Successfully negotiated the six year agreement with the Department of Veteran's Affairs.

- Continued support to the Health Care Advisory Council, Health Priority Taskforces, Area Health Advisory Councils and other key advisory bodies, including the General Practice Council, Ministerial Standing Committee on Hearing (MSC-H) and NGO Advisory Committee.

- Continued to provide leadership in aged care across NSW, including the provision of access to the Aged Care Channel for all NSW Health Multi Purpose Services.

- Oversaw the establishment of ten co-located After Hours General Practice clinics.

- Supported the development of integrated primary health and community care policy and services across NSW.

- Established the Nursing Scholarship Program to enable registered and enrolled nurses to upgrade their skills and qualifications whilst continuing to work in mental health.

Name Dr Denise Robinson

Position title Deputy Director General,
Population Health and
Chief Health Officer

SES level 7

Remuneration $330,447

Period in position 16 months

The Director General has expressed satisfaction with
Dr Robinson's performance throughout 2005/06 in the
positions of Deputy Director General, Public Health
and Chief Health Officer.

Dr Robinson achieved the performance criteria contained
in her performance agreement.

Significant achievements in 2005/06

■ Contributed to major strategic documents
– *Fit for the Future, State Health Plan*
and *Prevention is Everyone's Business.*

■ Established the Population Health Priority Taskforce
and Aboriginal Health Priority Taskforce.

■ Participated in development of the *National Action
Plan for Human Influenza Pandemic* (NAPHIP) and
*Australian Health Management Plan for Pandemic
Influenza* (AHMPPI).

■ Initiated *Smoke-Free Environment Amendment Act
2004* strategies and enhanced compliance with
tobacco legislation.

■ Conducted preliminary evaluation of the
Aboriginal and Maternal Health Strategy
demonstrating a reduction in low weight births,
a decline in infant mortality and increased
breastfeeding over five communities.

■ Rollout of state-wide policies and strategies
to improve health through:

– *NSW Falls Policy* – coordination and program
development in all Area Health Services

– NSW Health *School Canteen Strategy* adopted
in over 80 per cent of state schools

– ASSIST program to address childhood
obesity initiated in the Hunter New England
Area Health Service

– *HIV/AIDS Strategy 2005–2009*

– *Sexually Transmissible Infections Strategy
2005–2009.*

■ Developed process for streamlining of single ethical
and scientific review for multicentre research.

■ Developed data linkage capacity in partnership
with Cancer Institute NSW, The Sax Institute,
and other university partners.

■ Progressed fluoridation with four Councils
(Mid Western Regional Council, Tumbarumba,
Guyra and Coonamble).

■ Provided international response capacity
to events such as the Java earthquake.

Name Professor Katherine McGrath

Position title Deputy Director General
Health System Performance

SES level 7

Remuneration $335,200

Period in position 2.3 years

The Director General was satisfied with Professor
McGrath's Performance throughout 2005/06 in her
position of Deputy Director General, Health System
Performance.

Professor McGrath achieved the performance criteria
contained in her performance agreement.

Significant achievements in 2005/06

■ Strong leadership in Clinical Services Redesign
Program (CSRP) which has been the major vehicle
for driving access and quality of service related
improvements across the health system.

■ Outstanding results in the Predictable Surgery
program including major reduction in surgical
waiting lists.

■ Major improvement in access through emergency
departments.

■ Establishment of a strong Divisional team,
which has significantly contributed to improved
engagement with Area Health Services and with
the clinical workforce and resulted in improved
health system performance.

■ Greater organisational alignment and support
for the statewide NSW Health Information
Management and Technology (IM&T) strategy
and agenda.

■ Commencement of Electronic Health Record pilots.

■ Released the second Report on Incident
Management in NSW Public Health system.

■ Developed new models of care including a new
model of care for the elderly – SAFTE – piloted
in four Area Health Services.

■ Established a Knowledge Management Program
designed to promote the lessons learnt through
clinical redesign. This includes establishment of
Master Classes with international thought leaders,
and the procurement of a search engine and portal.

■ Clinical Governance processes are embedded
in Area Health Services.

Name	Robert McGregor, AM		**Name**	Ken Barker
Position title	Deputy Director General, Health System Support		**Position title**	Chief Financial Officer
SES level	7		**SES level**	5
Remuneration	$335,200		**Remuneration**	$237,800
Period in position	9 years		**Period in position**	12 years

The Director General has expressed satisfaction with Mr McGregor's performance throughout 2005/06 in his position of Deputy Director General, Health System Support.

Mr McGregor has achieved the performance criteria contained in his performance agreement.

During 2005/06, Mr McGregor provided high-level strategic advice and support to the Director General and Minister for Health on a wide range of significant financial, industrial, workforce, legal, governance, communications and operational issues relevant to the delivery of health services in NSW.

Significant achievements in 2005/06

■ Savings from health system reforms achieved and strategies put in place to obtain ongoing savings. Priorities are shared corporate services and procurement functions to direct savings to clinical frontline services.

■ HealthSupport was established as an entity of the Health Administration Corporation to deliver shared services more effectively and efficiently.

■ Established Corporate Governance and Risk Management Branch. Standard accountabilities and governance for Health sector boards and committees are being implemented.

■ Commenced a centralised approach to overseas recruitment of medical, dental and nursing staff leading to simplified and more cost effective procedures and better service.

■ Continued implementation of the *NSW Health Workforce Action Plan* (announced by the Minister for Health in April 2005).

■ Through the Asset Management Reform Program, implemented Statewide Asset Strategic Planning, established the Major Projects Office and Procurement Advisory Service.

■ Led the planning approval for the Bathurst Campus Redevelopment and Long Bay Forensic Hospital; financial closure for the Newcastle Mater PPP and contract sign-off for the Forensic and Prison Hospital at Long Bay.

■ Led satisfactory progress on development of award classification streams through negotiations with health unions on wages and conditions.

■ Oversaw an increase in the number of enrolled nurses, registered nurses and nurse practitioners in the workforce.

The Deputy Director-General, Health System Support has expressed satisfaction with Mr Barker's performance throughout 2005/06.

Mr Barker achieved the performance criteria contained in his performance agreement.

During 2005/06 Mr Barker provided leadership in the areas of financial management, control and advice of the NSW Health Budget which in 2005/06 had a $10.9 billion Expenses Budget and $1.35 billion Revenue Budget.

Significant achievements in 2005/06

■ Provided effective financial management and control of the NSW Health Budget with the actual result within tolerances established by Treasury.

■ Co-ordinated the financial monitoring of health service amalgamation, procurement and other savings, which enabled some $100 million to be converted for reinvestment in frontline health services in 2005/06.

■ Provided financial management leadership on strategies required of both Greater Southern Area Health Service and Northern Sydney/ Central Coast Area Health Service to realign expenditure to available funds.

■ Liaised with health services and strengthened internal controls to improve payment practices to suppliers.

■ Provided financial leadership and contributed to the 2006/07 Health Budget deliberations which resulted in additional funding as announced in the 2006/07 State Budget on 6 June 2006. This included additional funding for beds, mental health services, intensive care beds, elective surgery, statewide services, ambulance officers, operating costs of linear accelerators and dental funding.

Name	Frank Cordingley
Position title	General Manager HealthTechnology
SES level	5
Remuneration	$221,951
Period in position	1.2 years

The Deputy Director General, Health System Performance was satisfied with Mr Cordingley's performance throughout 2005/06.

Mr Cordingley achieved the performance criteria contained in his performance agreement.

Significant achievements in 2005/06

■ Progressed substantially the establishment of the new IT shared services agency, HealthTechnology, including its governance framework, corporate support and technology services, corporate and program management office accommodation, and recruitment of staff.

■ Three main technology centres and staff transferred from health services – Liverpool, Cumberland, Newcastle. Other sites at Gladesville, Wallsend, Surrey Hills, Nepean, Westmead, Tamworth transferred to HealthTechnology.

■ Established Interim Service Desk operation to provide IT support services to various Health Services.

■ Established a knowledge management unit providing NSW Health with a knowledge web portal to support clinical redesign.

■ Created a Program management Office and assumed management of 28 capital IT projects.

  – an upgraded community health system rolled out to support the. SAFTE initiative

  – patient administration system rollout progressed substantially with a number of significant milestones met

  – implementation of clinical results reporting systems commenced in three health services

  – Electronic Health Record pilot and the state unique patient identifier system went live in HNEAHS in March 2006

  – substantial progess made in development of a statewide financial and eprocurement system.

■ Commenced development of end-state Service/ Help Desk.

■ Progressed "Contractual" arrangements with Health Services.

■ Balanced Scorecard/Business plans created for HealthTechnology.

■ Undertook first phase of private sector procurement process.

■ Achieved more than $30 million in savings from contract consolidation activities and volume purchasing.

Name	Karen Crawshaw
Position title	Director Employee Relations, Legal and Legislation/General Counsel
SES level	5
Remuneration	$237,800
Period in position	15 years

The Deputy Director General, Health System Support has expressed satisfaction with Ms Crawshaw's performance throughout 2005/06.

Ms Crawshaw has achieved the performance criteria contained in her performance agreement which focuses on legal and legislative services for the health portfolio, public health system wide industrial relations and human resource policy. The position also has responsibility for prosecutions under health legislation and NSW Health privacy policy and management.

Significant achievements in 2005/06

■ Managed the Health Legislative Program, including development of an Exposure Draft Mental Health Bill following comprehensive public review of current mental health legislation and legislative proposals to regulate unregistered health practitioners.

■ Developed and implemented health legislation amendments to restructure public health system and Ambulance Service employment arrangements.

■ Released the revised comprehensive Code of Conduct and support material for the NSW public health system.

■ Developed new consent award for Staff Specialists in the context of a special case before the IRC brought by ASMOF.

■ Developed and implemented a monitoring system for Nurse reasonable workloads for use across the public health system.

■ Developed the Human Resource Policy e-compendium for the NSW Health website.

Name David Gates

Position title Director, Asset and Contract Services

SES level 5

Remuneration $234,630

Period in position 11 years

The Deputy Director General, Health System Support was satisfied with Mr Gates' performance throughout 2005/06.

Mr Gates achieved the performance criteria contained in this performance agreement.

Significant achievement during 2005/06

■ Established new business units to manage specified Statewide service delivery:

– HealthSupport for Corporate, Linen and Food Services

– Health Procurement (within HealthSupport) for the delivery of strategic sourcing projects

– Major Projects Office for the delivery of high value capital projects over $10 million.

■ Established a Procurement Advisory Services within the Procurement and Contract Services Unit to ensure implementation of Government e-Procurement Policy and appropriate levels of procurement risk management across NSW Health entities.

■ Managed the asset audit across NSW Health facilities measuring condition, compliance and functionality to create a consistent database for all future Asset Strategic Planning.

■ Managed achievement of financial close on the Public Private Partnerships (PPP) at Newcastle Mater and Long Bay Forensic Hospitals, and approval to proceed with the PPP projects at Orange and Royal North Shore Hospitals.

Name Mike Rillstone

Position title Chief Information Officer

SES level 5

Remuneration $228,924

Period in position 6 months

Michael Rillstone achieved the performance criteria contained in his performance agreement.

During 2004/05, Michael Rillstone provided leadership in the areas of Information and Technology with a focus on strategy, management, governance and advice.

Significant achievements in 2005/06

■ Provided strategic leadership for the development and implementation of NSW Health IM&T strategy and ensured its alignment to key transformation areas such as the Clinical Services Redesign Program.

■ Provided strategic leadership for the development and implementation of NSW Health IM&T Architecture.

■ Provided strategic leadership for the development and implementation of NSW Health IM&T Investment strategy.

■ Implemented governance to support the IM&T programs and ensure clinical input and acceptance.

■ Progressed the IM&T program across the State, with significant program implementation activity that is required to support patient care and realise benefits in key areas such as the Electronic Health Record, Electronic Medical Record, financial systems, Community Health Information System, Telehealth and Patient Management systems.

■ Progressed planning and procurement for the IM&T program with significant activity in areas such as medication management, payroll systems, staff rostering, human resource management, billing systems and systems integration.

■ Provided support and contributed significant advice to progressing the implementation of the National IM&T agenda.

■ Provided ongoing support for strategic local IT innovations of value to the wider system, including the Obsterix System and the Bedboard.

■ Achieved significant savings in infrastructure costs through the implementation of statewide contracts to support the Electronic Medical Record.

Equal employment opportunity

The Department of Health endorses and whole-heartedly supports equal employment opportunity. As an employer it recruits and employs staff on the basis of merit and values its skilled and diverse workforce and a workplace culture where people are treated equally and fairly.

Significant Equal Employment Opportunity (EEO) outcomes for the year include:

- Progressed strategies in the Department's Diversity and Equity in the Workplace Management Plan incorporating the EEO Plan, Disability Action Plan, Ethnic Affairs Priority Statement (EAPS) and Aboriginal Workforce Development Plan.

- Celebrated the sixth anniversary of the Department's Equity Advisory Committee. Committee members are drawn from a broad cross-section of staff. They initiate and contribute to projects that further equity and diversity within the workplace. The Committee's success can be attributed to maintaining a broad perspective in relation to equity within the Department, having regard for the needs and interests of all staff members in Committee activities. High level support by senior executives and managers is pivotal to the effectiveness of the Committee.

- In conjunction with Aboriginal and Torres Strait Islander staff the Aboriginal Support Network web page within the Department's intranet-based Equity Manual was maintained. This provides details of the formation of the network, its aims, terms of reference and membership. There are helpful links to policies such as Aboriginal and Torres Strait Islander Peoples – Preferred Terminology to be Used (PD2005_319), Welcome to Country Protocols Policy (PD2005_472) and the publication *Communicating positively, A guide to appropriate Aboriginal terminology.*

- Continued a successful Spokeswomen Program on multiple campuses with celebrations of International Women's Day, cultural diversity, and forums for staff focusing on career planning, women in the media, nutrition for women, motivational insights from coaching elite athletes and financial planning.

- Promoted acknowledgement of cultural diversity in the workplace through Harmony Day activities and highlighting significant cultural and religious events.

- Continued support for a network of staff with a disability, an interest in disability and those who are carers. Support included organising lunchtime seminars for staff on dementia and caring for a person with dementia.

- A Department-wide team organised Journey of Healing activities including a traditional smoking ceremony. This year's focus was 'community' – the impact of the Stolen Generations on the health and well being of Aboriginal people and community, in particular mental health. Elders were acknowledged for their strength and commitment in support of their communities and their input into the Aboriginal Mental Health and Wellbeing Policy.

- During National Reconciliation Week staff participated in lunch-time workshops on Reconciliation and 'belonging' and 'healing' to better understand their meaning for Aboriginal people.

- On International Volunteers Day a poster display was unveiled of Department staff in community volunteer roles. This recognised their contribution to the community beyond the workplace.

Equal Employment Opportunity Management Plan 2006/07

The Department provides an EEO Management Plan to NSW Premier's Department each year in accordance with Part 9A of the *Anti Discrimination Act 1977*, in order to eliminate and ensure the absence of discrimination in employment and to promote equal employment opportunity in the EEO target groups.

The following activities are proposed as part of the EEO Management Plan for 2006/07:

- Policy launch of *Minimising Heterosexism and Homophobia in the Workplace Policy.*

- Provide support to members of the DohAble (Doh=Department of Health) network to lead consultations on disability needs and strategies to address these needs. Disseminate information about the network, its meetings, relevant policies, entitlements, resources, details of seminars and other activities through email and posters.

- Actively promote direct recruitment of people with a disability and the employment of Aboriginal andTorres Strait Islanders by way of targeted recruitment.

- Acknowledge Reconciliation and the Journey of Healing with Aboriginal and Torres Strait Islander peoples.

A. Trends in the representation of EEO groups

EEO group	Benchmark or Target	Percentage of Total Staff (%)					
		2001	2002	2003	2004	2005	2006
Women	50%	59.0	59.0	59.0	60.0	63.0	62.0
Aboriginal people and Torres Strait Islanders	2%	2.1	1.5	2.0	2.0	2.8	1.6
People whose first language was not English	20%	18.0	19.0	20.0	20.0	19.0	20.0
People with a disability	12%	4.0	3.0	4.0	4.0	4.0	3.0
People with a disability requiring work-related adjustment	7%	1.0	1.0	1.0	1.0	0.9	0.9

B. Trends in the distribution of EEO groups

EEO group	Benchmark or Target	Distribution Index					
		2001	2002	2003	2004	2005	2006
Women	100%	91	90	90	95	95	96
Aboriginal people and Torres Strait Islanders	100%	95	94	n/a	n/a	n/a	n/a
People whose first language was not English	100%	93	89	92	91	90	90
People with a disability	100%	105	102	100	101	98	97
People with a disability requiring work-related adjustment	100%	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

1 Staff numbers as at 30 June.

2 Excludes casual staff.

3 A Distribution Index of 100 indicates that the centre of the distribution of the EEO group across salary levels is equivalent to that of other staff.
   Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff.
   The more pronounced this tendency is, the lower the index will be. In some cases the index may be more than 100, indicating that the
   EEO group is less concentrated at lower salary levels. The Distribution Index is automatically calculated by the software provided by the
   Office of the Director of Equal Opportunity in Public Employment on equal Employment Opportunity (ODEOPE).

4 The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Occupational health and safety

In accordance with the *Occupational Health and Safety Act* (NSW) 2000 and the Occupational Health and Safety Regulation (NSW) 2001, the Department of Health is committed to ensuring the health, welfare and safety of staff and visitors to the workplace.

The following Occupational Health and Safety (OH&S) initiatives were implemented during 2005/2006:

- Members of the Department's OH&S Committee obtained certification in OH&S Consultation in accordance with the OH&S Regulation 2001. This certification provided members with the knowledge and skills to promote effective workplace consultation and a framework to conduct committee functions under OH&S legislation.

- The OH&S Committee completed the Safety Check program in December 2005 at North Sydney, Gladesville and Surry Hills campuses. The OH&S Committee consulted with staff and managers to review work areas and provided recommendations to promote health and safety practices in the workplace.

- The OH&S Committee continued to meet on a bimonthly basis to discuss health and safety matters and opportunities for consultation with staff, managers and union representatives. The position of Committee Patron was created and enabled support and representation on the Committee from the Management Board.

- The Chair of the OH&S Committee and the OH&S Coordinator provided new staff with important information concerning workplace health and safety at Staff Induction programs.

- First Aid Officers obtained re-certification in Senior First Aid and Occupational First Aid qualifications. First Aid kits are available at all sites and stocks are maintained by the Occupational First Aider in conjunction with St John Ambulance Australia.

- Department of Health staff continued to support the Australian Red Cross and the community by voluntarily donating blood on a quarterly basis.

- The Department's Business Continuity Plan was created during the previous year. Crisis Management and Recovery teams received ongoing information on roles and responsibilities should the Business Continuity Plan be activated. Scenario testing of the plan was conducted with Recovery teams to assess the Department's preparedness to provide critical services in response to a significant adverse event. Consultation with key stakeholders remains ongoing and includes support from the Management Board, Directors' Forum, Joint Consultative Committee, OH&S Committee, First Aid Officers, Fire Wardens and staff.

- The online incident notification form was implemented to enable employees to notify work related illnesses and injuries within 24 hours. The advantage of the online process enables improved injury notification within legislative timeframes and timely advice to the insurer for compensable claims.

- The Department's evacuation procedures were tested on a six-monthly basis. Firewardens received ongoing training on evacuation procedures.

Workers Compensation

The number of workers compensations claims accepted by the Department's insurer is an indicator of the Department's Occupational Health and Safety performance. The Department continues to demonstrate improvements in managing workers compensation costs.

The Department managed 23 new claims during 2005/06. This number was lower than previous years and continued a trend of the number of claims decreasing since the 1999/00 financial year. The total number of claims lodged with the insurer was 25. However, two out of the 25 claims were declined after investigative action taken by the insurer.

The greatest number of workers compensation claims were for slips and trips which accounted for nine of the 23 claims (compared to 11 of the 25 in 2004/05) and journey claims which accounted for six of the 23 claims (compared to four of the 25 in 2004/05).

Corporate Personnel Services staff that have workers compensation and return to work responsibilities, obtained certification in Return to Work Coordination in accordance with the *Workplace Injury Management and Workers Compensation Act 1998*.

Strategies to improve workers compensation and return to work performance include:

- ongoing commitment to providing compensation, suitable duties and effective return to work programs for an injured worker

- regular contact with stakeholders during the claim process to aid timely return to work and injury management strategies

- regular claims reviews between the Department and the insurer to monitor claim activity and costs

- ongoing commitment to the *Working Together – The Public Sector OH&S and Injury Management Strategy for 2005–2008*.

Number of new claims each year from 1999/00 to 2005/06
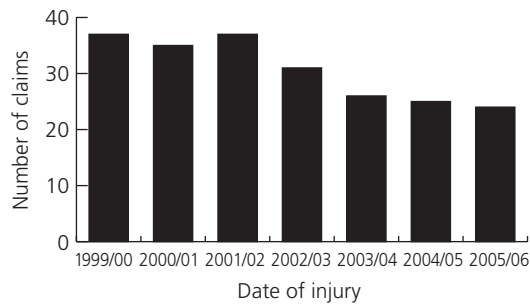
Number of claims (by date of injury)

	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Claims	37	32	33	31	26	25	23

Workers compensation claims each month from 1999/2000 to 2005/06

■ 1999/00　■ 2000/01　■ 2001/02　■ 2002/03　■ 2003/04　■ 2004/05　■ 2005/06
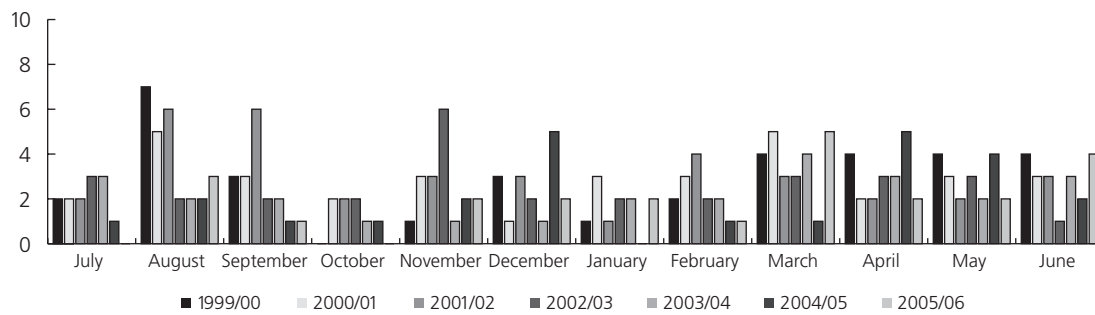
Type of new claims each month 2005/06

Injury/illness	Jul 05	Aug 05	Sep 05	Oct 05	Nov 05	Dec 05	Jan 06	Feb 06	Mar 06	Apr 06	May 06	Jun 06	Total
Body stress		1			2						1	1	5
Fall/slip/trip						1	1		4	1		2	9
Psychological							1				1		2
Objects – hit													0
Vehicle		1	1					1	1	1		1	6
Other		1											1
TOTAL	0	3	1	0	2	1	2	1	5	2	2	4	23

Categories of Workers Compensation Claims from 1999/00 to 2005/06

■ Body stress　■ Fall/slip　■ Psychological　■ Objects – hit　■ Vehicle　■ Other
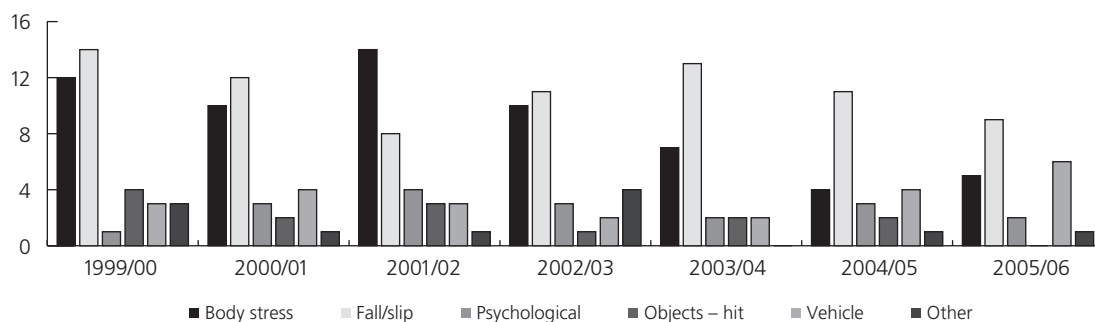
	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Body stress	12	10	14	10	7	4	5
Fall/slip	14	12	8	11	13	11	9
Psychological	1	3	4	3	2	3	2
Objects – hit	4	2	3	1	2	2	0
Vehicle	3	4	3	2	2	4	6
Other	3	1	1	4	0	1	1
TOTAL	37	32	33	31	26	25	23

Appendix 11

Significant committees

Senior Executive Advisory Board

Robyn Kruk (Chair), *Director General, Department of Health*

Function – The key meeting of NSW Health Chief Executives and the Department's Management Board to consider system-wide matters, including planning, budget management, major strategies and policies.

NSW Health Care Advisory Council

Rt Hon Ian Sinclair (Co-Chair)
Professor Judith Whitworth (Co-Chair)

Function – The peak clinical and community advisory body that provides advice to the Minister for Health and the Director General on clinical services, innovative service delivery models, health care standards and performance management and reporting within the health care system.

Health Priority Taskforces – Overview

The Health Priority Taskforces (HPTs) are part of the reporting structure for the NSW Health Care Advisory Council. They provide advice to the Director General and the Minister for Health on policy directions and service improvements on each of the NSW Health system's high priority areas.

Aboriginal Health Priority Task Force

Sandra Bailey, CEO, Aboriginal Health and Medical Research Council (Co-Chair)
Dr Sandra Eades, The Sax Institute (Co-Chair)

Function – Provides direction and leadership to the Department of Health and the Aboriginal Community Controlled Health sector to improve health outcomes for Aboriginal people, families and communities through eliminating the current inequalities in mortality and morbidity rates for health conditions that exist between Aboriginal and non-Aboriginal people.

Children and Young People's Health Priority Taskforce

Professor Graham Vimpani and Irene Hancock (Co-chairs)

Function – A relatively new group, future activities will provide leadership across child and young people's health services, and strategic advice to the Minister and NSW Health.

Critical Care Health Priority Taskforce

Dr Tony Burrell and Barbara Daly (Co-chairs)

Function – Provides direction and leadership for NSW critical care services to achieve highly integrated services which reflect best national and international critical care standards. Advises the Department on the coordination, planning and development of critical care services at a state-wide level and on strategic directions for models of care and the implications of planning initiatives. Monitors and evaluates clinical effectiveness and outcome measures, resource utilisation and current research trends in relation to critical care service delivery. Provides support and guidance to clinicians and Area Health Services in regard to critical care service management, planning and implementation processes.

Information Management and Technology Health Priority Taskforce

Dr Roger Traill, (Chair)

Function – Reviews the strategic directions for health care service provision in NSW from an Information Management and Technology perspective and advises on IM&T investment to support desired outcomes.

NSW Maternal and Perinatal Committee

Professor William Walter (Chair)

Function – Reviews and makes recommendations on maternal and perinatal morbidity and mortality in NSW, and advises NSW Health on matters relating to the health of mothers and newborn infants.

Mental Health Priority Taskforce

Professor Philip Mitchell and Laraine Toms (Co-chairs)

Function – Provides direction and leadership for the development of integrated mental health services for NSW, reflecting best practice national and international standards. Provides advice in relation to strategic planning for NSW mental health services and reviews mental health programs and initiatives to maintain a focus on NSW mental health priorities.

Rural Health Priority Taskforce

Dr Bill Hunter and Liz Rummery (Co-chairs)

Function – Works with rural Area Health Services to monitor the implementation of the recommendations in the NSW Rural Health Report and the NSW Rural Health Plan. Provides advice on rural and remote health issues to the Minister for Health and the Director General.

Sustainable Access Health Priority Taskforce

Professor Brian McCaughan
and Wendy McCarthy (Co-chairs)

Function – Monitors and provides advice on improving and sustaining access to quality services within the NSW public healthcare system, through a focus on the patient journey. The Surgical Services, Emergency Care, and Acute Care Taskforces report to this HPT.

Futures Planning Strategic Advisory Committee

Rt Hon Ian Sinclair AC (Chair)

Function – Reporting to the NSW Health Care Advisory Council, is responsible for overseeing the NSW Health Futures Planning Project.

Other Committees (alphabetical listing)

Anaphylaxis Working Party

Dr Kerry Chant (Chair), *Director, Director of Health Protection and Deputy Chief Health Officer, Department of Health*

Function – Provides expert advice to the Department for the formulation of policies and procedures designed to prevent and manage anaphylaxis in various settings. The Working Party also acts as a resource to stakeholders in the implementation of such policies and procedures.

Blood Products Advisory Committee

Dr Kerry Chant (Chair), *Director, Director of Health Protection and Deputy Chief Health Officer, Department of Health*

Function – Acts as a regular means of communication between NSW Health, National Blood Authority (NBA) and Area Health Services on issues covering the adequacy, quality and safety of planning and supply of blood and blood products to the NSW transfusion medicine sector. Considers matters, referrals and decisions that affect the provision of transfusion medicine arising from recommendations made by the Jurisdictional Blood Committee of the NBA, as well as decisions made by the Australian Health Ministers' Conference and the Australian Health Ministers' Advisory Council. Also develops and recommends policies and procedures for the use of blood and blood products in NSW and refers matters, as appropriate, to NSW Health, NBA and the Therapeutic Goods Administration.

Sub-committees of the Blood Products Advisory Committee

Fresh Product Advisory Committee

Professor Douglas Joshua (Chair)

Funding and Performance Group

Ken Barker (Chair), *Chief Financial Officer, Department of Health*

Haemophilia Clinical Committee of NSW and ACT

Professor Jerry Koutts (Chair)

Immunoglobulin User Group

A/Professor John Ziegler (Chair)

Clinical Ethics Advisory Panel

Dr Greg Stewart (Chair), *Director, Population Health, Planning and Performance, Sydney South West Area Health Service*

Function – Advises the Director General on policies and issues with major ethical implications in clinical practice within NSW Health.

Committee on Healthcare Associated Infection Prevention and Control

Dr David Mitchell (Chair) *Clinical Microbiologist, Centre for Infectious Diseases and Microbiology, Westmead*

Function – Advises the Chief Health Officer on all aspects of the strategic response to healthcare associated infections and infection control.

Department of Health Ethics Committee

Dr Garry Pierce, *Consultant, Rehabilitation Medicine, Concord Hospital*
Dr Lee Taylor, *Manager, Surveillance Methods, Centre for Epidemiology and Research, Department of Health* (each were Chairs for part of 2005/06)

Function – Undertakes ethical review of research projects seeking access to Departmental data collections or being undertaken by Departmental staff, and fulfils the Department's obligations under the *Health Records and Information Privacy Act 2003* in respect of ethical review of disclosures of personal health information for research purposes.

Expert Advisory Group on Variation in Sexual Formation and Expression

Professor William Walters (Chair)

Function – Provides advice to the Department on the health needs of individuals who experience transsexualism or other intersex condition, or who identify as transgender. In doing so, the Advisory Group develops recommendations for improving the appropriateness of health services for these people.

Finance, Risk and Performance Committee

Robyn Kruk (Chair), *Director General, Department of Health*

Function – Advises the Director General, Minister for Health and the Budget Committee of Cabinet of the financial, risk and performance management of NSW Health.

Forensic Pathology Coordinating Committee

Dr Denise Robinson (Chair), *Deputy Director General, Population Health, Department of Health*

Function – Provides advice to the Department on the organisation of forensic pathology services to meet the needs of the State's coronial justice system. This includes consideration of funding, workforce, workload, technological development, population growth, community expectations and other relevant issues.

Information Management and Technology Committee

Professor Katherine McGrath (Chair), *Deputy Director General, Health System Performance, Department of Health*

Function – Guides the development and implementation of the NSW Health Information Management and Technology Strategy.

Mental Health Implementation Taskforce

Brigadier The Hon Dr Brian Pezzutti (Chair)

Function – Monitors and oversees the implementation of the NSW Government Response to the Select Committee Inquiry into Mental Health Services in NSW and related committees such as the Sentinel Events Review Committee. Liaises with the Human Services CEOs Forum to ensure cross-government mental health issues remain on the agenda of this Forum. Reviews any other issues with regard to mental health as directed by the Minister for Health. Reports directly to the Minister for Health through its Chair.

Ministerial Advisory Committee on Hepatitis

Professor Geoff McCaughan (Chair), *Director, AW Morrow Gastroenterology and Liver Centre, Royal Prince Alfred Hospital*

Function – Provides the Minister for Health with expert advice on all aspects of the strategic response to blood borne hepatitis (ie hepatitis B and hepatitis C).

Ministerial Advisory Committee on HIV and Sexually Transmitted Infections

Dr Roger Garsia (Chair), *Clinical Director HIV/AIDS, Sydney South West Area Health Service*

Function – Provides the Minister for Health with expert advice on all aspects of the strategic response to HIV and sexually transmitted infections (STIs).

Ministerial Standing Committee on Hearing

The Hon Peter Anderson and Sue West (each were Chairs for part of 2005/06)

Function – Provides advice to the Minister for Health on strategic directions for hearing services in NSW. Has a broad role and strategic focus, working with other government departments and non-government organisations involved in the provision of hearing services. Facilitates the multidisciplinary collaboration of service providers across the whole spectrum of care including screening, diagnosis, treatment, research, education and occupational safety.

Multiple Antibiotic Resistant Organism Expert Group

Professor Lyn Gilbert (Chair), *Director, Centre for Infectious Diseases and Microbiology, Westmead*

Function – Advises the Chief Health Officer on the monitoring, prevention and management of multi-resistant organisms in NSW public healthcare facilities.

NSW General Practice Council

Dr Di O'Halloran (chair)

Function – Provides expert and strategic advice to the Minister for Health and the Department. Provides formal liaison and consultation mechanisms between NSW Health and general practice, and facilitates the involvement of general practitioners in the development of health policies and initiatives aimed at improving the health of people in NSW.

NSW GP Procedural Training Program Committee

Deborah Hyland (Chair), Director, *Workforce Development and Leadership Branch, Department of Health*

Function – Provides overarching direction, advice and support on the continued operation of the Program to ensure it is meeting its objectives of providing procedural training to General Practitioners in areas of medical workforce shortage in NSW.

NSW Infectious Diseases Emergency Advisory Group

Dr Kerry Chant (Chair), *Director, Director of Health Protection and Deputy Chief Health Officer, Department of Health*

Function – Advises the Chief Health Officer on how to best prepare and respond to infectious disease emergencies, including pandemic influenza, SARS and bioterrorism.

NSW Mental Health Sentinel Events Review Committee

Professor Peter Baume AO (Chair)

Function – Established in 2002 the Committee reviews Sentinel Events in circumstances where a public sector agency was involved in a sentinel event relating to a person's care, management or control. Sentinel Events are incidents involving serious injury to, or the death of a person, where a person suffering or reasonably believed to be suffering from a mental illness is involved. The Committee advises, and reports directly to, the Minister for Health through its Chair.

NSW Regulators Forum

Dr Kerry Chant (Chair), *Director, Director of Health Protection and Deputy Chief Health Officer, Department of Health*

Function – Facilitates consultation between regulatory authorities including the Health Care Complaints Commission, Office of Fair Trading, Australian Consumer and Competition Commission and Department of Health as to the appropriate management of complaints concerning health services provided by unregulated and regulated providers. This is particularly in cases where regulatory responsibilities overlap or are unclear, or where a regulatory authority seeks interagency assistance in investigating such claims.

NSW Sudden Infant Death Advisory Committee

John Abernathy (Chair), *NSW State Coroner*

Function – Provides expert advice to the Department on sudden infant death and Sudden Infant Death Syndrome (SIDS), and facilitates a coordinated approach to prevention programs and the care of affected families. In 2005/06 the Minister for Health expanded the Committee's role to include oversight of NSW Health's response to the NSW Child Death Review Team's report on Sudden Unexpected Death in Infancy (SUDI).

NSW Tuberculosis Committee

Dr Jeremy McAnulty (Chair), *Director, Communicable Diseases Branch, Department of Health*

Function – Advises the Chief Health Officer on the prevention and control of tuberculosis (TB) in NSW.

Paediatric Intensive Care Advisory Group

Dr Barry Duffy (Chair)

Function – Provides advice to the Minister for Health, NSW Health, Critical Care Health Priority Taskforce, and Children and Young People's Health Priority Taskforce on all aspects of paediatric intensive care service issues in NSW, which require a system wide response.

Pharmacotherapy Credentialling Subcommittee

Dr Glenys Dore (Chair)

Function – Makes recommendations to the Director General, through its Chair, on the approval of medical practitioners as prescribers of drugs of addiction under the State's Opioid Treatment program. The Subcommittee is appointed as a Subcommittee of the Medical Committee established under section 30 of the *Poisons and Therapeutic Goods Act 1966*.

Reportable Incident Review Committee

Professor Katherine McGrath (Chair), *Deputy Director General, Health System Performance, Department of Health*

Function – Examines and monitors serious clinical adverse events reported to the Department via Reportable Incident Briefs and ensures appropriate action is taken. Identifies issues relating to morbidity and mortality that may have Statewide implications and provides advice on policy development to effect health care system improvement. Reports to the community through an annual report on incident management in the NSW health system.

Risk Management and Audit Committee

Jon Isaacs (Chair)

Function – Assists the Director General to perform her duties under the relevant legislation, particularly in relation to the Department's internal control, risk management and internal and external audit functions.

Appendix 12

Overseas visits by staff

The schedule of overseas visits is for NSW Department of Health staff. The reported instances of travel are those sourced from general operating funds or from sponsorship arrangements, both of which require Departmental approval.

Abbenbroek Brett – Strategic Development
9th World Congress of the World Federation of Societies in Intensive Care & Critical Care Medicine, Buenos Aires, Argentina. General Funds

Armstrong Paul – Population Health
Medical Delegation to the Shenzen Chronic Disease Hospital, Shenzen, China. General Funds

Aayar Aarthi – Population Health
27th Australian Conference of Health Economists, Auckland, New Zealand. General Funds

Byleveld Tony – Population Health
Inaugural Institute for Public Health and Water Research Conference: Water Contamination Events and site visit at Montana State University, Houston and Montana USA. Sponsorship

Cavalletto Bart – Strategic Development
Women's and Children's Hospital Australasia Annual Conference, Christchurch, New Zealand. General Funds.

Hill Mitchell – Organisation Development & Education
Institute for Healthcare Improvement Breakthrough Methodology Training. Boston, USA. General Funds.

Hughes Jenny – Population Health
7th International Health Impact Assessment Conference, Cardiff, Wales. General Funds.

Justin Linda – Health Technology
2nd Annual International Summit on Redesigning Hospital Care, Atlanta, USA. General Funds.

Katz Catherine – Strategic Development
Australian Health Ministers Council, Wellington, New Zealand. General Funds

Kruk Robyn – Director General
Australian Health Ministers Council, Wellington, New Zealand. General Funds

Kruk Robyn – Director General
Guest speaker and attendee at meetings of the *Reforming States Group* organised by the US Milbank Foundation. Visits and meetings with health officials in Boston and New York. Sponsored and General Funds

Matthews Richard – Strategic Development
Conduct interviews for position of Director, Centre for Mental health in London, UK, Ottawa, Canada. General Funds

Murphy Elizabeth – Strategic Development
NHS 2006 Beyond Newborn Hearing Screening: Infant Hearing in Science and Practice Conference. Milan, Italy. General Funds

Musto Jennie – Population Health
3rd Annual International Collaboration on Enteric Disease Burden of Illness Studies Network meeting and International Conference on Emerging Infectious Diseases, Atlanta, USA. Sponsorship

Muscatello David – Population Health
2005 National Syndromic Surveillance Conference, Seattle, USA. General Funds

O'Connell Anthony – Health System Support
2nd Annual International Summit on Redesigning Hospital Care, Atlanta, USA. General Funds

O'Connell Anthony – Health System Support
Innovation in Elective Service Patient Care Delivery, Wellington, New Zealand. Sponsorship

Robinson Denise – Population Health
Australian Health Ministers Council, Wellington, New Zealand. General Funds

Ryan Kathleen – Health System Performance
Singapore Clinical Quality Forum, Singapore. Sponsorship

Sivaneswaran Shanti – Population Health
International Symposium of water Fluoridation Workshop and lecture to dental students at the Seoul National University, Seoul, South Korea. Sponsorship

Wynn Fiona – Strategic Development
Intergovernmental Committee on Drugs and Executive Meeting. Wellington, New Zealand. General Funds

Appendix 13

Ethnic Affairs Priority Statement

Achievements

Goal	Health Service	Project/Initiative	Achievements 2005/06
Keep People Healthy	Diversity Health Clearing House	Launch of the Diversity Health Clearing House	The Diversity Clearing House website is now the world No.1 Google search for 'diversity health'.
	NSW Refugee Health Service	Implementation of the WSAHS refugee strategy	A multilingual video on maternity health services was developed as part of the WSAHS refugee strategy.
	NS&CCAHS	Harmony Festival	Approximately 2,000 people participated and 150 volunteers assisted with activities to raise the awareness of culturally appropriate physical activities for primary school children from different cultures.
	SSWAHS	Tobacco control program with Chinese communities	The Quitting is hard, but you can do it! – Tips to help you stop smoking booklet was developed for the Chinese community.
	H&NEAHS	Refugee Men's Sexual Health Education Project	A series of sex education sessions were developed and provided for African men.
	Transcultural Mental Health Centre (TMHC)	TMHC Clinical Consultation and Assessment Service	6,470 occasions of service were provided by the TMHC during 2005/06.
	Female Genital Mutilation Service (FGM)	The Inaugural Men's Seminar	Over 40 men attended the Inaugural FGM Men's Seminar to explore ways to help prevent the practice of female genital mutilation.
	Multicultural Problem Gambling Service	Establishment of new clinics	Five new bilingual problem gambling counselling clinics were established across the Sydney metropolitan area.
	Women's Health at Work Program (WHWP)	African Women's Project	A Senior Project Officer was employed to implement initiatives addressing the needs of working African women.
	Multicultural Health Communication Service	Multilingual 'Quit' telephone lines	Seven language specific telephone 'Quit' lines were established.
Health Care People Need	GWAHS	Using community demographics in planning health care	Culturally and linguistically diverse (CALD) demographic data is now widely used to inform the planning of clinical services and health programs throughout the Area.
	H&NEAHS	Aged Care Assessment Teams using the Rudas test	The Rudas test was implemented and will eventually replace the Folstien Mini Mentals State Exam across the Area. The Rudas test is superior as it does not bias against seniors who speak English as a second language.
	SE&IAHS	Looking Back and Moving On CALD Parenting Program	Five parenting training modules were developed and delivered to CALD communities living within the Area.
	SSWAHS	Chinese Antenatal Clinic	An after hours antenatal class targeting Mandarin speaking first time mothers was provided at Burwood.
	NS&CCAHS	Multicultural Mental Health Planning and Development Committee	A training program for staff at Macquarie Hospital on the effective use of health care interpreters was delivered.
	NSW Refugee Health Service (RHS)	SSWAHS refugee needs assessment	An Area staff needs assessment to improve health service delivery for refugee individuals and families was conducted by the RHS.
	Transcultural Aged Care Service (TACS)	E-learning Project	A CD ROM study tool was developed and its evaluation showed that it effectively assisted staff to provide culturally and linguistically appropriate care.
	Multicultural Problem Gambling Service (MPGS)	Department of Corrective Services Project	Information sessions for inmates in gaols on the physical and psychological effects of problem gambling was provided by the MPGS.
	Multicultural HIV/AIDS & Hepatitis C Service (MHHS)	Late HIV Presentation Project	The MHHS worked in partnership with African communities to promote HIV prevention through the Australian African Youth Soccer Cup tournament.

Goal	Health Service	Project/Initiative	Achievements 2005/06
High Quality Health Services	H&NEAHS	Staff capacity building	A comprehensive cultural competence education program was developed and delivered to staff on managing cultural and linguistic differences in mental health settings.
	NS&CCAHS	Health Care Interpreter Service utilisation data analysis	An Area action plan was developed to provide training on use of the Health Care Interpreters.
	SSWAHS	Pain Management Project	The Pain Management Centre at Royal Prince Alfred Hospital developed appropriate material for Arabic and Chinese patients of the clinic.
	Transcultural Mental Health Centre (TMHC)	TMHC Clinical Supervision Program	The TMHC supported ten clinical supervision groups across the Sydney metropolitan area, Wollongong and in Queanbeyan.
Health Services Managed Well	Transcultural Mental Health Centre (TMHC)	TMHC Clinical Outreach Program	The Clinical Outreach service was expanded to the Greater Southern AHS, in Queanbeyan (for the Macedonian community) and Griffith (for the Italian and Afghani communities).

Appendix

13

Planned initiatives

Goal	Health Service	Project/Initiative	Initiatives planned for 2005/06
Keep People Healthy	SWAHS	Oral Health Information Project	The Oral Health Information Project will provide oral health information to students attending Intensive English Centres.
	NS&CCAHS	Chinese Breastfeeding Project	The Chinese Breastfeeding Project will establish a mothers' group for the local Chinese community.
	SE&IAHS	Healthy Eating and Healthy Body – Diabetes Program	Two separate training modules on diabetes and healthy eating will be developed and delivered in community languages.
	SSWAHS	Pacific Islander Project	Canterbury Multicultural Youth Health Service will employ a Health Education Officer to implement a range of health promotion activities targeting Pacific Islander youth.
	SWAHS	Client satisfaction survey	The Area Multicultural Health Unit will translate a service satisfaction survey measuring staff sensitivity to the needs of clients speaking Persian.
	Female Genital Mutilation Service (FGM)	Targeting new and emerging communities	The NSW FGM Program will consult with new and emerging communities about initiatives appropriate to their needs.
Health Care People Need	H&NEAHS	Refugee health in the northern sector of the Area Health Service	A northern sector plan will be developed addressing the needs of newly arrived refugees.
	NS&CCAHS	Female Asylum Seekers' Project	NSW Women's Health coordinators will implement a project exploring the provision of health care to pregnant asylum seekers who are not entitled to Medicare.
	SE&IAHS	CALD Carer's Resource Kit Project	A steering committee will be established to oversee the development of a carer's resource kit on aged care, mental health and disability services.
	SSWAHS	'The Biggest Winner' – Nutrition Project	A partnership project will be implemented with Belmore Boys High School to promote good nutrition and prevent obesity in CALD young men.
	SWAHS	Hills Community Health Centre Men's Health Program	An assessment of the health needs of men from Arabic, Turkish, Chinese and Vietnamese-speaking backgrounds will be conducted.
	NSW Refugee Health Service	Fairfield Refugee Nutrition Project	A nutrition information program will be delivered to refugees living within the Fairfield area. The program will also build the capacity of teachers, child care and health workers to assist refugees with their nutrition needs.
	Transcultural Mental Health Centre	Multicultural MH-OAT Project	A report will be completed and provided to the Department of Health making recommendations on enhancing the MH-OAT mental health assessment tool to better address the needs of consumers from CALD backgrounds.
	Female Genital Mutilation Service (FGM)	Men's Seminar	The project officer will develop initiatives implementing the recommendations from the Inaugural Men's Seminar held in January 2006.
	Multicultural Health Communication Service (MHCS)	Multicultural Breast Screen Campaign Project	The MHCS will develop a campaign promoting breast screening in eight community languages.

Goal	Health Service	Project/Initiative	Initiatives planned for 2005/06
High Quality Health Services	SE&IAHS and Primary Health and Community Partnerships	Embedding Cultural Diversity into Health Care Accreditation Systems Project	The Australian Council on Healthcare Standards and the Quality Improvement Council will deliver its report outlining the incorporation of cultural diversity standards in their assessment tools for accrediting health care services.
	H&NEAHS	Establishment of a refugee management committee	A multidisciplinary refugee management committee will be established to give direction and coordination to work in both the northern and southern sector of the Area Health Service.
	NS&CCAHS	Drug and Alcohol Service Staff Development Project	A cultural diversity training module will be implemented as part of the Workforce Development Seminar Series in the Northern Sydney region.
	SE&IAHS	Physical Activity Project for CALD background seniors	A partnership project will be developed between the Area Multicultural Health Unit and the Bexley Multicultural Day Care to provide an in-house physical activity program for seniors attending the Centre.
	SSWAHS	Sexual health education for Chinese and Vietnamese community General Practitioners	A Royal Australian College of General Practitioners accredited sexual health education session will be delivered to both Chinese and Vietnamese community doctors.
	SWAHS	Revision of the Area Corporate Services, Managers Performance Management System	The current performance management system will be reviewed and include cultural diversity responsibilities for Directors, Managers, Supervisors and Team Leaders.
	Transcultural Aged Care Service (TACS)	Pilot the Italian Community Partnership Program (CPP)	TACS and Italian CPP workers will pilot the use of a carers booklet to enhance the cooperative relationship between relatives and staff in residential aged care facilities.
Health Services Managed Well	SE&IAHS	Establish diversity health leadership networks	Staff will be recruited and used as consultants to build the capacity of both individuals and departments to deal with diversity health issues.
	SWAHS	Implement an automated payment system for contract interpreters	The new online booking system will be implemented which includes an inbuilt calculator to replace the manual calculation of payments to contractors. This will allow for the electronic payment of interpreters.

Appendix 14

Disability Action Plan

The Department of Health's Disability Action Plan is closely aligned with the Diversity and Equity Plan for the Workplace, NSW Department of Health.

The current Disability Action Plan has specific strategies to identify positions into which a person with a disability may be recruited, and to use a merit based selection process for these positions. This has eliminated the need to gain approval from agencies external to the Department, thereby streamlining the recruitment process for managers.

Key staff development and training programs including induction, staff selection techniques and the leadership development program, contain information on communicating with people with a disability and working with staff to manage their needs. The Department promotes a coaching, mentoring and performance review scheme that assists staff and managers to identify needs, and ways to access and be supported in professional development opportunities.

Information is available for managers about how to modify the workplace to meet the needs of staff with disabilities, and they can access a central workplace adjustment fund to meet associated expenses.

Flexible work arrangements for people with disabilities are available through the Department's Flexible Work Hours Agreement.

For six years the Department has sustained an Equity Advisory Committee for the workplace, with staff representatives of key equity groups including staff with a disability. Committee minutes and information on the Committee is available through the Equity component of the Staff Handbook on the Department's Intranet.

Regular bulletins detailing resources, services and support networks for employees with a disability, are emailed to all staff.

Over the last year, members of an informal support network – DoHAble (Department of Health Able), have worked with representatives of other equity groups to organise lunchtime seminars on various topics around disability, carers and other equity areas.

Staff with a disability have links to the Department's Occupational Health and Safety Committee and contribute to other committees and working parties throughout the Department.

A revised Disability Action Plan is under development. It will flow from the Department's Corporate Strategic Plan 2006–2010 and align with an updated Diversity and Equity Plan for the workplace.

The Department has a role as a Key Agency under the Disability Policy Framework, for the Program of Appliances for Disabled People (PADP). PADP assists eligible NSW residents with a permanent or long term disability to live in the community by providing appropriate equipment, aids and appliances. In the past year nearly 16,000 people in NSW obtained aids and appliances to assist them with daily activities and mobility through the PADP.

Appendix 15

Privacy Management Plan

The Department provides ongoing privacy information and support to the NSW public health system through:

■ the NSW Health privacy newsletter (issued approximately four times a year) which communicates latest developments in privacy law and policy, and provides guidance or clarification on matters as they arise

■ a privacy internet and intranet website, recently updated to include a list of Frequently Asked Questions

■ the NSW Health privacy contact officers Network Group, which meets in the Department twice a year.

The NSW Health Privacy Manual was revised with Version 2 issued in 2005. The privacy training program was updated accordingly and a train the trainer session was conducted in October 2005 to enable privacy training at the local level. The Department's Privacy Contact Officer also made visits to six health services to provide further face-to-face training and support for health service staff. Presentations were provided to professional organisations internal and external to NSW Health, and to departmental and health service groups on a regular basis.

The NSW Health Privacy Internal Review Guidelines were also revised and re-issued in May 2006 as a DOH Guideline, to provide practical assistance in conducting and reporting internal reviews under privacy laws.

The Department has continued to facilitate discussions with representatives from the Civil Chaplaincy Advisory Committee to ensure the continuation of effective pastoral care services for hospital patients.

Internal review

One application for internal review under the *Privacy and Personal Information Protection Act 1998* was received by the Department in June 2005 and completed in August 2005. The complaint related to the disclosure of the applicant's name and address in administrative correspondence which was copied to a senior manager of a health service. The circumstances surrounding the complaint were investigated and it was found that the terms of the *Act* were not contravened. The applicant has not sought to appeal the findings.

Appendix 16

Freedom of Information Report

The *Freedom of Information Act 1989* (FOI Act) gives the public a legally enforceable right to information held by public agencies, subject to certain exemptions.

During the 2005/06 the NSW Department of Health received 39 new requests for information under the *FOI Act*, compared to 61 requests in the previous financial year. Overall, the number of FOI applications decreased by 36 per cent.

One application was carried over from the 2004/05 reporting period. Of the 40 applications to be processed, eight were granted full access, five were granted partial access and 14 were refused access. One application was transferred to another agency and three were withdrawn. Nine applications were carried forward to the next reporting period.

The most significant FOI applications received by the Department related to public health issues. Requests received by the Department continued to be multi-dimensional and of increasing complexity. The Department provided significant assistance and advice to applicants, including the re-scoping of applications.

The number of FOI applications of a personal nature was the same as the previous year. There was a 37 per cent decrease in the number of FOI applications of a non-personal nature received during the last 12 months. Nine applications (24 per cent of new requests) were received from Members of Parliament, which is a 54 per cent decrease over the previous year. Three applications (8 per cent of new requests) were from the media.

One application for an internal review was received within the reporting period. In this case the original determination was varied.

No applications were received for amendment or notation of records. No Ministerial certificates were issued.

Eight applications required consultations with parties outside the NSW Department of Health. Some applications required consultation with more than one party, creating a total of 20 third parties consulted.

The processing charges for FOI requests during 2005/06 was estimated at $7,670, which was partly offset by a total of $4,293 received in fees. The annual operating cost to the Department was in excess of the above amounts and comprises the wages and general administration costs for FOI within the Executive Support Unit.

No requests were determined outside of the time limits prescribed by the *FOI Act*.

Section A – Numbers of new FOI requests

FOI Requests	Personal		Other		Total	
	2004/05	2005/06	2004/05	2005/06	2004/05	2005/06
A1 New (inc tranferred in)	2	2	59	37	61	39
A2 Brought Forward	0	0	4	1	4	1
A3 Total to be processed	2	2	63	38	65	40
A4 Completed	2	1	54	30	55	31
A5 Tranferred Out	0	0	4	1	4	1
A6 Withdrawn	0	0	6	3	6	3
A7 Total processed	2	1	58	26	60	27
A8 Unfinished (carried forward)	0	1	1	8	1	9

Section B – Results of requests

Results of FOI request	Personal		Other		Total		Total	
	2004/05	2005/06	2004/05	2005/06	2004/05	% Result	2005/06	% Result
B1 Granted in full	1	1	17	7	18	33	8	30
B2 Granted in part	1	0	13	5	14	25	5	18
B3 Refused	0	0	23	14	23	42	14	52
B4 Deferred	0	0	0	0	0	0	0	0
B5 Completed	1	1	53	26	55	100	27	100

Section C – Ministerial Certificates issued

C1 Ministerials Certificates issued	0

Section D – Formal consultations

	Cases		Consultations	
	2004/05	2005/06	2004/05	2005/06
D1 Number of requests requiring formal consultation(s)	3	8	125	20

Section E – Amendments of personal records

	Total
E1 Result of amendment – agreed	0
E2 Result of amendment – refused	0
E3 Total	0

Appendix 17

Acts administered by the NSW Minister of Health, legislative changes and significant judical decisions

Acts administered

- Ambulance Service Act 1990 No.16 (repealed with effect from 17.3.06)
- Anatomy Act 1977 No.126
- Cancer Institute (NSW) Act 2003 No.14 (jointly allocated with the Minister Assisting the Minister for Health (Cancer))
- Chiropractors Act 2001 No.15
- Dental Practice Act 2001 No.64
- Dental Technicians Registration Act 1975 No.40
- Drug Misuse and Trafficking Act 1985 No. 226, Part 2A only (jointly with the Minister for Police)
- Fluoridation of Public Water Supplies Act 1957 No.58
- Gladesville Mental Hospital Cemetery Act 1960 No.45
- Health Administration Act 1982 No.135
- Health Care Complaints Act 1993 No.105
- Health Care Liability Act 2001 No.42
- Health Professionals (Special Events Exemption) Act 1997 No.90
- Health Records and Information Privacy Act 2002 No.71
- Health Services Act 1997 No.154
- Human Tissue Act 1983 No.164
- Lunacy and Inebriates (Commonwealth Agreement Ratification) Act 1937 No.37
- Lunacy (Norfolk Island) Agreement Ratification Act 1943 No.32
- Medical Practice Act 1992 No.94
- Mental Health Act 1990 No.9
- New South Wales Cancer Council Act 1995 No.43 (repealed with effect from 21.10.05)
- New South Wales Institute of Psychiatry Act 1964 No.44
- Nurses and Midwives Act 1991 No.9
- Optical Dispensers Act 1963 No.35
- Optometrists Act 2002 No.30
- Osteopaths Act 2001 No.16
- Pharmacy Act 1964 No.48
- Physiotherapists Act 2001 No.67
- Podiatrists Act 2003 No.69
- Poisons and Therapeutic Goods Act 1966 No.31
- Private Hospitals and Day Procedure Centres Act 1988 No.123
- Psychologists Act 2001 No.69
- Public Health Act 1991 No.10
- Smoke-free Environment Act 2000 No.69
- Sydney Hospital (Trust Property) Act 1984 No.133
- Tuberculosis Act 1970 No.18

Legislative changes

Amending Acts

- Health Legislation Amendment Act 2005 No.82
- Public Sector Employment Legislation Amendment Act 2006 No.2 amended a number of Health Acts, principally the Health Services Act 1997 and the Health Administration Act 1982 and repealed the Ambulance Services Act 1990.

Acts repealed

- Ambulance Services Act 1990 No.16
- New South Wales Cancer Council Act 1995 No.43

Subordinate legislation

Regulations made

- Health Records and Information Privacy Regulation 2006

Regulations remade

- Ambulance Services Regulation 2005
- Health Administration Regulation 2005
- Human Tissue Regulation 2005
- Podiatrists Regulation 2005

Regulations amended

- Ambulance Services Regulation 2005 (Parts 4 and 5 omitted by the Public Sector Employment Legislation Amendment Act 2006)
- Day Procedure Centres Amendment (Podiatrists) Regulation 2006
- Dental Practice Amendment Regulation 2006
- Dental Technicians Registration Amendment Regulation 2006
- Health Administration Amendment (Reportable Incident) Regulation 2006
- Health Administration Amendment (Root Cause Analysis Teams) Regulation 2005
- Health Administration Amendment (Root Cause Analysis Teams) Regulation (No 2) 2005
- Medical Practice Amendment Regulation 2006
- Nurses and Midwives Amendment Regulation 2006
- Nurses and Midwives Amendment (Fees) Regulation 2005
- Pharmacy (General) Amendment (Qualifications) Regulation 2005

- Physiotherapists Amendment Regulation 2006
- Poisons and Therapeutic Goods Amendment (Health Practitioners) Regulation 2006
- Poisons and Therapeutic Goods Amendment (Methadone and Buprenorphine) Regulation 2006
- Poisons and Therapeutic Goods Amendment (Miscellaneous) Regulation 2005
- Poisons and Therapeutic Goods Amendment Regulation 2005
- Poisons and Therapeutic Goods Amendment (Fees) Regulation 2005
- Private Hospitals Amendment (Podiatrists) Regulation 2006
- Private Hospitals and Day Procedure Centres Amendment (Fees) Regulation 2005
- Public Health Amendment (Avian Influenza) Regulation 2005
- Smoke-free Environment Amendment (Enclosed Places) Regulation 2006

Regulations repealed

- Nil

Orders made

- Nil

Significant judicial decisions

Australian Salaried Medical Officers' Federation (NSW) (on behalf of Bruce Hall) v South Western Sydney Area Health Service

The Industrial Relations Commission of NSW dealt with an unfair dismissal application by the Australian Salaried Medical Officers' Federation on behalf of its member, Professor Bruce Hall. The Department intervened in the proceedings to put forward the contention that the respondent, South Western Sydney Area Health Service, was not the employer of Professor Hall.

Mr Justice Staff, in his judgment, reviewed the arrangements relating to the work performed by clinical academics in public hospitals, and the relationship between Professor Hall and the South Western Sydney Area Health Service. He accepted that it was not open to third parties to create an employment relationship between two persons who stand in a different relationship. He determined that Professor Hall was excluded from obtaining a remedy in respect of the unfair dismissal application because he was not an employee of the Area Health Service.

As at 30 June 2006 the case is on appeal.

NSW Health v Woolworths Ltd (trading as Woolworths Werrington)

On 8 April 2005 Judge Berman of the NSW District Court found, in the prosecution of Woolworths Ltd (trading as Woolworths Werrington), that NSW Health sending a young person into tobacco retail premises in an attempt to purchase cigarettes was improper if NSW Health had no reason to suspect that the retailer would sell cigarettes to the young person.

On 12 May 2005, Qun Zhang, a Central Coast tobacco retailer, who was also prosecuted for selling tobacco products to minors, was acquitted on the same basis. The Magistrate followed the decision of Berman J. The Department appealed these two decisions to the Court of Criminal Appeal. On 14 December 2005 the CCA upheld the Department's appeals in the two cases. The CCA stated that there was nothing improper in sending a young person into a tobacco retail premises to ask for a packet of cigarettes, and that the '*conduct involved a straightforward request, made in a public place, in the course of a legitimate business and therefore involved no intrusion on individual rights or freedoms and certainly no inappropriate harassment*'.

This clarifies the Department of Health's approach in sending minors into tobacco retail premises to conduct test purchases. The Department's Sale of Tobacco to Minors program was modified during the appeal period, with environmental health officers using a more educative approach rather than prosecuting. As a result less prosecutions were conducted in the last financial year. Since the appeal the Department's Sale of Tobacco to Minors program has been reinstated in full.

NSW Department of Health Legal Achievements

- Promulgated new regulations to support the incremental implementation of a ban on smoking in pubs and clubs.
- Comprehensive public review of current mental health legislation.
- Developed legislative proposals to regulate unregistered health practitioners.
  - Eleven prosecutions commenced under health legislation.
  - Legal support provided for NSW Health participation in the National Health Call Centre Network.
  - Developed proposals for revised private health facilities legislation.
  - Developed revised legislation to regulate pharmacy practice.
  - Legal support provided to implement the NSW Health Patient Safety and Clinical Quality Program including development of regulations to underpin the Root Cause analysis process.
  - Fourteen seminars were conducted on health law for NSW Health and other public sector staff.

Future initiatives

■ Develop and conduct consultation on proposed new Public Health legislation.

■ Provide training for NSW Health inspectorate staff to support implementation and enforcement of the Smoke-Free Environment legislation.

■ Further development of a legal framework to support and foster adverse incident reporting in the NSW health system.

■ Develop a NSW Health policy to implement the Premier's Department Intellectual Property Management Framework for the public sector.

Appendix 18

Shared Service program

HealthSupport

HealthSupport was formally established as an entity of the Health Administration Corporation to manage Corporate and Shared Business Services across the NSW Health System. HealthSupport achievements in the past year include:

- Significant work undertaken to develop the e-Marketplace and State Build of the Financial Management Information System (FMIS). Once complete these systems will form major components of the common suite of corporate IT systems being implemented to underpin shared services, leverage business efficiencies and provide the capacity to view the NSW health system at an enterprise level.

- Gateway review of the Shared Corporate Services (SCS) Business Case was completed in accordance with Government Procurement Policy.

- The SCS Business Case was completed for consideration by Government and, subject to approval, the SCS program will be implemented.

- Completed business cases for Food and Linen Services were endorsed by the Minister enabling the commenced implementation of Shared Business Services.

- Recruitment of key management positions within HealthSupport was completed, resulting in the appointment of the Manager, Shared Business Services (Linen & Food) and three Regional Managers.

- An industry Soundings process was completed resulting in the appointment of Business Management Advisors to assist HealthSupport with a range of issues associated with implementing the new shared services model.

- An interim corporate head office for HealthSupport was established in Surry Hills until a longer-term accommodation solution is available. This will involve co-location with the corporate head office of HealthTechnology.

Future directions

- Complete the development of end state service delivery models for Financial, Procurement and Human Resource services.

- Continue to implement the Shared Corporate Services Program, including establishing two Transaction Centres to provide financial, procurement and human resources transactional services to Area Health Services.

- Transition of existing linen services from host Area Health Services into HealthSupport to be managed under a state-wide business model.

- Complete implementation of the eMarketplace solution for procurement across the NSW Health System.

- Progress strategic sourcing for NSW Health, targeting $20 million in savings across five key product spend areas including motor vehicles, pharmaceuticals, travel, and food.

HealthTechnology

HealthTechnology is a new agency responsible for implementing information management and technology strategies for NSW Health as well as the maintenance and support of its systems and infrastructure. HealthTechnology has been established under the Health Administration Corporation (HAC) and does not lie within the NSW Department of Health.

HealthTechnology is a commercially focused entity that was established as a result of the restructure of NSW Health's IM&T Branch. The key focus of HealthTechnology is to ensure that the core clinical functionality and the corporate service systems which form the NSW Health IM&T strategy can be rolled out effectively to the state's health services, and hosted and supported in the long term. The partnership with the Department of Health's Strategic Information Branch also adds value over and above the impact of each of these activities separately.

A year of challenges

For HealthTechnology this has been a year of challenges met, lessons learnt and goals achieved. Challenges centred on developing the capacity to deliver project milestones on time and to budget in a complex environment also undergoing organisational change.

One of the biggest challenges faced by HealthTechnology in its first year was the amalgamation of hosting services for the Area Health Services, the establishment of three technology centres to provide the hub for all future statewide systems, and an interim service desk operation.

A primary focus over the last 14 months, and one that is ongoing, was building relationships with Area Health Services to build their confidence with the services that HealthTechnology provides to them.

The year has also brought with it a clearer picture of the many benefits accruing from a statewide management of IM&T systems and the role HealthTechnology can play, including the significant savings made through contract consolidation, and infrastructure purchases.

Internally the challenge has been creating a new organisation, moving people from a variety of projects and organisations to work under one new corporate umbrella.

Achievements

HealthTechnology is committed to supporting the delivery of high quality patient care and better health outcomes in NSW. HealthTechnology's achievements in the past year include:

- Building foundations for clinical programs. Substantial progress was made during the year on rolling out patient administration systems (PAS/UPI). When completed, clinicians will have a one-stop shop for patient demographics and patient management. This is the foundation for further clinical programs.

- Improving service delivery, outcome measures and productivity through the continued implementation of the Community Health Information Management Enterprise (CHIME) to support the Sub Acute Care for the Elderly (SAFTE) Program, an initiative to enable community health clinicians to make informed clinical decisions at the point-of-care. The SAFTE Pilot across four Area Health Services will help improve communication of clinical information across service providers.

- Strengthening patient involvement in their healthcare through technology by moving forward with the implementation of the Healthelink Electronic Health Record (EHR) system. The first pilot program commenced in the Hunter on 23 March 2006. The pilot, targeting people 65 years and over living in the Maitland and Raymond Terrace areas, is already providing clinicians and patients with access to health information via a centralised electronic health record. It will allow them to experience seamless care even if they need treatment by different people in different parts of the State.

  A further trial, for children 0–15 years will commence later this year in the Greater Western Sydney area. The future will see consumers provided with access to their own records, and linkage of GP's systems to the EHR.

- Providing frontline clinicians and administrators with meaningful and timely information through custom-built specialist application software. The Software Development and Support (SD&S) Division has provided support and maintenance for 29 applications used by clinicians and administrators across NSW Health. This has helped streamline workflow processes resulting in more efficiency and reducing workload for the end user.

  A major achievement for SD&S in 2005/06 was the 2005 NSW Premier's Public Sector Award for TASC online. This is a centralised web-based system used to support a statewide initiative that aims to improve the clinical practice for treatment of patients with Acute Coronary Syndrome and Stroke.

- Providing cost effective solutions for hosting applications. HealthTechnology is helping NSW Health move from 21 data centres into an efficient and cost effective solution of three major centres. The consolidation of the data centres will mean reduced capital and ongoing costs to health clients through the benefits of economies of scale, such as improved planning, management and processing through reduced costs in staff, infrastructure and environment.

- A Statewide Service Desk is being designed to ensure that more highly skilled staff will be free to resolve more critical and complex problems. The Statewide Service Desk project will also result in savings to the NSW Health System for investment in frontline health-care services. An interim service desk operation was implemented in December 2005.

- Improved vendor relationships and enhanced savings benefit our Health Service clients. During the past year HealthTechnology has achieved significant cost reductions in contractual arrangements which have led to savings of millions of dollars. HealthTechnology's enhanced buying power has enabled the negotiation of two major statewide contracts with Microsoft Australia and Sun Microsystems which will bring about long term benefits to Health Services.

- Transformed and enhanced NSW Health procurement processes. The development and management of the Health eMarketplace will help transform the manner in which NSW Health conducts procurement. Focusing on the use of products and NSW Health's procurement history, will eventually ensure the right products are procured at the right price.

- Area Health Services asset management. HealthAMMS is a project to assist Health Services easily identify their assets and support their facilities management operations. Since taking over the project management in December 2005 HealthTechnology successfully supported the rollout of HealthAMMS to the Hunter New England Area Health Service, South Eastern Sydney Illawarra Area Health Service and partially to Westmead Hospital. Rollouts to the remaining Health Services are now in the planning stage.

- Streamlined communications. HealthTechnology's capacity to manage the implementation of the Government Broadband Service into NSW Health will result in numerous benefits, including streamlining communication channels with each Health Service, and providing the bandwidth to support centralised hosting of the new clinical and corporate systems.

- Knowledge Management. HealthTechnology's development of the Knowledge Gateway, in partnership with the Clinical Services Redesign Program, is making available the best ideas and resources of health professionals to health innovators across NSW.

Future directions

HealthTechnology will continue to build and consolidate relationships with a diverse range of organisations across the health and information technology spectrum.

HealthTechnology has already cultivated strategic alliances with leading vendors, including Microsoft, See Beyond, Cerner, iSoft, and Fujitsu, to deliver the best solutions to HealthTechnology clients.

The inroads already made in enhancing Health Services' buying power will continue to ensure greater value from the NSW Health IM&T spend.

Over the next 12 months HealthTechnology will continue to improve the way IM&T services are provided to NSW Health customers, and transform business processes to ensure best practice service delivery, with a focus on meeting the customer needs.

In line with these strategies, a private sector business partner will be engaged in early 2006/07 to bring private sector expertise to assist HealthTechnology to effect business transformation, process improvement, competency development and culture change. HealthTechnology's vision is that working with a private sector partner will help to create a standard centre of excellence for service delivery.

HealthTechnology has a clear view of its future, being conscious that the process will be evolutionary, building on experience, and learning and listening to the views of our partners and customers.

NSW Institute of Medical Education and Training

The NSW Institute of Medical Education and Training (IMET) was established in July 2005 to support NSW Health coordinate specialty vocational training networks and develop innovative educational and medical workforce training methods. IMET's achievements in the past year include:

■ A significant investment of $4.3 million in 2005/06 ($6.3 million annually) resulted in increased rotations, including rural rotations, for physician, surgical and psychiatry trainee specialists.

■ Established a Rural Scholarship Fund for trainees who undertake rotations in a rural training site.

■ Developed a pilot for the Rural Preferential Recruitment Program to recruit interns directly to rural hospitals.

■ Allocated 605 interns and Australian Medical Council (AMC) graduates to commence work in the 2006 clinical year (495 local, interstate, visa and New Zealand graduates and 110 AMC graduates).

■ Improved delivery of training by supporting educational networks across NSW in Prevocational, Basic Physician, Basic Surgical, and Psychiatry.

■ Successfully delivered pre-employment programs to 80 international medical graduates prior to their commencement of training in NSW hospitals.

■ Targeted funding of $1.1 million supported increased training opportunities for anaesthetic trainees through the Rural and Regional Anaesthetics Training Program. Nine additional vocational training posts were created in rural and regional NSW as well as rotations in three paediatric anaesthetic positions in two metropolitan Children's Hospitals.

Future directions

IMET is undertaking a number of new projects including:

■ Reviews of speciality training programs for General Surgery, Ear, Nose and Throat Surgery, Paediatrics and Cardiology.

■ Establishment of the Pre-vocational Training and Workforce Project to improve recruitment, education, training and distribution of prevocational (Junior Medical Officer) trainees.

■ Development of a clinical skills training and recognition framework for doctors in the NSW public hospitals who are not trainees or fellows of a specialist college.

Information management and electronic service delivery

NSW Health has a renewed focus and capacity to deliver information management and technology solutions to clinicians across NSW with the transformation of the way in which information management and technology services are now delivered across NSW.

The Department of Health established the Strategic Information Management Branch (SIM) to drive the planning, development and investment of the information management and technology (IM&T) strategy and portfolio. HealthTechnology, a separate organisational entity, focussed on implementation and statewide support.

Significant achievements to deliver information management and technology solutions through the Strategic Information Management Branch include:

- A ten year investment strategy was developed for the 2006/07 to 2016/17 period This addresses the funding required to implement the core clinical and corporate IT systems needed to underpin health reform and provide the tools and information to better manage demand, workforce pressures and support better patient care.

- The IM&T strategy was realigned in response to the priorities emerging through the Clinical Services Redesign Program, and the corporate reform program of Shared Corporate Services. Alignment of IM&T with these programs identified priority systems that must be implemented to embed the reformed work practices and make these sustainable. A review of these reform program requirements has also set timeframes for these key systems to be implemented. This has led to the development of strategies to procure, develop and rollout systems much faster than we have in the past.

- A strategy and business case was completed and endorsed for accelerated rollout of a 'stack' of modules for the Electronic Medical Record needed to support Clinical Services Redesign Program. This 'stack' will include Results Reporting, Order Management, Emergency Departments, Operating Theatres, Electronic Discharge Referral and enterprise scheduling. They will be implemented in up to 188 hospitals over the next three years to improve quality and safety, support the patient flow across the hospital and reduce delays for patients.

- The Electronic Medical Record will also support improved communication with General Practitioners once a patient is discharged, through electronic Discharge Referrals. This will help to make sure that patients get the support they need on discharge from hospital.

- The NSW Electronic Health Record, *Healthelink*, was launched in the Maitland area of Hunter New England Area Health Service. It will continue to be implemented during across the Hunter and Western Sydney pilot areas. It will ultimately include inpatient, outpatient, emergency department, outpatient, community health facilities and general practitioners.

- Funding was approved in 2006 for the procurement and implementation of a state-wide, standard Human Resources Information System to replace the 29 existing systems managing human resource functions. Work has also progressed on other critical corporate systems including Finance, e-Procurement, Asset Management and Billing.

- A Business Information Strategy was developed which will ensure accurate, timely, accessible and appropriately presented information is available to support decision making by frontline clinicians, health service managers and executive staff.

- Work on clinical and corporate systems architecture proceeded to ensure both clinical and corporate IM&T systems will work together effectively. Linking clinical and corporate systems will help to monitor the patient's journey across the health system and provide clinicians and health system managers with real time information to better manage the patient load and distribute resources more effectively.

- Implementation of the community health system, CHIME, was expanded to support aged, chronic care and mental health programs. Similarly, telehealth services were expanded, with an additional 13 facilities commissioned with new telemedicine services and 23 expanded telemedicine clinical services commenced.

- A record number of people attended the 2005 IM&T Symposium which reflects the increased recognition of the key role IM&T plays in supporting new models of care and underpinning health system reform.

Future initiatives

- Develop and deploy state-based builds for the Electronic Medical Record and begin the implementation program.

- Continue to implement the Electronic Health Record and commence evaluation process to inform the state implementation of *Healthelink*.

- Expanded rollout of CHIME to meet the emerging requirements around aged care, chronic disease and mental health.

- Progress state-wide solutions for PACS/RIS systems to support new models of service delivery and help to address some of the significant workforce shortages across NSW.

- Procurement and state build of the Human Resources Information System and the state build and implementation of finance, eProcurement, asset management and billing solutions to support Shared Corporate Services.

Electronic Service Delivery

The Department of Health's Web and Publishing Services manages and co-ordinates the publication of information on NSW Health's internet and intranet sites and the production of printed publications in order to deliver key NSW Health information to NSW Health staff, health professionals and the general community.

Web and Publishing major websites

- NSW Health Survey Program
- Clinical Services Redesign Program (CSRP)
- NSW Brain Injury Rehabilitation Program (BIRP)
- Great Metropolitan Clinical Taskforce (GMCT)
- Premier's Council for Active Living PCAL)
- Clinical Excellence Commission (CEC)
- AIDS Dementia & HIV Psychiatry Service (ADAHPS)
- Sub Acute Fast Track Elderly Care (SAFTE)

Web and Publishing major applications developed

- AHS Quality Committee Report (AHSQCR)
- Department of Health Reporting System (Nursing DOHRS)
- Junior Medical Officers Recruitment system (JMO)
- Overseas Nurse Electronic Recruitment Center System (E-Nurse)
- Nursing Practitioner Management Information system (NPIMS)
- Working with Children Check Consent system (ESRU)

Web and Publishing trialled a new medium of disseminating information to the public. It produced and broadcast the four episodes of the *Good Health NSW Health* digital television pilot on the NSW Government's pilot digital television channel, Channel NSW, and the NSW Health website.

Challenges for the future

Implement a statewide consistent web technology infrastructure to ensure accurate information is disseminated efficiently and reliably to NSW Health staff, health professionals and the general community via current and new electronic broadcasting mediums.

Section 301 *Mental Health Act 1990*

In accordance with Section 301 of the *NSW Mental Health Act (1990)* the following report details mental health activities for 2005/06 in relation to:

■ the care of the patients and persons detained in each hospital

■ the state and condition of each hospital

■ important administrative and policy issues

■ such other matters as the Director General thinks fit.

This report – similar to ones preceding it – reports details of mental health activities for 2005/06 on all voluntary and involuntary (detained) patients admitted to mental health facilities.

A similar Appendix has been provided since the 1976/77 Annual report of the Health Commission of NSW. With only minor variations in wording, this reporting requirement dates back to the *Lunacy Act 1878*.

This section of the Annual Report was revised in 2004/05, with historical data provided back to 2000/01. The historical tables are presented in this report with the latest updates of 2005/06 data. To review all the revisions and amendments made to this section, refer to the *NSW Department of Health Annual Report 04/05.*

Historical data

Under the NSW Government Action Plan for Health (2000–2003), and with subsequent enhancements commencing in 2004/05, a significant investment has been made in increasing bed capacity. Detailed figures for 2004/05 and 2005/06 for each unit and Area Health Service are shown in the main table in this Appendix. The overall changes since 2000/01 appear below.

Funded capacity	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Funded Beds at 30 June	1,874	1,922	2,004	2,107	2,157	2,219
Increase since 30 June 2001	–	48	130	233	283	345

Average availability (full year)	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Average Available beds	1,814	1,845	1,899	1,985	2,075	2,153
Increase since 30 June 2001	–	31	85	171	261	339
Average Availability (%) – of funded beds	97	96	95	94	96	97

Average occupancy (full year)	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Average Occupied beds	1,572	1,621	1,702	1,773	1,847	1,912
Increase since 30 June 2001	–	48	130	201	274	340
Average Occupancy (%) – of available beds	87	8	90	89	89	89

Over the period from 2000/01 to 2005/06

■ Funded bed capacity increased by 345 beds.

■ Average bed availability fluctuated between 94 and 97 per cent.

■ Average occupancy rate ranged between 87 and 90 per cent.

Average availabiility is affected by closure of beds for renovation or temporary lack of staff. It will rarely be the same as the funded beds which may open at varying times during the year.

Census day statistics

The same picture is re-presented below, using the single-day statistics that have been presented in previous Annual Reports, but including only Program 3.1 beds. The number of funded beds is the same as in the previous table.

End of year census data (on 30 June)	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Funded Beds on 30 June	1,874	1,922	2,004	2,107	2,157	2,219
Available beds on 30 June	1,853	1,907	1,997	2,063	2,142	2,204
Occupied beds on 30 June	1,577	1,679	1,814	1,881	1,930	1,893
Availability on 30 June (% of funded beds)	99	99	100	98	99	99
Occupancy on 30 June (% of available beds)	85	88	91	91	91	86

- The number of funded beds increased by 62 from last census (2004/05) and 345 from 2000/01.

- In the 2005/06 census, 86 per cent of the available beds were occupied compared with 91 per cent in 2004/05. As the 2005/06 census was conducted on a Friday, most of the children's unit beds were closed.

The comparison of occupied beds based on single day statistics can pose some problems. For example, lower bed occupancy is generally reported for years in which the census has happened on a weekend compared to years in which it has happened on a weekday. This may be due to the fact that all non-acute children and adolescent units remain closed during the weekends. Past reports have attempted to compensate for this effect by considering the number of patients on leave on the census day, but this does not fully address the issues. The full year averages over 365 or 366 days are much more reliable as reported in the above table (Average Occupancy – full year).

Performance Indicators

The 2003/04 Annual Report showed the Program 3.1 (Mental Health) indicators as they were defined for the Health Service Performance Agreement (HSPA) of that year. These HSPA indicators covered not only Program 3.1 services, but also a small number of services funded by other programs (mainly the Primary Care Program and the Rehabilitation and Aged Care Program) where these meet the national reporting definitions for 'mental health'.

During 2004/05 the Health Service Performance Agreement (HSPA) indicators were refined to exclude 'out of program' staff. A five year historical series on these has now been prepared for each new Area Health Service, and all previous data have been reviewed. The indicators are consistent between Areas within NSW. However, for interstate comparisons the data in the annual Report on Government Services and the National Mental Health Report should be used.

AHS Performance Indicator – Mental Health Acute Inpatient Care (separations from overnight stays)

Area Health Service	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Sydney South West	4,545	4,866	5,041	5,058	5,135	6,211
South Eastern Sydney Illawarra	3,577	3,866	3,876	4,609	4,425	4,815
Sydney West	3,309	3,493	3,149	3,124	3,074	3,683
North Sydney Central Coast	2,803	2,755	2,628	2,776	3,187	3472
Hunter New England	3,402	3,511	3,839	4,166	3,969	4,023
North Coast	1,566	1,545	2,034	2,395	2,354	2,421
Greater Southern	1,369	1,373	1,318	1,342	1,348	1,290
Greater Western	877	954	858	1,197	1,505	1,656
Children's Hospital Westmead	–	–	–	–	94	121
Justice Health	161	151	100	92	91	123
NSW	21,609	22,514	22,843	24,759	25,182	27,815

Notes

Source: Area Health Service returns to Department of Health Reporting System (DOHRS)

Limitations: Separations from the 14 non-acute beds at Prince of Wales Hospital could not be separately reported from the acute activity in DOHRS in 2004/05, and these separations are included here.

The Children's Hospital at Westmead (CHW) did not have any specialised acute inpatient beds until the end of 2003/04.

Interpretation

The 29 per cent growth in the number of acute overnight stays (separations) over the five year period reflects the 26 per cent increase (277) in the number of acute beds over the same period. Statewide, the average length of stay for these acute separations was 16 days and the overall occupancy was 90 per cent.

AHS Performance Indicator – Mental Health Non-Acute Inpatient Care (Bed days in Overnight stays)

Area Health Service	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Sydney South West	32,260	30,048	28,949	29,467	22,913	16,821
South Eastern Sydney Illawarra	52,580	53,250	56,291	56,123	55,805	56,588
Sydney West	56,324	56,248	55,820	59,397	62,815	61,707
North Sydney Central Coast	–	–	–	–	–	–
Hunter New England	42,464	42,913	42,868	43,502	42,450	43,497
North Coast	–	–	–	–	–	–
Greater Southern	14,669	16,680	17,426	17,697	17,959	17,751
Greater Western	30,440	30,741	33,555	38,344	39,978	35,866
Children's Hospital Westmead	–	–	–	–	–	–
Justice Health	21,765	22,396	21,299	21,604	21,769	20,980
NSW	250,502	252,276	256,208	266,134	263,688	253,210

Notes

Source: Area Health Service returns to Department of Health Reporting System (DOHRS)

Limitations: Bed-days in the 14 non-acute beds at Prince of Wales Hospital could not be separately reported
from the acute activity in DOHRS in 2004/05, and do not appear in the table.

Interpretation

An integrated mental health service requires that acute services be backed up by rehabilitation and extended care services, including those in hospitals. In NSW at present, most non-acute inpatient services are provided only in psychiatric hospitals and a number of child/adolescent units. Towards the end of 2004/05, 14 non-acute beds opened in Prince of Wales Hospital. A change, however, is required to the DOHRS system to detect the bed days associated with these beds. Similar issues of identification of non-acute beds and activity occur with Redbank House which provides acute, non-acute and same day services for children and adolescents.

A further 20 non acute beds were funded during 2005/06 at Campbelltown Hospital. However, despite proactive recruiting efforts to supply nursing staff Sydney South West was unable to open these beds by 30 June 2006. This situation improved since June 2006 and the unit is functioning at full capacity. There was an overall reduction of around 10,000 occupied non acute bed days. The main decrease was in Sydney South West at around 6,000 bed days. While utilisation during 2005/06 was consistent with 92 per cent occupancy of the 50 non acute beds available during the year, the difference is actually due to the higher number of non acute beds available in 2004/05 before they were transferred to the Holy Spirit nursing home.

The reduction in non acute beds available in the Greater Western Area Health Service appears to be due to underreporting rather than under utilisation. Some Areas have experienced reporting difficulties due to the continuing amalgamation of Areas and data warehouses during the period of this report.

Non acute lengths of stay vary widely, often extending over many years. For separations from non acute mental health care recorded in 2005/06, the average length of stay was 183 days and occupancy was 86 per cent.

AHS Performance Indicator – Ambulatory care (contacts)

Area Health Service	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	% of expected contacts
Sydney South West	57,568	113,802	166,910	195,935	227,012	127,808	31
South Eastern Sydney Illawarra	98,072	159,475	221,264	233,001	291,447	276,628	75
Sydney West	146,494	150,022	125,178	123,872	118,026	163,015	48
North Sydney Central Coast	103,928	228,093	282,408	295,704	351,699	371,405	91
Hunter New England	90,365	89,692	111,593	129,721	108,739	163,583	47
North Coast	5,945	69,278	120,586	145,000	123,710	128,802	83
Greater Southern	6,399	82,702	106,753	25,332	88,237	155,701	108
Greater Western	73,557	88,643	102,644	101,994	111,112	118,379	86
Children's Hospital Westmead	3,183	8,634	10,885	10,055	12,787	16,482	54
Justice Health	–	443	4,608	171,115	299,101	45,518	53
NSW	585,511	990,784	1,252,829	1,431,729	1,731,870	1,567,321	65

Notes:

Source: NSW Health HIE from Area ambulatory source systems

Limitations: Reporting is still incomplete in a number of Area Health Services. In 2005/06 for the first time, only data records in the State data warehouse were accepted for inclusion in reporting of performance indicators. The impact of raising the quality standard for reported records is to ensure that all client level data is clinically relevant and to eliminate the inefficiencies of the manual processing. As the data show, only a few Areas were unable to maintain or improve their reporting between 2004/05 and 2005/06.

Interpretation

Seven of the ten Area Health Services showed an increase in reporting compliance with four Areas above or very close to the 85 per cent compliance target. There was a slight reduction for South Eastern Sydney Illawarra but larger differences for Sydney South West and Justice Health. This is unexpected as both Areas have previously shown constant improvement in compliance.

Although contact numbers are not a reliable measure of performance, a State compliance level of 65 per cent is below expectations. Overall compliance with this collection is still below 85 per cent but the table is included to show progress in documented service provision and reporting. Increases in service capacity are indexed by the Performance Indicator on Ambulatory Mental Health Care in the body of this Annual Report, which is based on clinical staff.

AHS Performance Indicator – Ambulatory care
(Client Related Provider Hours)

Area Health Service	2005/06	% of paid provider times
Sydney South West	na	na
South Eastern Sydney Illawarra	175,483.0	40
Sydney West	123,661.3	31
North Sydney Central Coast	259,215.0	53
Hunter New England	18,381.3	–
North Coast	99,026.3	54
Greater Southern	77,367.6	45
Greater Western	88,031.0	54
Children's Hospital Westmead	12,538.3	34
Justice Health	43,232.9	42
NSW	896,937.4	44

Notes:

Source: NSW Health HIE from Area ambulatory source systems. Non-client related activity is not included.

Limitations: Both Cerner (SSW) and CHIME (Hunter sector of HNE) are unable to comply with extraction of this indicator. Data from HNE is all from the New England Sector which uses SCI MHOAT. NSW per cent excludes SSW and HNE.

Client Related Provider Time

For 2005/06 it was stated that an indicator of Client Related Provider Hours would replace or be used in addition to the Ambulatory contacts to better indicate the quantum of work done and the resources used. Until reporting levels have stabilised both indicators will be reported. The table shows the client related provider time associated with the reported client related contacts above and its level of compliance. For both ambulatory contacts and client related provider hours, the targets are related to the number of ambulatory clinical FTE. It is expected that, on average, 67 per cent of paid provider time is client related.

Interpretation

Time spent by clinicians in ambulatory activities related to clients is considered a better indicator of performance and resource use than contacts which are ill defined in length or content. Overall compliance rate is calculated by excluding Areas with missing data. Compliance is affected by factors such as the availability of computers, efficiency of communication infrastructure, workload, and familiarity with technology. For National comparison this indicator is based on the total number of ambulatory clinical FTE. It has been suggested that the low compliance levels may indicate that NSW has a larger proportion of clinical staff in administrative positions where they do not directly undertake client work. For NSW the average time spent per contact was just over 30 minutes.

Number of Mental Health Clients

Preliminary analysis of mental health client data records where a unique identifier has been allocated indicate that around 160,000 individuals were seen by public mental health providers in all settings in 2004/05. For 2005/06 the number is around 140,000. The reason for this difference needs more investigation as it could be due to several factors, including missing data affecting the result; fewer clients seen in 2005/06; and better reconciliation of duplicates producing a more realistic number of individuals.

Information Activities during 2005/06

An additional collection for Community Residential Mental Health Care 2004/05 was delivered on time with the other five mandatory National Collections for Mental Health. During 2005/06, the National Survey of Mental Health Services (NSMHS) and the Community Mental Health Establishments were combined to form the National Mental Health Establishments Collection. This will have a similar collection methodology to the NSMHS with the addition of several items about staff salaries. It is deliverable by early 2007.

All process and business rules used to provide unique Area level patient identifiers (MHUPI) for mental health client data records in NSW were completed in 2005/06 with data from most Areas being fed automatically through the process on a weekly basis by June 2006. Some Areas were delayed due to data warehouse amalgamations. Plans to integrate the Area level process with the State Unique Patient Identifier (SUPI) were submitted for implementation in 2006/07.

InforMH, a devolved unit of the Centre for Mental Health, continued the development of regular report cards for Area Health Services based on 13 National Mental Health Key Performance Indicators and several other safety and quality measures. A benchmarking project for non-acute mental health inpatient units is also in progress and uses the standard measure ratings for clients to assist in the evaluation of differences between these services. An evaluation of the Mental Health Outcomes and Assessment Tools (MHOAT) Initiative is in progress with preliminary reports due in early 2006/07.

A $2.94 million funding agreement was signed with the Commonwealth to sustain and embed the ongoing recording of clinician and self-report outcome measures for all mental health clients and to assist clinicians in making this information a useful part of clinical practice. Part of this funding has been used to employ biostatisticians at the InforMH Unit. They will provide clinical analyses of the outcome data as well as the creation of longitudinal treatment histories for clients using the unique identifiers. In turn this will be used to construct a series of reports which can be distributed to clinicians in Area Health Services. The Australian Mental Health Outcomes

and Classification Network (AMHOCN) continues to provide leadership in data analysis and training initiatives to support States under this agreement.

Data Sources for the Annual Report

All bed data and some of the activity data in the attached tables are based on a paper collection from psychiatric hospitals, co-located psychiatric units in general hospitals and private hospitals with authorised psychiatric beds, specifically for the Annual Report 2005/06. Public hospital data are combined and presented for the categories 'Average Available beds', 'Average Occupied beds', and 'Overnight Separations' from the Department of Health Reporting System (DOHRS) where the facility can be identified in the DOHRS database. Overnight separation (ie admitted and separated on different dates) refers to the process by which an admitted patient completes an episode of care by 'being discharged, dying, transferring to another hospital or changing type of care'. Separation data is one of the main national indicators of hospital activity.

Public Beds under the mental health program (Program 3.1) 2004/05–2005/06

These statistics can be calculated from the information presented in the detailed unit-by-unit table, and the overall changes for five years are given in earlier tables. Details of changes at individual units are covered by notes to the main table.

Acute Beds (Total) – 2004/05 to 2005/06

- Funded acute beds increased by 42, from 1,316 to 1,358.

- Average available acute beds increased by 114, from 1,235 to 1,349.

- Average occupied acute beds increased by 95, from 1,124 to 1,219.

Non-Acute Beds (Total) – 2004/05 to 2005/06

- Funded non-acute beds increased by 20, from 841 to 861.

- Average available non-acute beds decreased by 36, from 840 to 804.

- Average occupied non-acute beds decreased by 28, from 722 to 694.

An increase in non-acute funded beds in 2005/06 was mainly due to the funding of 20 beds in Campbelltown. These beds are not yet operational and therefore not available on the census day. The average availability data does not capture activity in the 14 non-acute beds at Prince of Wales Hospital, as it was reported together with the acute data for the hospital in DOHRS. In addition, the figures are affected by the loss of 44 beds from the public system to a nursing home in Sydney South West.

Child/adolescent beds

- The number of funded acute beds remained the same at 47.

- The number of average available acute beds increased to 42 from 36 in 2004/05.

- The number of average occupied acute beds increased to 31 from 29 in 2004/05.

The number of funded, average available, and occupied non-acute beds at the Rivendell (Thomas Walker), Coral Tree, and Redbank units remained essentially the same. The availability and occupancy statistics for these units are complicated by the fact that they operate mainly during the week and school term. None of these beds were reported as occupied on the census day of 30 June 2006, as it was Friday.

Section 301 *Mental Health Act 1990*

Appendix

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Public Psychiatric Hospitals and Co-located Psychiatric Units in Public Hospitals
– with beds gazetted under the *Mental Health Act 1990* and other non gazetted Psychiatric Units

Area Health Service/Hospital location		Funded[1] beds at 30 June 2005	2006	Available[2] beds at 30 June 2005	2006	Occupied[2] beds at 30 June 2005	2006	Average Available[3] beds in year 2004/05	2005/06	Average Occupied[4] beds in year 2004/05	2005/06	Overnight separations 12 mths to 30/6/06	On leave as at 30/6/06	Deaths in 12 mths to 30/6/06
X500 Sydney South West		**348**	**374**	**345**	**367**	**299**	**290**	**340.2**	**369.4**	**288.9**	**300.9**	**6,497**	**41**	**2**
Acute Beds – Adult														
Royal Prince Alfred Hospital	Camperdown	40	40	40	40	36	36	40.0	36.6	35.4	34.2	788	2	0
Rozelle Hospital[5]	Leichhardt	114	114	114	128	89	100	104.1	149.2	85.6	102.3	2,881	21	0
Liverpool Hospital	Liverpool	48	54	48	54	47	50	42.0	49.8	38.4	49.6	1,156	7	0
Campbelltown Hospital	Campbelltown	30	30	30	30	29	30	30.0	30.0	28.3	30.0	567	0	0
Bankstown/Lidcombe HS – Hosp.	Bankstown	30	30	30	30	25	31	30.0	30.0	31.8	31.3	619	5	1
Bowral and District Hospital	Bowral	2	2	2	2	1	1	2.0	2.0	0.8	0.8	64	0	0
Acute Beds – Child/Adolescent														
Campbelltown Hospital (GnaKaLun)	Campbelltown	10	10	7	10	7	4	6.1	6.7	5.9	6.6	115	4	0
Non-Acute Beds – Adult														
Rozelle Hospital[6]	Leichhardt	50	50	50	49	53	38	74.1	49.8	57.2	40.6	24	2	1
Campbelltown Hospital[7]	Campbelltown	n.a	20	0	0	0	0	0	0	0	0	0	0	0
Non-Acute Beds – Child/Adolescent														
Thomas Walker Hospital[8]	Concord	24	24	24	24	12	0	11.9	15.3	5.5	5.5	283	0	0
Other Program Beds (not in totals)[9]														
Bankstown Ward 2D	Bankstown			12	12	12	10					130	0	1
Braeside	Prairiewood			16	16	10	16					137	0	0
X510 South Eastern Sydney/Illawarra		**234**	**244**	**227**	**240**	**209**	**209**	**215.4**	**233.4**	**202.7**	**217.5**	**4,851**	**43**	**4**
Acute Beds – Adult														
Wollongong	Wollongong	20	20	20	20	21	17	20.2	20.1	19.5	19.2	448	11	1
Shellharbour Hospital	Shellharbour	49	49	49	49	43	39	49.1	49.1	42.8	44.0	1,452	16	0
St Vincents Public Hospital	Darlinghurst	27	33	27	33	30	29	27.0	30.9	26.4	29.1	857	1	0
Prince of Wales Hospital	Randwick	60	58	53	54	48	54	63.3	69.9	62.0	68.0	844	10	1
St George Hospital	Kogarah	28	34	28	34	28	31	28.3	29.1	27.6	28.6	624	0	0
Sutherland Hospital	Sutherland	28	28	28	28	25	25	23.3	28.0	20.1	24.8	492	2	2
Acute Beds – Child/Adolescent														
Sydney Children's Hospital	Randwick	8	8	8	8	5	4	4.2	6.3	4.2	3.8	98	0	0
Non-Acute Beds														
Prince of Wales Hospital[10]	Randwick	14	14	14	14	9	10	In acute	In acute	In acute	In acute	36	3	0
X520 Sydney West		**395**	**405**	**393**	**410**	**358**	**353**	**374.2**	**397.2**	**328.7**	**340.5**	**3,966**	**45**	**2**
Acute Beds – Adult														
Blacktown Hospital	Blacktown	30	30	30	30	30	28	30.2	30.0	30.0	31.6	522	3	1
St. Josephs Hospital, Auburn	Auburn	15	15	15	19	15	18	14.9	18.3	10.4	17.5	149	0	0
Westmead (adult)	Westmead	26	26	26	26	25	24	26.0	26.0	22.4	23.8	319	0	0
Cumberland Hospital	Westmead	102	102	102	102	87	92	85.1	101.4	78.5	95.4	1,793	7	0
Penrith DHS – Nepean Hospital	Penrith	37	37	33	33	33	29	33.0	36.2	30.6	32.4	831	4	0
Blue Mountain DH – Katoomba[11]	Katoomba	n.a	10	n.a	15		15		0.3		0.3	4		
Acute Beds – Child/Adolescent														
Westmead (Redbank – AAU)	Westmead	9	9	9	9	7	6	9.0	9.0	4.0	7.4	98	3	0

Area Health Service/Hospital location		Funded[1] beds at 30 June 2005	2006	Available[2] beds at 30 June 2005	2006	Occupied[2] beds at 30 June 2005	2006	Average Available[3] beds in year 2004/05	2005/06	Average Occupied[4] beds in year 2004/05	2005/06	Overnight separations 12 mths to 30/6/06	On leave as at 30/6/06	Deaths in 12 mths to 30/6/06
Non-Acute Beds – Adult														
Cumberland Hospital	Westmead	159	159	159	159	154	141	159.0	159.0	145.4	125.0	64	20	1
Non-Acute Beds – Child/Adolescent														
Westmead (Redbank – AFU & CFU)[8]	Westmead	17	17	19	17	7	0	17.0	17.0	7.5	7.1	186	8	0
X530 Northern Sydney/Central Coast		380	384	380	384	354	350	365.3	362.8	334.8	343.1	3,949	22	6
Acute Beds – Adult														
Greenwich Home of Peace Hospital	Greenwich	20	20	20	20	20	19	20.0	15.1	18.5	18.1	180	0	0
Hornsby & Ku-Ring-Gai Hospital	Hornsby	25	25	25	25	25	24	25.0	25.0	23.9	22.8	467	2	0
Manly District Hospital	Manly	30	30	30	30	30	30	30.0	30.0	28.8	26.8	540	1	0
Royal North Shore Hospital[12]	St Leonards	20	24	20	24	13	23	18.3	22.8	19.4	21.7	362	2	0
Macquarie Hospital	North Ryde	14	14	14	14	11	13	13.9	12.8	13.0	12.5	233	1	0
Gosford District Hospital	Gosford	25	25	25	25	23	22	19.4	25.0	18.3	24.5	680	0	1
Wyong District Hospital	Wyong	50	50	50	50	46	48	44.3	50.0	40.8	44.3	1,010	8	1
Non-Acute Beds – Adult														
Macquarie Hospital	North Ryde	181	181	181	181	173	171	185.8	178.8	167.2	164.6	43	8	4
Non-Acute Beds – Child/Adolescent														
Coral Tree[8]	North Ryde	15	15	15	15	13	0	8.6	3.3	4.9	7.8	434	0	0
X540 Hunter/New England		305	301	301	301	275	281	301.5	301.0	270.0	278.8	4,134	52	20
Acute Beds														
Maitland Hospital	Maitland	24	24	24	24	24	25	24.0	24.0	22.2	22.5	891	14	1
James Fletcher Hospital[13]	Newcastle	86	82	82	82	74	80	82.0	82.0	76.4	78.4	1,822	24	10
Armidale and New England Hospital	Armidale	8	8	8	8	8	6	9.4	8.0	7.4	7.2	236	1	0
Tamworth Base Hospital	Tamworth	25	25	25	25	25	21	24.2	25.0	19.6	21.8	565	2	3
Manning River Base Hospital	Taree	20	20	20	20	16	19	20.0	20.0	17.0	18.2	379	2	0
Acute Beds – Child/Adolescent														
John Hunter Hospital (Nexus)	Newcastle	12	12	12	12	11	10	11.9	12.0	11.2	11.5	130	2	0
Non-Acute Beds – Adult														
Morisett Hospital	Morisett	130	130	130	130	117	120	130.0	130.0	116.3	119.2	111	7	6
X550 North Coast		100	100	100	100	99	82	90.2	99.3	85.1	92.5	2,421	6	3
Acute Beds – Adult														
Lismore Base Hospital	Lismore	25	25	25	25	25	18	24.9	25.1	23.8	23.3	571	3	1
Tweed Heads District Hospital	Tweed heads	25	25	25	25	25	20	25.0	25.0	22.2	21.9	644	1	1
Coffs Harbour and District Hospital	Coffs Harbour	30	30	30	30	30	26	30.0	30.0	27.0	29.2	714	1	1
Kempsey Hospital	Kempsey	10	10	10	10	10	8	6.6	10.0	8.3	9.0	240	1	0
Port Macquarie Base Hospital	Port Macquarie	10	10	10	10	9	10	3.7	9.2	3.7	9.1	252	0	0
X560 Greater Southern		118	118	118	118	99	105	111.3	111.1	99.1	98.8	1,565	6	4
Acute Beds – Adult														
Albury Base Hospital	Albury	24	24	24	24	17	18	21.0	21.0	18.0	17.6	462	2	0
Wagga Wagga Base Hospital	Wagga Wagga	18	18	18	18	18	18	16.3	16.1	14.0	14.9	350	1	0
Goulburn Base Hospital	Goulburn	20	20	20	20	16	19	20.0	20.0	17.9	17.7	478	1	1
Queanbeyan Hospital	Queanbeyan	2	2	2	2	0	1	n.a.	n.a	n.a.	n.a	137	0	0
Non-Acute Beds – Adult														
Kenmore Hospital	Goulburn	54	54	54	54	48	49	54.0	54.0	49.2	48.6	138	2	3

Appendix

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Area Health Service/Hospital location		Funded[1] beds at 30 June		Available[2] beds at 30 June		Occupied[2] beds at 30 June		Average Available[3] beds in year		Average Occupied[4] beds in year		Overnight separations 12 mths to	On leave as at	Deaths in 12 mths to
		2005	2006	2005	2006	2005	2006	2004/05	2005/06	2004/05	2005/06	30/6/06	30/6/06	30/6/06
X570 Greater Western		171	187	172	181	131	131	174.2	176.2	137.0	132.2	1,753	12	4
Acute Beds – Adult														
Dubbo Base Hospital[14]	Dubbo	2	18	3	12	3	11	2.7	7.1	2.4	5.7	276	1	0
Mudgee District Hospital	Mudgee	2	2	2	2	0	0	2.0	2.0	0.2	0.0	2	0	0
Bloomfield Hospital	Orange	28	28	28	28	24	19	28.0	28.4	23.3	24.8	1,208	7	1
Broken Hill Base Hospital[15]	Broken Hill	2	2	2	2	5	2	2.0	1.7	1.5	3.4	170	0	0
Non-Acute Beds – Adult														
Bloomfield Hospital	Orange	137	137	137	137	99	99	139.5	137.0	109.5	98.3	97	4	3
X160 Children's Hospital Westmead		8	8	8	8	8	8	4.8	8.0	3.6	6.0	121	0	0
Children's Hospital Westmead	Westmead	8	8	8	8	8	8	5	8.0	4	6.0	121	0	0
X170 Justice Health Service	98	98	98	95	98	84	98	94.9	97	91	141	0	0	
Acute Beds – Adult														
Long Bay (Ward D and B East)	Malabar	38	38	38	38	38	32	38.0	34.9	37.3	33.4	123	0	0
Non-Acute Beds – Adult														
Long Bay (MHRH and Ward C)[16]	Malabar	60	60	60	57	60	52	60.0	60.0	59.6	57.5	18	0	0
NSW – TOTAL		2,157	2,219	2,142	2,204	1,930	1,893.0	2,075.1	2,153.3	1,846.8	1,901.2	29,398	227	45

Source: Centre for Mental Health

Notes:

1 'Funded beds' are those funded by NSW Health, except for some beds at Rozelle hospital funded by DVA for individual veterans (14 in 2003/04, 10 in 2004/05, 9 in 2005/06).

2 'Available beds' and 'Occupied Beds' at 30 June are a census count on the last day of the financial year, except for Child/Adolescent units that operate in conjunction with schools, when it is the last operating day preceding 30 June.

3 'Average Available beds' are the average of 365 nightly census counts (in 2004/05, 2005/06) as reported in DOHRS.

4 'Average occupied beds' are calculated from the total Occupied Overnight bed days for the year, as reported in DOHRS, divided by 365.

5 A new acute care ward – W27 West was opened at Rozelle in August 2005.

6 Two Older People's extended care wards at Rozelle totalling 44 beds (ward A closed 29/11/04; ward 18 closed 17/02/05) were closed and transferred to Holy Spirit Nursing Home at Croydon in 2004/05

6 Ward H now has 9 DVA-funded beds for veterans – reduced from 10 reported in last year's census.

6 The 3 bed Special Care Suite (Ward C29) is only funded when required for patients with special needs. It has not been required since 1999/00

7 20 non-acute beds funded in Campbelltown hospital in 2005/06 were not available in the financial year.

8 Beds unoccupied at midnight on 30 June as units closed at 3pm on the day when beds and residents were recorded – these units operates Monday to Friday.

9 Bankstown/Lidcombe Ward 2D and Braeside hospital are not funded from Program 3.1, but are in scope for National Mental Health reporting. They are included here to align with national reporting.

10 Patient activity data for this unit cannot yet be distinguished from POW acute units.

11 New acute unit (Katoomba MHU) with 15 funded beds opened on 13 May 2005.

12 4 extra SAP funded beds since January 2006.

13 4 funded bed at James Fletcher will become operational again when relocated from the Mater Hospital.

14 The hospital now has 18 funded beds of which 12 were available on the day of Census.

15 Partial funding for additional 4 beds provided in 2004/05. 3 excess MH patient accomodated in the medical ward under the care of MH staff from this unit.

16 Ward A now called Mental Health Rehabilitation Hostel (MHRH) at Long Bay reported 27 available beds – 3 less than previous year.

Psychiatric hospitals and Children and Adolescent Hospitals/Units – listed in order of presentation in the table
Psychiatric hospitals: Rozelle, Macquarie, Cumberland, James Fletcher Newcastle, Morisett, Kenmore and Bloomfield
Children and Adolescent Hospitals/Units: GnaKaLun, Thomas walker, Sydney Children's Hospital, Westmead (Redbank acute/non-acute), Coral Tree, John Hunter Hospital (Nexus) and Children's Hospital Westmead.

Private Hospitals in NSW authorised under the *Mental Health Act 1990*

Hospital/Unit	Authorised beds		In residence		Admitted in 12 mths to 30/6/06		On leave as at 30/6/06	Deaths in 12 mths to 30/6/06
	as at 30/6/05[1]	as at 30/6/06[2]	as at 30/6/05	as at 30/6/06	Over Night	Same Day		
Albury/Wodonga Private	12	12	11	6	410	312	2	1
Cape Hawke Private[2]	9	0	0	0	11	53	0	0
Lingard	41	41	30	28	566	2,107	0	0
Mayo Private Hospital[3]	6	9	6	3	125	1	0	0
Mosman Private	16	16	10	7	150	121	46	0
Northside Clinic	93	93	87	87	1,422	4,147	1	0
Northside Cremorne Clinic	36	36	20	31	416	1,194	0	0
Northside West Clinic	80	80	25	35	682	1,902	0	0
South Pacific[4]	33	34	18	29	435	1,724	0	0
St John of God Burwood	86	86	52	63	1,267	2,186	1	0
St John of God Richmond	64	86	53	81	1,139	2,681	1	0
Sydney Private Clinic[5]	34	44	16	31	403	2,621	0	1
Wandene	30	30	24	23	356	1,320	0	0
Wesley Private	38	38	24	30	443	3,439	1	0
Sydney Southwest Private[6]	18	18	6	17	144	48	0	0
Total 2005/06		623		471	7,969	23,856	52	2
Total 2004/05	596		382		8,139	20,691	1	5
Total 2003/04	560		426		9,857	18,339	1	2
Total 2002/03	580		422		8,048	17,589	2	4
Total 2001/02	570		377		7,822	18,666	4	1

Source: Centre for Mental Health

Notes:

1 These are actual number of authorised beds – any discrepancy in reported number of beds from the hospitals are noted below.

2 Cape Hawke Hospital has ceased to provide psychiatric services since October 2005.

3 Mayo Hospital has 9 authorised beds in 2006.

4 South Pacific reported 1 excess bed – it has 34 authorised beds in 2006.

5 Sydney Private clinic has 44 authorised beds in 2006 an increase of 10 beds from 2005.

6 Sydney Southwest reported 1 less bed – it has 18 authorised beds in 2006.

Private Hospitals

In 2005, 14 private hospitals authorised under the Mental Health Act provided inpatient and same-day psychiatric services in NSW. These hospitals reported 623 authorised available psychiatric beds on 30 June 2006, compared with 596 reported on 30 June 2005.

Changes from 2004/05 to 2005/06

Cape Hawke Hospital, which reported nine authorised beds in 2004/05, has ceased to provide psychiatric services since October 2005. The bed activity reported is only for the period July to October 2005.

Authorised bed numbers in Mayo Private, South Pacific, St John of God Richmond and Sydney Private Clinic have increased in 2005/06 by three, one, 22 and ten beds respectively from 2004/05.

In 2005/06 there was an overall increase of 27 beds across all private hospitals from 2004/05. Bed occupancy on 30 June 2006 in private hospitals was 76 per cent with 471 patients occupying 623 beds. This is an increase from last year (30 June 2005) when bed occupancy was 64 per cent (382 patients occupying 596 beds). Overnight admissions to private hospitals decreased slightly by 2 per cent from 8,139 admissions in 2004/05 to 7,969 in 2005/06. Same day admissions however increased by 13 per cent from 20,691 to 23,856.

Appendix 21

Public hospital activity levels

Selected Data for the year ended June 2006 Part 1[1,2]

Area Health Service	Separations	Planned Sep %	Same Day Sep %	Total Bed Days	Average Length of Stay (acute)[3,6]	Daily Average of Inpatients[4]
Children's Hospital at Westmead	26,775	47.5	47.7	86,165	3.2	236
Justice Health	2,246	n/a	5.2	51,357	13.6	141
Sydney South West	281,065	42.8	43.4	1,184,464	3.9	3,245
South Eastern Sydney and Illawarra	276,933	42.9	45.8	1,113,794	3.6	3,051
Sydney West	201,358	36.2	40.5	843,678	3.6	2,307
Northern Sydney and Central Coast	188,876	36.5	41.2	832,740	4.0	2,281
Hunter and New England	182,593	43.4	39.6	809,502	3.7	2,218
North Coast	136,970	44.1	43.5	492,298	3.4	1,346
Greater Southern	100,935	30.3	39.1	433,184	3.0	1,183
Greater Western	83,881	36.2	38.5	358,653	3.2	983
Total NSW	1,481,632	40.1	42.6	6,205,835	3.6	17,002
2004/05 Total	1,415,422	41.0	42.0	6,212,216	3.5	17,020
Percentage change (%)[9]	4.7	-0.86	0.6	-0.1	2.87	-0.10
2003/04 Total	1,387,944	40.6	41.5	6,231,213	3.6	17,025
2002/03 Total	1,365,042	33.0	41.4	5,984,960	3.5	16,397
2001/02 Total	1,336,147	39.4	40.4	5,887,535	3.5	16,130

Selected Data for the year ended June 2006 Part 2[1]

Area Health Service	Occupancy Rate[5]	Acute Bed Days[6]	Acute overnight Bed Days[6]	Non-admitted Patient Services[7]	Emergency Dept. Attendances[8]	Expenses-all Program ($000)
Children's Hospital at Westmead	90.0	86,165	73,391	665,537	45,818	275,907
Justice Health	n/a	30,377	30,261	3,310,520	n/a	83,857
Sydney South West	96.5	1,066,351	946,380	4,142,227	298,203	2,129,877
South Eastern Sydney and Illawarra	96.1	950,144	807,055	4,825,626	341,808	1,979,989
Sydney West	90.6	684,764	605,735	3,407,457	217,954	1,608,759
Northern Sydney and Central Coast	92.5	726,979	649,656	3,038,435	221,823	1,448,629
Hunter and New England	86.3	657,705	586,270	2,670,854	323,526	1,339,669
North Coast	84.0	447,127	388,533	1,847,543	276,952	775,544
Greater Southern	78.9	285,870	248,033	2,103,004	248,595	787,482
Greater Western	67.4	261,209	229,948	1,162,902	220,436	629,713
Total NSW	90.1	5,196,691	4,565,262	27,174,104	2,195,115	11,059,426
2004/05 Total	90.8	4,658,364	4,087,072	24,540,781	2,004,107	10,146,453
Percentage change (%)[9]	-0.7	11.6	11.7	10.7	9.5	9.0
2003/04 Total	91.4	4,661,011	4,110,036	24,836,029	1,999,189	9,613,775
2002/03 Total	91.7	4,473,146	3,928,070	24,194,817	2,005,233	8,821,642
2001/02 Total	97.1	4,395,481	3,874,228	22,629,220	2,003,438	7,969,570

Note:

1. The Health Information Exchange (HIE) data were used except for Children's Hospital Westmead and Justice Health where Department of Health Reporting System (DOHRS) data were used. The number of separations include care type changes.

2. Inpatient activity in Part 1 includes services contracted to private sector.

3. Acute average length of stay = (Acute bed days/Acute separations).

4. Daily average of inpatients = Total Bed Days/365.

5. The bed occupancy rate is based on June 2006 data for only major facilities (peer groups A1a to C2). Data may not be comparable with earlier reports as bed occupancy prior to 2004/05 was based on full year. The following bed types are excluded from all occupancy rate calculations: emergency departments, delivery suites, operating theatres, recovery wards, residential aged care, confused and disturbed elderly, community residential and respite activity. Unqualified baby bed days were included from 2002/03.

6. Acute activity is defined by a service category of acute or newborn.

7. Includes services contracted to the private sector. Source: HIE, WebDOHRS and VaxDOHRS. Greater Western provided contracted NAPS for Broken Hill hospital.

8. Source: EDIS, HIE, WebDOHRS and VaxDOHRS. North Coast provided the data for Ballina, Casino, Bonalbo, Kyogle, Macksville and Mullumbimby hospitals. Pathology and radiology services performed in emergency departments have been excluded since 2004/05.

9. Planned separations, same day separations and occupancy rates are percentage point variance from 2004/05.

Average available beds June 2006[1,5]

Area Health Service	General Hospital Units[3,4]	Nursing Home Units	Community Residential[6]	Other Units[7]	Bed Equivalents	Total
Children's Hospital at Westmead	268	–	–	–	–	268
Justice Health	–	–	–	192	–	192
Sydney South West	3,363	194	8	280	53	3,898
South Eastern Sydney and Illawarra	3,351	144	10	–	71	3,575
Sydney West	2,481	167	–	314	84	3,046
Northern Sydney and Central Coast	2,403	45	42	208	198	2,896
Hunter and New England	2,640	198	68	220	19	3,145
North Coast	1,531	79	–	–	58	1,668
Greater Southern	1,576	338	49	54	–	2,017
Greater Western	1,338	299	–	214	6	1,857
Total NSW	18,952	1,464	177	1,482	488	22,563
2004/05 Total	18,573	1,032	636	1,232	336	21,808
2003/04 Total[2]	17,098	1,306	678	1,289	717	21,087
2002/03 Total[2]	16,882	1,381	647	1,237	592	20,739
2001/02 Total[2]	16,001	1,497	627	1,389	463	19,976
2000/01 Total[2]	16,098	1,580	696	1,346	324	20,044
1999/00 Total[2]	17,226	1,682	672	1,674	259	21,513

Notes:

1. Source: Sustainable Access Plan bed reporting since 2004/05.

2. The number of beds for 1999/00 to 2003/04 is the average available beds over the full year and is provided for general comparison only.

3. The number of general hospital unit beds from 2002/03 onwards is not comparable with previous years as cots and bassinettes were included from 2002/03.

4. Beds for Hawkesbury District Health Service have been included to reflect contractual arrangements for the treatment of public patients in that facility.

5. Beds in emergency departments, delivery suites, operating theatres and recovery wards are excluded. Flex and surge beds are included.

6. A number of beds reported under Community Residential in 2004/05 have been reclassified as Nursing Home Units, hence the shift in numbers for both of these.

7. The category of Other Units refers to the facilities which are designated Mental Health facilities (eg Bloomfield and Cumberland) in addition to Justice Health. Some of the changes in this category between 2004/05 and 2005/06 are a number of Community Residential beds being reclassified and reported under facilities in Other Units.

Private hospital activity levels

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Private hospital activity levels for the year ended 30 June 2006

Area Health Service	Licensed Beds[1] Number	Total Admissions Number	% Variation on last year	Market share %[2]	Market share variation	Same Day Admissions Number	% variation on last year	Market share%[2]	Market share variation	Daily Average Number	% variation on last year	Bed Occupancy[3] %	% variation on last year
Sydney South West	577	91,423	6.0	24.5	-0.1	67,266	8.2	35.5	0.1	536	7.2	92.9	7.2
South Eastern Sydney & Illawarra	1,375	202,459	2.4	42.2	0.2	131,173	3.4	50.9	1.3	1,328	-0.4	96.6	3.3
Sydney West	917	105,201	1.0	34.3	-2.0	63,155	1.6	43.7	-1.6	747	-2.0	81.5	-11.8
Nothern Sydney & Central Coast	1,805	228,223	6.8	54.7	0.7	146,123	10.4	65.3	1.7	1,784	2.3	98.9	5.1
Hunter and New England	869	92,871	0.5	33.6	-1.0	55,802	2.8	43.4	-1.3	707	-0.2	81.3	-13.4
North Coast[3]	245	36,764	-15.6	21.2	-6.8	27,162	-3.0	31.3	-5.2	222	-26.8	90.5	5.7
Greater Southern	194	34,238	3.9	25.3	-0.6	23,055	1.2	36.9	-3.7	186	1.9	95.6	1.7
Greater Western	155	13,834	-5.4	14.2	-1.2	8,908	-7.0	21.6	-2.8	85	-5.1	55.1	3.1
Total NSW	6,137	805,013	2.5	35.2	-0.8	522,644	4.9	45.5	-0.4	5,595	-0.5	91.2	-0.1

1. Licensed beds as at 30 June 2006.

2. Market share calculations include Children's Hospital at Westmead in the total for NSW.

3. North Coast included Port Macquarie during 2004/05. For 2005/06 this hospital is excluded as it became a public hospital during the year.

Source: Licenced Beds – Private Health Care Branch, Others – Health Information Exchange.

Infectious disease notification in NSW

Disease notifications among NSW residents 1996 to 2005, by year of onset of illness#

Conditions	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
AIDS	375	214	181	132	134	102	114	145	100	91
Adverse event after immunisation	56	70	95	16	42	111	178	219	184	106
Arbovirus infection (total)*	1227	1806	783	1220	980	1191	662	1024	1148	1093
Barmah Forest virus infection*	172	185	134	249	197	401	395	451	403	448
Ross River virus infection*	1031	1598	583	952	750	717	181	494	701	589
Arboviral Other*	24	23	66	19	33	73	86	79	44	56
Blood lead level >= 15ug/dl* not notifiable until December 1996		710	874	691	986	513	516	338	303	232
Botulism	0	0	0	1	0	0	0	0	1	0
Brucellosis*	1	3	3	2	1	1	2	3	7	3
Chancroid* not notifiable until December 1998				1	0	0	0	0	0	0
Chlamydia* not notifiable until August 1998				2469	3507	4500	5824	7785	10022	11284
Cholera*	3	1	1	2	0	1	1	0	1	0
Creutzfeldt-Jakob Disease not notifiable until April 2004									6	8
Cryptosporidiosis* not notifiable until December 1996		157	1130	121	133	195	306	203	357	849
Food-borne illness (NOS)	211	255	201	151	147	56	41	1071	550	309
Gastroenteritis (institutional)	554	939	738	673	697	775	1752	3583	12784	1395
Giardiasis* not notifiable until August 1998			405	1091	978	967	863	1028	1235	1446
Gonorrhoea*	522	636	1054	1291	1060	1364	1527	1330	1445	1578
H.influenzae type b (total)*	13	17	11	13	8	7	10	6	5	7
H.influenzae type b epiglottitis*	2	5	1	2	2	1	1	0	3	0
H.influenzae type b meningitis*	4	3	3	3	1	1	1	0	0	2
H.influenzae type b septicaemia*	3	1	4	6	4	2	3	1	2	4
H.influenzae type b infection (NOS)*	4	8	3	2	1	3	5	5	0	1
Hepatitis A*	958	1426	927	421	201	197	149	124	137	83
Hepatitis B (total)*	3507	3169	2957	3514	3974	4560	3548	2845	2813	2763
Hepatitis B: newly acquire*	43	53	58	77	100	94	88	74	53	56
Hepatitis B: other*	3464	3116	2899	3437	3874	4466	3460	2771	2760	2707
Hepatitis C (total)*	7001	6928	7211	8605	8298	8682	6699	5252	4927	4452
Hepatitis C: newly acquire*	18	19	112	112	222	295	153	127	60	41
Hepatitis C: other*	6983	6909	7099	8493	8076	8387	6546	5125	4867	4411
Hepatitis D*	9	11	3	14	12	11	9	12	14	15
Hepatitis E*	3	6	4	7	9	6	6	6	8	7
HIV infection*	447	421	403	377	353	339	394	414	407	388
Haemolytic uraemic syndrome not notifiable until December 1996		3	6	11	9	2	7	5	9	11
Influenza (total)* not notifiable until December 2000						244	1012	861	1012	1414
Influenza-Type A* not notifiable until December 2000						216	770	767	797	1055
Influenza-Type B* not notifiable until December 2000						27	241	55	162	281
Influenza-Type AB* not notifiable until December 2003									26	64
Influenza-Type (NOS)* not notifiable until December 2000						1	1	39	27	14
Legionnaires' disease (total)*	74	33	46	40	41	68	44	60	80	89
Legionnaires' disease – L longbeachae*	30	9	19	11	12	29	21	37	27	24
Legionnaires' disease – L pneumophila*	34	18	22	22	26	38	22	23	51	64
Legionnaires' disease – other*	10	6	5	7	3	1	1	0	2	1
Leprosy	2	0	0	1	2	4	0	2	5	1

Conditions	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Leptospirosis*	33	33	50	56	54	66	39	39	40	35
Listeriosis*	22	23	28	22	18	12	11	28	30	25
Malaria*	203	173	158	174	232	157	105	120	101	204
Measles (total)	191	273	119	32	36	31	8	18	12	5
Measles Lab Confirm*	35	98	19	13	22	18	6	14	11	4
Measles (Other)	156	175	100	19	14	13	2	4	1	1
Meningococcal disease (invasive) (total)	161	219	186	221	253	234	216	202	149	141
Meningococcal disease – type B*	36	54	55	95	93	90	105	100	81	73
Meningococcal disease – type C*	35	55	55	60	64	38	54	45	24	15
Meningococcal disease – type W135*	0	2	4	4	4	2	2	2	5	8
Meningococcal disease – type Y*	1	0	7	1	7	2	2	5	3	3
Meningococcal disease -other	89	108	65	61	85	102	53	50	36	42
Mumps*	27	29	39	33	92	28	29	35	65	111
Paratyphoid* ##	15	5	9	5	14	11	13	22	10	##
Pertussis	1156	4246	2309	1415	3688	4438	2012	2771	3566	5801
Pneumococcal disease (invasive)* not notifiable until December 2000						444	861	801	905	643
Psittacosis* not notifiable until December 2000						38	155	87	81	121
Q fever*	287	258	236	164	132	144	309	288	223	142
Rubella (total)*	636	153	78	46	191	58	35	24	18	10
Rubella*	631	153	78	45	191	58	35	23	17	10
Rubella (Congenital)*	5	0	0	1	0	0	0	1	1	0
Salmonellosis*	1224	1698	1812	1438	1397	1643	2100	1838	2134	2179
Shigellosis* not notifiable until December 2000						134	85	59	96	135
Syphilis (total)	662	512	612	586	581	545	647	841	1042	845
Syphilis (infectious)* +	72	57	45	87	81	67	128	245	302	242
Syphilis congenital	4	3	1	3	3	3	3	7	0	8
Syphilis other*	586	452	566	496	497	475	516	589	740	595
Tetanus	1	3	3	1	2	0	0	1	0	1
Tuberculosis*	410	422	382	483	449	416	447	386	431	453
Typhoid*	30	28	18	32	28	32	26	16	39	28
Verotoxigenic Escherichia coli infections* not notifiable until December 1996	0	2	0	1	1	6	3	5	16	

\# year of onset = the earlier of patient reported onset date, specimen date or date of notification

* laboratory-confirmed cases only   NOS = Not otherwise specified

\+ includes Syphilis primary, Syphilis secondary, Syphilis < 1 yr duration and Syphilis newly acquired

No case of the following diseases have been notified since 1991 :

Diphtheria*, Granuloma inguinale*, Lymphogranuloma venereum*, Plague*,

Poliomyelitis*, Rabies, Typhus*, Viral haemorrhagic fever, Yellow fever

\## From 2005, all paratyphoid recorded as salmonellosis

Appendix 24

Public health outcome funding agreement and immunisation agreements

Health Services	[1] HIV/AIDS 2005/06 $000's	[1] HIV/AIDS 2004/05 $000's	[2] Women's Health 2005/06 $000's	[2] Women's Health 2004/05 $000's	[3] Alternative Birthing 2005/06 $000's	[3] Alternative Birthing 2004/05 $000's	[4] Female Genital Mutilation 2005/06 $000's	[4] Female Genital Mutilation 2004/05 $000's	[5] Family Planning 2005/06 $000's	[5] Family Planning 2004/05 $000's	[6] Cervical Cancer 2005/06 $000's	[6] Cervical Cancer 2004/05 $000's	[7] Breast Cancer 2005/06 $000's	[7] Breast Cancer 2004/05 $000's	[8] National Drug Strategy 2005/06 $000's	[8] National Drug Strategy 2004/05 $000's	[9] National Immunisation Program 2005/06 $000's	[9] National Immunisation Program 2004/05 $000's	Grand Total 2005/06 $000's	Grand Total 2004/05 $000's
Sydney South West	3,857	3,730	904	888	0	0	0	0	5,226	5,086	0	40	0	3,224	753	768	0	0	10,740	13,736
South Eastern Sydney & Illawarra	4,373	4,229	619	608	202	136	0	0			0	63	0	3,149	1,209	950	0	0	6,403	9,135
Sydney West	1,868	1,806	666	654	0	0	250	200			0	1,661	0	8,795	362	352	0	0	3,145	13,468
Northern Sydney & Central Coast	1,283	1,241	352	346	0	25	0	0			0	24	0	3,789	566	541	0	0	2,201	5,966
Hunter & New England	711	688	204	200	0	0	0	0			0	56	0	4,220	66	66	0	0	981	5,230
North Coast	818	791	489	480	202	136	0	0			0	80	0	2,633	156	146	0	0	1,664	4,266
Greater Southern	187	181	325	319	396	251	0	0			0	115	0	1,551	0	0	0	0	908	2,417
Greater Western	268	259	409	402	0	0	0	0			0	146	0	1,790	266	256	0	0	943	2,853
Justice Health	348	337	7	0	0	0	0	0			0	0	0	0	711	701	0	0	1,066	1,038
Total – AHS's/ Justice Health	13,714	13,331	3,973	3,897	800	548	250	200	5,226		0	2,185	0	29,151	4,089	3,780	0	0	28,052	53,092
Total – NGO	13,346	12,973	1,382	1,358	320	0	0	0			0	0	0	0	5,025	6,120	0	0	20,073	20,451
Total – Other	0	0	1,411	1,386	0	189	0	16			2,186	1,660	32,577	814	7,415	6,203	42,835	75,273	86,424	85,541
GRAND TOTAL	27,060	26,304	6,766	6,641	1,120	737	250	216	5,226	5,086	2,186	3,845	32,577	29,965	16,529	16,103	42,835	75,273	134,549	164,170

Note: Figures above do not include the use of rollovers from 2004/05

[1] The amounts reported under PHOFA represent only the extent of previous cost sharing arrangements with the Commonwealth. Actual AIDs allocations for 2005/06 approximated $96M

[2] The Women's Health allocation includes an estimate of Health Service contributions which includes an escalation of 2.78% for 2005/06, consistent with the level of escalation provided by Treasury

[3] Program fully funded by Commonwealth

[4] Program fully funded by Commonwealth. Statewide service administered through Sydney West AHS

[5] Statewide service administered through Sydney South West AHS

[6] & [7] With effect from 1 July 2005 funding is provided to the Cancer Institute NSW which administers the Breast & Cervical Screening Programs, an amount of $1.630 million was transferred from Cervical Cancer Screening to Breast Cancer Screening both in 2005/06 and on annual basis thereafter.

[8] Funds were utilised to administer Drug, Alcohol & Tobacco Programs

[9] Commonwealth funding is for purchase of vaccines on the National Health and Medical Research Council Immunisation Schedule (NHMRC). The large value experienced in 2004/05 related to the effect of the Meningococcal C ($15.7 million) & the Over 65 Pneumococcal Catch-up ($18.4 million) Programs as one off values which were provided for 2004/05 only

Three year comparison of key items of expenditure

Employee Related Expenses	2006 $000	2006 % Total Expense	2005 $000	2005 % Total Expense	2004 $000	2004 % Total Expense	Increase/decrease (%) compared to previous yr 2006	Increase/decrease (%) compared to previous yr 2005
Salaries and Wages	5,482,770	48.69	4,990,511	48.12	4,655,516	48.06	9.86	7.20
Long Service Leave	198,598	1.76	205,981	1.99	166,685	1.72	-3.58	23.58
Annual Leave	550,719	4.89	508,435	4.90	445,718	4.60	8.32	14.07
Workers Comp. Insurance	156,932	1.39	157,004	1.51	157,314	1.62	-0.05	-0.20
Superannuation	557,194	4.95	518,915	5.00	468,097	4.83	7.38	10.86
Sub Total	6,946,213	61.69	6,380,846	61.53	5,893,330	60.84	8.86	8.27
Other Operating Expenses								
Food Supplies	80,999	0.72	74,592	0.72	76,430	0.79	8.59	-2.40
Drug Supplies	393,738	3.50	361,088	3.48	332,963	3.44	9.04	8.45
Medical and Surgical Supplies	524,128	4.65	480,459	4.63	433,294	4.47	9.09	10.89
Special Service Departments	189,999	1.69	199,716	1.93	173,080	1.79	-4.87	15.39
Fuel, Light and Power	72,482	0.64	63,735	0.61	61,134	0.63	13.72	4.25
Domestic Charges	101,777	0.90	94,402	0.91	92,182	0.95	7.81	2.41
Other Sundry/General								
Operating Expenses *	1,041,812	9.25	1,037,515	10.00	978,117	10.10	0.41	6.07
Visiting Medical Officers	441,393	3.92	401,917	3.88	380,584	3.93	9.82	5.61
Maintenance	282,038	2.50	259,977	2.51	261,952	2.70	8.49	-0.75
Depreciation	411,447	3.65	388,612	3.75	370,994	3.83	5.88	4.75
Grants and Subsidies								
Payments to Third Schedule and other Contracted Hospitals	500,607	4.45	429,865	4.15	460,768	5.40	16.46	-6.71
Other Grant Payments	268,118	2.38	191,231	1.84	161,659	1.67	40.21	18.29
Finance Costs	4,890	0.04	6,241	0.06	10,040	0.10	-21.65	-37.84
TOTAL EXPENSES	11,259,641		10,370,196		9,686,527		8.58	7.06

* Includes Cross Border Charges, Insurance, Rental Expenses, Postal Expenses, Rates and Charges and Motor Vehicle Expenses

Appendix 26

Capital works and asset management

The Department of Health's Asset and Contract Services Branch provides leadership in asset management and procurement policy development. It manages the Asset Acquisition Program across the health system, and directs specific asset and procurement projects to support the efficient delivery of health services.

Major Asset and Contract Services Branch achievements for the year include:

- Full expenditure of the 2005/06 Asset Acquisition Program.
- The Major Projects Office established to centrally manage the delivery of high value capital projects over $10 million.
- HealthSupport established as an entity of the Health Administration Corporation to manage Corporate and Shared Business Services across the NSW Health system.
- Planning approval obtained for the Bathurst Campus Redevelopment and Forensic Hospital at Long Bay under the new Part 3A provisions of the EP&A Act. Applications for a further eight projects are currently being considered by the Department of Planning.
- An asset audit commenced of all key sites measuring condition, compliance and functionality to create consistent base data for Statewide Asset Strategic Planning.
- The Strategic Procurement Office and Procurement Advisory Service was established. Progressed the application of the Government eProcurement policy through implementing eTenders across NSW Health.
- Continued to develop the eMarketplace and the State Build of the Financial Management Information System (FMIS).
- Financial closure for the Newcastle Mater PPP project was achieved. Contract signed for the Forensic and Prison Hospital at Long Bay. Approval was given for the Orange Hospital to proceed as a PPP and the Expression of Interest was released.

NSW Health Land Disposals

The total number of properties disposed of during 2005/06 was 11 and their gross sales proceeds totalled $7.32 million.

All properties disposed of in 2005/06 were sold in accordance with government policy. There were no properties which had a value of more than $5,000,000 disposed of by means other than public auction or tender.

There were no family connections or business associations between the people that acquired the properties and the people responsible for approving the disposal of the properties.

All properties disposed of were no longer suitable or required for health purposes and the proceeds were mainly used for replacement health facilities.

An application for access to documents concerning details of properties disposed of during the reporting year may be made in accordance with the *Freedom of Information Act 1989*.

NSW Health Heritage Management

During 2005/06 the Department continued to work with the Department of Commerce on its revision of the NSW Health Heritage Asset Management Manual to make it more focussed on the heritage management responsibilities of the Area Health Services and to incorporate the new Heritage Asset Management Guidelines issued by the NSW Heritage Council in January 2005.

During 2005/06 the Department and Area Health Services also commenced preparation of their respective Heritage Asset Management Strategies in accordance with the revised Heritage Asset Management Guidelines.

Asset and Contract Management major priorities 2006/07

- Full expenditure of the 2006/07 Asset Acquisition Program of $633.1 million.
- Seek endorsement of approval of the forward Capital Strategic Investment Plan 2007/08 to 2016/17.
- Contractually commit to approximately $1.2 billion worth of new infrastructure projects.
- Progress strategic sourcing for NSW Health targeting $20 million in savings across motor vehicle, pharmaceuticals, travel and food.
- Manage the transition of existing linen and food services from host Area Health Services into single businesses managed by HealthSupport.
- Manage the development of Area Asset Strategic Plans through the implementation of a standard web-based planning model.
- Complete the implementation of the eMarketplace solution for procurement across the NSW Health system.
- Continue to identify major infrastructure projects suitable for delivery as Public Private Partnerships.
- Work with the Centre for Health Assets Australasia and other national jurisdictions to launch the Australasian Health Facility Guidelines.

The following table outlining capital works completed during 2005/06 represents NSW Health's assets acquisitions for the year. NSW Health's major assets are listed under the profiles of each Area Health Service, pages 280–284.

Capital works completed during 2005/06

Project	Total cost $M	Completion Date
Ambulance Service		
Paddington Ambulance Station	2.6	Jun 06
Campbelltown Ambulance Station	1.5	Jan 06
Fleet Replacement	9.1	Jun 06
Vehicle Refurbishment	0.9	Jun 06
Building and Equipment	0.8	Jun 06
Patient Transport	0.6	Jun 06
Infrastructure Stage 2	3.5	Jun 06
Gunnedah Ambulance Station	0.7	Jun 06
Children's Hospital Westmead		
Operating Theatre Fitout	0.6	Mar 06
Children's Research Facility	19.7	Sep 05
CT Scanner Replacement	1.8	Sep 05
Greater Southern AHS		
Finley Hospital Refurbish Doctor's Rooms and Community Health Facility	0.7	Nov 05
Patient Administration System Unique Patient Identifier	0.9	Jun 06
Energy Performance Contract	0.9	Jun 06
Albury Hospital – Upgrade Nolan House	1.0	May 06
Wagga Wagga Base Hospital – Medical Imaging Euipment	2.0	Dec 05
Wagga Wagga Base Hospital Emergency Department Interim Works	0.5	Jun 06
Wagga Wagga Base Hospital Endoscopic Camara System	0.5	Apr 06
Batemans Bay Emergency Department	2.6	Mar 06
Replace Anaesthetic Monitoring Units	0.5	Jun 06
Greater Western AHS		
Menindee Primary Health Service	2.4	Feb 06
Dubbo Base Hospital Methadone Unit	0.6	Oct 05
Bloomfield Hospital – Pine Lodge Supported/Day Bed Unit	0.6	May 06
Walgett Aboriginal Medical Service	1.1	Apr 06
Patient Administration System Unique Patient Identifier	0.9	Jun 06
Ultrasound Equipment Stage 1	0.9	Jun 06
Hunter New England AHS		
Armidale Hospital Intensive Care Unit	0.8	Dec 05
John Hunter Carpark	2.0	Mar 06
John Hunter Fluoroscopy Equipment	0.6	Jun 06
Newcastle Mater Minor Radiotherapy equipment	0.5	Jun 06
Justice Health Service		
Patient Administration System Unique Patient Identifier	1.3	Jun 06

Project	Total cost $M	Completion Date
North Coast AHS		
Lismore Base Hospital Additional Beds	1.5	Mar 06
South West Rocks Community Health Centre	1.1	Jan 06
Port Macquarie ICU Monitoring Equipment	0.7	Jun 06
Northern Sydney Central Coast AHS		
Royal North Shore Hospital Burns Unit Upgrade	0.5	Jun 06
Gosford Hospital Stage 1 New Acute Services Building	90.0	Oct 05
Gosford Hospital Stage 2 Clinical Information	1.5	Apr 06
Royal North Shore Building Facade Stage 2	2.5	Jan 06
Northern Beaches Hospital Site Acquisition DADHC Site	3.0	Jun 06
Royal North Shore CT Replacement	1.8	Jun 06
South Eastern Sydney Illawarra AHS		
Prince of Wales Hospital Parkes Building Refurbishment Stage 1	4.2	Jun 06
Sutherland Hospital Carpark	1.7	Jun 06
St George Hospital Psychiatric Emergency Care Unit	1.0	Apr 06
St George Hospital Ambulatory Aged Care Unit	2.0	Jun 06
Sydney Children's Hospital Haemotology Oncology Day Unit	1.4	Jun 06
Wollongong Hospital Kitchen Redevelopment	1.0	Mar 06
St George Hospital Replace Linear Accelerator	2.6	Jun 06
Prince of Wales Hospital Replace Linear Accelerator	3.1	Jun 06
St George Hospital Replace Theatre Equipment	1.0	Jun 06
Prince of Wales Hospital Replace MRI	2.6	Apr 06
Sydney Children's Hospital New MRI	2.2	Apr 06
Wollongong Hospital Linear Simulator	1.7	Jun 06
Wollongong/Shoalhaven Hospitals ST Scanners	2.2	Jun 06
St George Hospital Chiller Replacement	0.9	Jun 06
Sydney Hospital Clinical Equipment	0.7	Jun 06
Prince of Wales Hospital Echo Cardiography	0.5	Jun 06
St George Hospital Upgrade Nurse Call Equipment	1.0	Jun 06
St George Hospital Replace Gamma Camera	0.9	Jun 06
Prince of Wales Hospital Lithtripter Replacement	0.6	Jun 06

Project	Total cost $M	Completion Date
Sydney South West AHS		
Liverpool Mental Health Facility	32.5	Jan 06
Royal Prince Alfred Hospital Replace Linear Accelerator	2.4	Jun 06
Campbelltown Non-acute Mental Health inpatient Unit	6.2	Feb 06
Central Sydney RTP Concord Multi Block	64.1	Jun 06
Macarthur Sector Strategy	112.2	Jan 06
Liverpool Emergency Department	9.1	Jun 06
Campbelltown Hospital Non Acute Mental Inpatient Unit	6.2	Jun 06
Concord Hospital Clinical Hub Facility	1.4	Jun 06
Bowral Hospital Asbestos Removal	1.0	Jun 06
Concord Hospital Ultrasound Accommodation	0.6	Jun 06
Liverpool Hospital Alex Grimson Ward	0.7	Jun 06
Liverpool Hospital PET CT Scanner	1.7	Jun 06
Concord Hospital 16 Slice CT Scanner	1.7	Jun 06
Liverpool Hospital CT Scanner Replacement	2.0	Jun 06
Supplementary Capital Equipment	1.5	Jun 06
Royal Prince Alfred Hospital Replace PET CT Scanner	3.9	Jun 06
Liverpool Hospital Gamma Camera	0.9	Jun 06
Royal Prince Alfred Hospital Replace Linear Accelerator	1.8	Jun 06
Royal Prince Alfred Hospital New Linear Accelerator	2.4	Jun 06
Macarthur/Liverpool CTC Linear Accelerators	6.3	Jun 06

Project	Total cost $M	Completion Date
Sydney West AHS		
Westmead Thin Client Upgrade	0.5	Jun 06
Westmead Hospital APC – New Endoscopes	0.8	Oct 05
Westmead Transitional Living Unit	1.6	Apr 06
Parramatta Linen Service Continuous Batch Washer and Press	1.8	Jun 06
Parramatta Linen Service Ironing Systems Replacement	1.4	Jun 06
Jeffrey House Refurbishment	25.1	Apr 06
Blue Mountains Hospital Redevelopment	12.9	Jun 06
Broken Hill Fluoroscopy Unit	0.6	Jun 06
Westmead Linear Accelerator	3.0	Jun 06
Nepean Hospital Acute Mental Health Inpatient Beds	0.5	Sep 05
Parramatte Linen Service Linen Replacement	3.1	Jun 06
Parramatta Linen Service Ward Trolley Service	1.3	Jun 06
Westmead ITD CER Rollout	1.3	Jun 06
Westmead ITD WAN Upgrade	3.9	Jun 06
Westmead Thin Client Upgrade	0.5	Jun 06
Patient Administration System Unique Patient Identifier	0.5	Jun 06
NSW Health/Statewide Programmes		
NSW Radiotherapy IS Project	1.7	Jun 06
Counter Terrorism – Population Health	0.7	Jun 06
NSW Health EMR Software	9.2	Jun 06
IM&T Strategy Stage 5	9.9	Jun 06
Health Planning Management Library	0.5	Jun 06
TOTAL ESTIMATED COST WORKS COMPLETED	**536.4**	

Note: Includes projects only with an Estimated Total Cost over $0.5M

Risk management and insurance activities

Risk Management and Insurance Activities

The major risks in NSW Health are workers compensation, public liability (including medical indemnity for employees) and medical indemnity provided through the Visiting Medical Officer (VMO) and Honorary Medical Officer (HMO) – Public Patient Indemnity Scheme.

The following tables detail Frequency and Total Claims Cost dissected into Occupation Groups and Mechanism of Injury Group for the three financial years 2003/04 to 2005/06. An analysis follows the tables.

Workers compensation – Frequency and total claims cost

| | 2005/06 | | | | 2004/05 | | | | 2003/04 | | | |
| | Frequency | | Claims cost | | Frequency | | Claims cost | | Frequency | | Claims cost | |
Occupation group	No.	%	$M	%	No.	%	$M	%	No.	%	$M	%
Nurses	2,651	37	19.8	46	3,109	43	19.7	43	3,716	51	22.1	52
Hotel services	1,362	19	7.3	17	1,446	20	9.2	20	1,166	16	6.4	15
Medical/medical support	860	12	5.2	12	868	12	6.0	13	656	9	4.3	10
General administration	502	7	2.6	6	795	11	5.5	12	729	10	4.3	10
Ambulance	573	8	3.0	7	651	9	3.2	7	656	9	3.0	7
Maintenance	215	3	1.7	4	217	3	1.4	3	219	3	0.9	2
Linen Services	143	2	0.4	1	145	2	0.9	2	146	2	1.7	4
Not grouped	860	12	3.0	7								
TOTAL	7,166	100	43.1	100	7,230	100	45.8	100	7,287	100	42.5	100
Mechanism of injury group												
Body stress	2,866	40	19.8	46	2,964	41	21.1	46	2,988	41	20.4	48
Slips and falls	1,075	15	7.3	17	1,157	16	6.4	14	1,093	15	6.8	16
Stress	430	6	5.6	13	506	7	7.8	17	510	7	6.8	16
Hit by objects	1,075	15	3.9	9	1,301	18	5.0	11	874	12	4.3	10
Motor vehicle	502	7	2.6	6			2.3	5			1.7	4
Other causes	1,218	17	3.9	9	1,301	18	3.2	7	1,822	25	2.6	6
TOTAL	7,166	100	43.1	100	7,230	100	45.8	100	7,287	100	42.5	100

Analysis

	2005/06	2004/05	2003/04
Number of employees FTE	92,110	90,168	85,819
Salaries and wages $M	6,862	6,496	6,020
Number of claims per 100 FTE	7.78	8.02	8.49
Average claims cost	$6,014.51	$6,334.72	$5,832.30
Cost of claims per FTE	$467.92	$507.94	$495.23
Cost of claims as percentage (%) S and W	0.63	0.71	0.71
Average cost of:			
Nurses	$7,478.69	$6,334.51	$5,947.26
Hotel services	$5,379.59	$6,334.72	$5,467.41
Medical/medical support	$6,013.95	$6,859.45	$6,478.66
Body stress	$6,916.69	$7,107.24	$6,828.06
Slips and falls	$6,816.45	$5,542.88	$6,221.12
Stress	$13,031.44	$15,384.31	$13,330.98

Legal Liability

This covers actions of employees, health services and incidents involving members of the public. Legal liability is a long-term type of insurance. Data covering a 17 year period from 1 July 1989 as at 30 June 2006 for the period 1 July 1989 to 31 December 2001 and from 1 January 2002 is presented below:

The data has been separated as was required to be collected in a different format from 1 January 2002 with the introduction of the *Health Care Liability Act 2001*.

Statistics as at 30 June 2006 reveal that legal liability costs are dissected as follows:

■ 1 July 1989 to 31 December 2001 (as at 30 June 2006) – Treatment Non-Surgical 58 per cent (40 per cent), Treatment Surgical 26 per cent (31 per cent), Hepatitis C 2 per cent (4 per cent), Slipping and Falling 3 per cent (7 per cent), and Other 11 per cent (9 per cent).

■ 1 January 2002 to 30 June 2006 – Anaesthetic 1 per cent (2 per cent), Antenatal Neonatal 19 per cent (16 per cent), Consent 1 per cent (2 per cent), Diagnosis 32 per cent (38 per cent), Infection Control 3 per cent (4 per cent), Non Procedural Surgical 7 per cent (7 per cent), Procedural Surgical 7 per cent (8 per cent), Slips/Trips 2 per cent (3 per cent), Treatment Failure 15 per cent (15 per cent), Unspecified 11 per cent (3 per cent), and Other 3 per cent (2 per cent).

Visiting Medical Officer (VMO) and Honorary Medical Officer (HMO) – Public Patient Indemnity Cover

In December 2001 the NSW Government advised that from 1 January 2002 it would provide coverage through the NSW Treasury Managed Fund for all VMOs/HMOs treating public patients in public hospitals provided that they each signed a Service Agreement with their Public Health Organisation and also signed a Contract of Liability Coverage. In accepting this coverage, VMOs/HMOs agreed to a number of risk management principles that would assist with the reduction of incidents in NSW Public Hospitals.

For the period ending 30 June 2006 some 1,890 (1,654) incidents had been notified thus allowing early management as applicable. Of these incidents 141(71) had converted to claims.

Retrospective Cover for VMOs/HMOs for incidents prior to 1 January 2002

With the announcement of the VMO/HMO Public Patient Indemnity Cover, the NSW Government also announced that it would provide coverage for all unreported claims from VMOs/HMOs from treating public patients in public hospitals from incidents up to and including 31 December 2001.

This initiative was introduced to lessen financial demands for the Medical Defence Organisations in the setting of premiums. As at 30 June 2006 the Department had granted indemnity in respect of 318(270) cases.

Specialist Sessional VMOs – Obstetricians and Gynaecologists

The Indemnity Scheme introduced by the Department in February 1999 for Specialist Sessional VMOs – Obstetricians and Gynaecologists seeing public patients in public hospitals has been incorporated with the VMO/HMO Public Patient Indemnity Cover.

Property

Whilst property is not a significant risk, statistics as at 30 June 2006 on Property Claims since 1 July 1989 identify 7866 (7,281) claims at a cost of $69.8 million ($56.3 million). Claims costs are Storm and Water damage 30 per cent (34 per cent), Fire/Arson 24 per cent (29 per cent), Theft/Burglary 11 per cent (13 per cent), Accidental Damage 6 per cent (7 per cent), Fusion/Electrical Faults 10 per cent (11 per cent) Earthquake 14 per cent (na) and Other 5 per cent (6 per cent).

Claims excesses

Claims excesses apply to Liability and Property Claims and equate to 50 per cent of the cost of the claim capped at $10,000 and $6,000 respectively. These financial excesses are to encourage local risk management practices.

NSW Treasury Managed Fund

Risks are covered by the NSW Treasury Managed Fund (which is a self insurance arrangement of the NSW Government) and of which the Department is a member. The Department is provided with funding via a benchmark process and pays deposit premiums for workers compensation, motor vehicle, liability, property and miscellaneous lines of business. The workers compensation and motor vehicle deposit premiums are adjusted through a hindsight calculation process after five years and 18 months respectively.

Hindsights declared and adjusted during 2005/06 were for:

■ Motor Vehicle – 2003/04 – deficit $0.1 million.

■ Workers Compensation – 1999/00 Final five years and 2001/02 Interim three years were declared and adjusted in 2005/06 with the Department receiving surpluses of $16.2 million and $22.1 million respectively, a total surplus of $38.3 million.

Financial responsibility for workers compensation and motor vehicle was devolved to the Health Services from day one while liability, property and miscellaneous are held centrally as master managed funds.

The cost of insurance in 2005/06 for NSW Health is identified under Premium. Benchmarks are the budget allocation.

	Premium $M	Benchmark $M	Variation $M
Workers Compensation	160.5	179.4	18.8
Motor Vehicle	8.5	8.1	<0.4>
Property	6.6	6.2	<0.4>
Liability	142.2	140.7	<1.4>
Miscellaneous	0.2	0.2	<0.0>
Total TMF	318.0	334.6	16.6
VMO	55.2	55.2	0
Total	373.2	389.8	16.6
2004/05	397.5	409.2	13.5

Benchmarks (other than VMOs) are funded by Treasury. Workers' compensation and motor vehicle are actuarially determined and premiums include an experience factor. Premiums for property, liability and miscellaneous are determined and benchmarks (standard is 95 per cent) are calculated by relativity of large and small claims. VMO cover is fully funded by NSW Health.

Motor vehicle and property premiums are both greater than benchmark and improvement is expected. The level of Property funding reflects the need for more effective risk management to reduce the smaller claims.

Risk Management Initiatives

NSW Health has a number of new and ongoing initiatives to reduce risks as outlined below:

■ A Security Improvement Assessment Tool and detailed supporting guidelines was developed and provided to all Health Services to assist Health Services assess their compliance with security risk management policy requirements outlined in the NSW Health Security Manual and drive continuous improvement.

■ Release of the NSW Health Workplace Health and Safety Policy and Better Practice Guide

■ Ongoing commitment to and participation in the whole of Government OHS and Injury Management Improvement Strategy.

■ Ongoing participation in the NSW WorkCover Occupational Stress Management Steering Group to develop prevention and intervention strategies for occupational stress in the health and community services sector.

■ Ongoing development and support of the NSW Health OHS audit tool, the OHS Profile.

■ Current review and update of the NSW Health policy and guidelines for the management of presentations, workshops and networking.

■ Continued promotion of the 'Clinicians Toolkit for Improving Patient Care' which is directed at Visiting Medical Officers and other clinicians.

■ A Clinical Risk Management Program (CRM) was piloted that sought to identify practice improvement opportunities in small rural NSW Hospitals serviced by VMO GPs where currently such systems do not exist. On evaluation the pilot proved successful and is to be rolled out statewide.

■ The deployment in May 2005 of an extensive information collection and management process that records all incidents on an electronic system (Incident Information Management System – IIMS). The process encompasses clinical and corporate incidents and is guided by the Incident Management policy that ensures a consistent, systematic and coordinated approach to the management of these incidents.

■ The ongoing development of the Visiting Medical Officers Incident Reporting System (VMOIRS) (an early incident reporting system that allows VMOs to report any incident that may trigger a medical liability claim).

■ Establishment of a new Branch in the Department – the Corporate Governance and Risk Management Branch – to provide a centre of expertise and a focal point for risk management across NSW Health.

■ Establishment of a Steering Group and Working Party to develop a risk management policy statement and risk management work plan for implementation across NSW Health.

■ Ongoing support and refinement of an extensive information collection and management process that records all incidents on an electronic system (Incident Information Management System IIMS). The process encompasses clinical and corporate incidents and is guided by a reissued Incident Management policy that ensures a consistent, systematic and coordinated approach to the management of these incidents.

■ Release of the Patient Safety and Clinical Quality Program and Implementation Plan which provides a framework for significant improvements to clinical quality in NSW Health.

■ Revision and reissue of policy and guidelines for the management of and principles for action in respect to complaints or concerns about clinicians.

■ Release of new policies on the handling of allegations, charges and convictions against employees.

■ Release of a Workplace Camera Surveillance document to assist public health organisations effectively use workplace camera surveillance as part of their security risk management program.

■ Release of an OH&S document on the management of obese patients.

■ Revision of guidelines on safe use of hazardous substances and dangerous goods

Suncorp Risk Services (SRS) – NSW Health Engagement

In July 2005 Suncorp Risk Services were appointed to provide strategic level risk management services on behalf of the NSW Self-Insurance Corporation (SICorp) for NSW Treasury Managed Fund (TMF) members. These services are directed at improving the risk management performance of TMF agencies and where appropriate, the approach across NSW government, to ultimately improve risk management performance and reduce loss.

As part of this arrangement, Suncorp Risk Services have been working in a strategic partnership with the NSW Health Corporate Governance and Risk Management Branch. The partnership is aimed at improving the consistency and transparency of risk management across NSW Health.

SRS have recently been endorsed to undertake a facilitated self-assessment of risk management practices across eleven Public Health Organisations (PHO) of NSW Health. In doing so, they will provide benchmark risk management process performance indicators and improvement recommendations for each PHO and the NSW Health Corporate Governance and Risk Management Branch.

The process will utilise the Suncorp Risk Management Framework and Self-Assessment Tool to ensure consistency of approach and results. It will draw on the expertise of the Suncorp RST across NSW Health, as well as expertise in the application of resources such as Australian Standard AS4360: 2004 and TMF guide to Risk Management – The RCCC approach.

In addition to the above proposal, SRS have been working extensively with the executive team of Sydney West Area Health Service. Their charter has been to develop and implement a robust and sustainable risk management framework incorporating the strategic initiatives of the AHS with the rigour and process requirements of risk management. The NSW Health specific learning from this project is also contributing to the continual improvement of future risk management projects across NSW Health.

Appendix 28

Accounts age analysis

Accounts receivable ageing for the Department of Health as at 30 June 2006

Category	2005/06 $000	%	2004/05 $000	%
< 30 Days	32,559	74	19,011	69
30/60 Days	7,215	16	584	2
60/90 Days	547	1	84	1
> 90 Days	3,948	9	7,940	28
TOTAL	44,269		27,619	

In 2005/06 the significant receivable balance in over 90 days is represented by $999,000 for AusHealth as interest payable to the Department but not yet realised in terms of agreement. The amount further includes $629,000 for Department of Veterans' Affairs revenue payable to the Department.

In 2004/05 the significant receivable balance in over 90 days is represented by $892,000 for Department of Veterans' Affairs revenue payable to the Department.

Accounts payable ageing for the Department of Health as at 30 June 2006

Quarter	Current (ie within due date) $000	Less than 30 days overdue $000	Between 30 and 60 days overdue $000	Between 60 and 90 days overdue $000	More than 90 days overdue $000
September	55,263	14	0	0	0
December	99,678	0	0	0	0
March	66,573	14	6	2	4
June	99,433	28	10	3	5

Quarter	Total accounts paid on time %	Total amount paid $000	$000
September 2005	98.7	2,635,356	2,670,067
December 2005	99.5	2,510,172	2,522,786
March 2006	99.4	2,430,114	2,444,783
June 2006	98.8	2,822,855	2,857,141

Appendix 29

Credit card certifications

It is affirmed that for the 2005/06 financial year credit card use within the Department was in accordance with Premier's Memoranda and Treasurer's Directions.

Credit card use

Credit card use within the Department of Health is largely limited to:

- the reimbursement of travel and subsistence expense
- the purchase of books and publications
- seminar and conference deposits
- official business use whilst engaged in overseas travel.

Documenting credit card use

The following measures are used to monitor the use of credit cards within the Department:

- the Department's credit card policy is documented
- reports on the appropriateness of credit card usage are periodically lodged for management consideration
- six-monthly reports are submitted to Treasury, certifying that the Department's credit card use is within the guidelines issued.

Procurement cards

The Department has also encouraged the use of procurement cards across all areas of NSW Health consistent with the targets established under the Health Supply Chain Reform Strategy and in keeping with the Smarter Buying for Government initiatives of the NSW Government Procurement Council.

The use of the cards benefits all Health Services through the reduction of purchase orders generated, the number of invoices received, the number of cheques processed as well as reducing delays in goods delivery.

The controls applied to credit cards are also applicable and applied to the use of procurement cards.

Research and development infrastructure grants

The Department of Health administered two Grants Programs in 2005/06 that provided support for the infrastructure of research and development organisations in NSW. Both programs provided funds to organisations for three years (ending on 30 June 2006) on a competitive basis.

The Research and Development Infrastructure Grants Program consisted of two funding streams. Stream 1 funding was allocated to large research institutes with 40 or more full time research staff. Stream 2 funding was allocated to medium sized research organisations with 20 or more full time research staff.

The specific objectives of the Research and Development Infrastructure Grants Program were to:

■ provide infrastructure funding on a fair and equitable basis for outstanding statewide research organisations

■ align this funding with NSW health system priorities

■ ensure that research organisations that receive funds comply with accountability requirements

■ promote the dissemination and application of research results.

Future funding rounds for this Program are being administered by the Department of State and Regional Development.

The Research and Development Capacity Building Infrastructure Grants Program supports research in public health, health services and primary health care.

The specific objectives of the Research and Development Capacity Building Infrastructure Grants Program are to:

■ build capacity/critical mass in key areas of public health, primary health care and health services research in NSW.

■ encourage research in these fields that address the health and medical research priorities of NSW Health.

In addition, funding grants were provided to organisations affected by the altered eligibility conditions for the above programs. These organisations were funded but did not meet strictly the conditions of the programs, or they otherwise helped to meet the health and medical research priorities of NSW Health.

Research and Development Infrastructure Grants	Amount $	Purpose
Anzac Health and Medical Research	432,044	Research in Lifestyle and Ageing
Centenary Institute of Cancer Medicine and Cell Biology	1,259,816	Immunology Research into Cancer Infection, Allergy and Auto-Immune Diseases
Children's Cancer Institute	434,118	Research into Childhood Cancer
Children's Medical Research Institute	742,338	Research into Childhood Disease and Disability
Garvan Institute of Medical Research	3,577,917	Research into Cancer, Diabetes, Osteoporosis, Arthritis and Obesity
The Heart Research Institute	532,537	Research into Heart Disease particulary Atheroclerosis
Hunter Medical Research Institute	1,287,844	Research into Areas of Public Health
Kolling Institute of Medical Research	1,124,797	Research into Mechanisms of Cell Growth and Communication with Application on Disease and Cancer
Prince of Wales Medical Research Institute	1,479,691	Research on Brain and Nervous System including Parkinson's and Alzheimer's Diseases
Centre for Vascular Research	646,004	Research into Causation of Treatment of Blockages of Blood Vessels
Centre for Immunology	704,575	Research into Diagnosis and Treatment of Diseases of the Immune System
Westmead Millennium Institute	2,317,232	Research into Genetic, Molecular and Cellular Basis of Virus Infections, The Immune Response and Liver Disease
National Centre in HIV Epidemiology and Clinical Research	464,845	Monitoring of HIV/AIDS and to Conduct Clinical Trials on HIV Therapy
Victor Chang Cardiac Research Institute	1,109,509	Research into the Cause, Diagnosis and Treatment of Cardiovascular Diseases
Woolcock Institute of Medical Research	765,116	Research into Causes, Treatment and Prevention of Respiratory Diseases
Primary Health Institute	100,000	Establishment of General Practice and Primary Health Care Research, Development and Implementation
Australian Rural Health Research Collaboration	500,000	Research on Agriculture and Production Systems Safety, Farm Injury, Farm Population and Rural Health
Centre for Health Information	500,000	Development and Commercialisation of Information Technologies and Processes specific to Health Care Priority Areas
Centre for Infectious Diseases and Microbiology Laboratory Services	500,000	Support Prevention, Surveillance, Epidemiology and Diagnosis of Infectious/Communicable Disease and Parthenogenesis and Treatment of Infectious Diseases
Centre for Health Service Development	500,000	Research into Health Service Delivery and Management
Consortium for Social Policy Research on HIV Hepatitis C and Related Diseases	500,000	Research in Areas of HIV, Hepatitis C and Illicit Drug Use in NSW and to Encourage Collaborative Research and the Formation of Health Public Policy in these fields
Newcastle Institute of Public Health	500,000	Support Public Health and Health Services Research
Save Sight Institute	198,150	Research in Age Related Eye Diseases
Melanoma and Skin Cancer Research Institute	219,272	Research to Prevention and Treatment of Melanoma
Centre for Primary Health Care and Equity	100,000	Support of Health System Development, Prevention and Management of Chronic Disease
	20,495,805	
Additional Grants		
CRC for Asthma	83,333	Support for Asthma Research
Sydney West Area Health Service	250,000	Support and Development of the Westmead Research Hub
The Sax Institute	1,800,000	Research Partnerships in Areas of Population Health, Health Services and Health Policy Research
National Medical and Medical Research Council Trials, Centre	50,000	Support the ASPIRE Trial of low dose aspirin to prevent Thrombosis
Centre for Health Promotions	50,000	Phase out Infrastructure Funding
	2,233,333	

Appendix 31

Non-government organisations funded

Program:

36.1 Ambulatory, Primary and (General) Community Based Services

36.1.1 Primary and Community Based Services

Grant recipient	Amount	Purpose
AIDS		
Aboriginal Health and Medical Research Council of NSW	$285,400	Advice on HIV/AIDS, hepatitis C and sexual health strategies for Aboriginal communities in NSW. Implementation of an HIV/AIDS Aboriginal Health Worker education kit. Development of additional support material for the Diploma of Community Services (Case Management) with a focus on Aboriginal Sexual Health distance learning package. Includes project funding for a harm minimisation officer and a joint Aboriginal sexual health research project with the National Centre in HIV Social Research
Aboriginal Medical Service Co-operative Ltd	$161,000	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities. Statewide distribution of condoms via Aboriginal Community Controlled Health Organisations
AIDS Council of NSW Inc (ACON)	$7,158,829	ACON is the peak statewide community based organisation providing HIV/AIDS prevention, education, and support services to people at risk of and living with HIV /AIDS. Services and programs include: HIV prevention, education and community development programs for gay and other homosexually active men; treatments information, health promotion and support programs for people with HIV/AIDS; education and outreach programs for commercial sex workers through the Sex Workers Outreach Project (SWOP); individual and group counselling; enhanced primary care and GP liaison; and HIV/AIDS information provision
Australian Council on Healthcare Standards (ACHS)	$200,000	Coordination of collection, analysis and reporting of healthcare associated infections data in all NSW public facilities
Australasian Society for HIV Medicine Inc	$567,800	Provision of training for accreditation of general practitioners prescribing HIV treatments under s100 of the *National Health Act* and training, education and support for general practitioners involved in the management of HIV and HCV infection
Awabakal Newcastle Aboriginal Co-op Ltd	$24,376	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Biripi Aboriginal Corporation Medical Centre	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Bourke Aboriginal Health Service Ltd	$67,525	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Bulgarr Ngaru Medical Aboriginal Corporation	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Coomealla Health Aboriginal Corporation	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Daruk Aboriginal Community Controlled Medical Service Co-op Ltd	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Diabetes Australia – NSW	$1,069,800	Provision of free needles and syringes to registrants of the National Diabetic Services Scheme resident in NSW
Durri Aboriginal Corporation Medical Service	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Hepatitis C Council of NSW	$1,004,100	Provision of information, support, referral, education, prevention and advocacy services for all people in NSW affected by hepatitis C. The Council works actively in partnership with other organisations and the affected communities to bring about improvement in the quality of life, information, support and treatment for the affected communities, and to prevent hepatitis C transmission
Katungul Aboriginal Corporation Community and Medical Services	$13,075	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities

Grant recipient	Amount	Purpose
National Centre in HIV Epidemiology Clinical Research	$277,755	Monitoring of prevalence, incidence and risk factors for sexually transmissable infections among gay men in Sydney. Demographic and socio-economic and behavioural risk factors for AIDS in the HAART area. Project funding for the evaluation of the Medically Supervised Injecting Centre trial
National Centre in HIV Social Research	$227,435	Contribution towards the costs of the Sydney Gay Community Periodic Survey, the Positive Health Cohort Study, a number of time limited projects and a NSW HIV/AIDS and hepatitis C Research Coordination project
NSW Users and AIDS Association Inc	$1,244,600	Community based HIV/AIDS and Hepatitis C education, prevention, harm reduction information, referral and support services for illicit drug users
Pharmacy Guild of Australia (NSW Branch)	$1,023,432	Coordination of needle and syringe exchange scheme in retail pharmacies throughout NSW
Pius X Aboriginal Corporation	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
PLWHA (NSW) Inc	$529,300	Statewide community based education, information and referral support services for people living with HIV/AIDS
South Coast Medical Service Aboriginal Corporation	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Tharawal Aboriginal Corporation	$26,150	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Uniting Care NSW/ACT	$2,096,100	Medically Supervised Injecting Centre trial
Walgett Aboriginal Medical Service Co-op Ltd	$80,350	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
Wellington Aboriginal Corporation Health Service	$53,700	Provision of HIV/AIDS, hepatitis C and sexual health education and prevention programs for local Aboriginal communities
TOTAL	**$16,486,627**	
Alternative Birthing		
Durri Aboriginal Corporation Medical Service	$160,000	Provision of outreach ante/postnatal services to Aboriginal women in the Kempsey area
Walgett Aboriginal Medical Service Co-op Ltd	$226,900	Provision of outreach ante/postnatal services to Aboriginal women in the Walgett area
TOTAL	**$386,900**	
Carers		
Association of Genetic Support of Australasia Inc	$100,000	Filling the Void providing practical and emotional support to carers of people with rare genetic disorders where no support is available
Australian Huntington's Disease Association (NSW) Inc	$55,000	Caring for carers program supporting family and carers of people with Huntington's disease
Autism Spectrum Australia	$200,000	Behaviour intervention service, parent carer training programs and support service. Early support and education for parents and carers of newly diagnosed children with autism spectrum disorder
Carers NSW Inc	$323,600	Grant for peak body role including health professional training, biennial conference and carer training
Disability and Aged Information Service Inc	$100,000	Working Carers Support Gateway providing internet based information and support service for low income employed carers
Down Syndrome Association of NSW Inc	$97,600	All the Way program supporting carers of people with Down Syndrome via information and peer support
Multiple Sclerosis Society of NSW	$30,000	MS Family Matters information, education and support program providing tailored information and education workshops and resources to carers and family of people with MS
Muscular Dystrophy Association of NSW	$77,800	Care for carers program providing information and support to carers of people with muscular dystrophy and other neuromuscular disorders
NSW Cancer Council	$25,300	Support skills for cancer carers providing a statewide education program using facilitator-led online delivery and telegroup support
The Spastic Centre of NSW	$100,000	Carers link program supporting parent and carers of people with cerebral palsy and other significant physical disability via mutual support and education initiatives
TOTAL	**$1,109,300**	

Grant recipient	Amount	Purpose
Community Services		
Association for the Welfare of Child Health	$134,700	Information and advice on the non-medical needs of children and adolescents in the health care system for families, parents and health professionals
Council of Social Service NSW	$170,900	Grant for policy development in the areas of consumer participation, rural health, Health NGO's, community care, intergovernmental issues and promotion of non acute services and employment of a health policy officer
NSW Association for Adolescent Health Inc	$215,800	Peak body committed to working with and advocating for the youth health sector in NSW to promote the health and well being of young people aged 15 to 25 years.
QMS (Quality Management Services) Inc	$464,100	Coordination and implementation of NGO Quality Improvement Program for health NGOs funded under the NGO Grant Program
United Hospital Auxiliaries of NSW Inc	$149,100	Coordination and central administration of the United Hospital Auxiliaries located in NSW Area Health Services
TOTAL	$1,134,600	
Drug and Alcohol		
Aboriginal Health and Medical Research Council of NSW	$398,000	Three year project funding from 2004/05 to continue the policy/ project officer position and aboriginal drug and alcohol network and undertake education activities
Aboriginal Medical Service Co-op Ltd	$277,625	Multi purpose Drug and Alcohol Centre
Department of Psychology Macquarie University	$54,000	Project funding for a drug and alcohol education curriculum content in the Master of Social Health course
Life Education NSW Ltd	$1,634,000	A registered training organisation providing health oriented educational program for primary school children
Network of Alcohol and Other Drugs Agencies Inc	$1,361,503	Peak body for non government organisations providing alcohol and other drug services
Oolong Aboriginal Corporation Inc	$255,255	A residential drug and alcohol treatment and referral service for Aboriginal people
Pharmacy Guild of Australia (NSW Branch)	$1,248,080	NSW Pharmacy Incentive Scheme that involves the payment of incentives to pharmacists to encourage them to participate in the State's methadone/buprenorphine program.
QMS (Quality Management Services) Inc	$197,000	Three year project funding from 2004/05 for the review and accreditation of drug and alcohol NGOS providing residential rehabilitation services in NSW
TOTAL	$5,425,463	
Health Promotion		
National Heart Foundation of Australia (NSW Division)	$350,000	Program to support initiatives which aim to increase the number of NSW General Practitioners who deliver timely and effective physical activity advice to their patients
TOTAL	$350,000	
Innovative Services for Homeless Youth		
CHAIN – Community Health for Adolescents in Need, Inc	$285,800	Preventative, early intervention and primary health care to young homeless people and young people at risk of homelessness
The Settlement Neighbourhood Centre (Muralappi Program)	$64,950	A program providing culturally appropriate camps and living skills activities for young Aboriginal people in and around Redfern
TOTAL	$350,750	
Oral Health		
Aboriginal Medical Service Co-op Ltd	$50,000	Aboriginal oral health services
Armidale and District Services Inc	$458,075	Aboriginal oral health services
Awabakal Newcastle Aboriginal Co-op Ltd	$136,600	Aboriginal oral health services
Biripi Aboriginal Corporation Medical Centre	$136,600	Aboriginal oral health services
Bulgarr Ngaru Medical Aboriginal Corporation	$330,500	Aboriginal oral health services
Daruk Aboriginal Community Controlled Medical Service Co-op Ltd	$343,300	Aboriginal oral health services
Dharah Gibinj Aboriginal Medical Service Aboriginal Corporation	$138,750	Aboriginal oral health services

Grant recipient	Amount	Purpose
Durri Aboriginal Corporation Medical Service	$330,500	Aboriginal oral health services
Illawarra Aboriginal Medical Service	$238,500	Aboriginal oral health services
Pius X Aboriginal Corporation	$136,200	Aboriginal oral health services
Riverina Medical and Dental Aboriginal Corporation	$359,900	Aboriginal oral health services
South Coast Medical Service Aboriginal Corporation	$205,300	Aboriginal oral health services
Tharawal Aboriginal Corporation	$116,050	Aboriginal oral health services
TOTAL	$2,980,275	
Rural Doctors Services		
NSW Rural Doctors Network	$1,074,800	The Rural Doctors' Network core funding is applied to a variety of programs aimed at ensuring sufficient numbers of suitably trained and experienced general practitioners are available to meet the health care needs of rural NSW communities. Funding is also provided for the NSW Rural Medical Undergraduates Initiatives Program focussed on providing financial and other support to medical students undertaking rural NSW placements; and the Rural Resident Medical Officer Cadetship Program supporting selected medical students in their final two years of study who commit to completing two of their first three postgraduate years in a NSW rural allocation centre
TOTAL	$1,074,800	
Victims of Crime Support		
Dubbo Women's Housing Programme Inc	$92,800	Provision of counselling and support services for women and children who have experienced domestic violence
Enough is Enough	$102,800	Provision of support services to victims of crime, including victims of road trauma, with a focus on violence, cooperative justice and community education
Lismore Neighbourhood Centre Inc	$42,600	Provision of counselling to adult victims of child sexual assault
Liverpool Migrant Resource Centre Inc	$65,800	Provision of counselling and support services to Arabic women victims of domestic violence. Also provides educational workshops on domestic violence
Mission Australia	$88,900	Provision of court preparation and support to adult victims of crime
Nambucca/Bellingen Family Support Service	$51,500	Provision of court support and other support services including counselling to victims of crime, particularly victims of domestic violence
Wagga Wagga Women's Health Centre	$54,300	Provision of individual and group counselling to adult victims of child sexual assault
TOTAL	$498,700	
Women's Health		
Women's Health NSW	$150,700	Peak body for the coordination of policy, planning, service delivery, staff development, training, education and consultation between non government women's health services, the Department and other government and non government services
TOTAL	$150,700	

Program:

36.1 Ambulatory, Primary and (General) Community Based Services

36.1.2 Aboriginal Health Services

Grant recipient	Amount	Purpose
Aboriginal Health		
Aboriginal Health and Medical Research Council of NSW	$773,700	Peak body advising State and Federal Governments on Aboriginal health matters and supporting Aboriginal community controlled health initiatives
Aboriginal Medical Service Co-op Ltd	$289,100	Preventative health care and drug and alcohol services and Family Health Strategy services for Aboriginal community in the Sydney inner city area and a one off grant for the provision of medical services at the annual Aboriginal Rugby League Knockout Carnival and funding for the Aboriginal Health Worker Education Program
Albury Wodonga Aboriginal Health Service Inc	$23,815	Two year Aboriginal Health Promotion (AHP) funding for oral health promotion program for koori school aged children
Australian College of Health Service Executives (ACHSE)	$100,000	Coordination of Aboriginal Health Management Trainees in the ACHSE Management Training Program
Awabakal Newcastle Aboriginal Co-op Ltd	$284,000	Preventative health care, drug and alcohol, dental services, Otitis Media program and Aboriginal Health Strategy services for Aboriginal community in the Newcastle area
Biripi Aboriginal Corporation Medical Centre	$259,000	Preventative health care, drug and alcohol, dental best practice, Family Health Strategy services and vascular health program for Aboriginal community in the Taree area
Bourke Aboriginal Health Service Ltd	$127,300	Preventative and primary health care, health screening and education programs, drug and alcohol services for Aborigines in Bourke and surrounding areas
Centacare Wilcannia-Forbes	$124,200	Aboriginal Family Health Strategy grant for the prevention of violence and supporting positive family relationships in Narromine and Bourke
Condoblin Aboriginal Health Service	$25,000	Two year AHP funding for various health promotion programs
Coomealla Health Aboriginal Corporation	$25,000	Two year AHP funding for children's nutritional breakfast program
Cummeragunja Housing and Development Aboriginal Corporation	$84,310	Preventative health services for Aboriginal community in the Cummeragunja, Moama and surrounding areas
Daruk Aboriginal Community Controlled Medical Service Co-op Ltd	$247,500	Dental, preventative health care and drug and alcohol services for Aboriginal community in the Sydney Western Metropolitan area and a deceased person van service
Dharah Gibinj Aboriginal Medical Service Aboriginal Corporation	$106,631	Two year AHP funding for safe motherhood program, for healthy smiles project and for Otitis Media screening project
Durri Aboriginal Corporation Medical Service	$288,300	Preventative health, drug and alcohol services, Dental Health Best Practice project and vascular health program (Durri/Galambila) for the Aboriginal communities in the area
Forster Local Aboriginal Lands Council	$70,000	Aboriginal Family Health Strategy services for the prevention and management of violence within Aboriginal families
Gallambilla Aboriginal Corporation C/- Durri ACMS	$8,350	Two year AHP funding for Spring Into Shape project
Goorie Galbans Aboriginal Corporation	$104,800	Aboriginal Family Health Strategy services to reduce family violence, sexual assault and child abuse
Grace Cottage Inc	$76,500	Family Health Strategy services involving individual and group support, educational workshops and training to reduce family violence, sexual assault and child abuse in Dubbo
Gudu Wondjer (Sea Women) Aboriginal Corporation	$56,625	Safe house and support services for families fleeing from domestic violence in Eden and surrounding areas
Illawarra Aboriginal Medical Service	$226,700	Dental, preventative health care, drug and alcohol services, youth health and welfare services and a childhood nurse for Aboriginal community in the Illawarra area
Katungul Aboriginal Corporation Community and Medical Services	$59,475	Dental Health Best Practice project and Otitis Media coordinator
MDEA and Nureen Aboriginal Women's Cooperative	$44,100	Counselling and support service for Koori women and children in stress from domestic violence
Menindee Aboriginal Health Service	$23,900	Two year AHP funding for taking care of self and family project
Ngadrii Ngalli Way Inc (My Mother's Way) Family Support Service	$70,000	Aboriginal family health services providing emotional and Bourke practical support to families with dependent children who are experiencing difficulty in their lives

Grant recipient	Amount	Purpose
Ngaimpe Aboriginal Corporation	$137,400	Residential drug and alcohol treatment centre for men in the Central Coast area and NSW
Oolong Aboriginal Corporation Inc	$104,036	A residential drug and alcohol treatment and referral service for Aboriginal people
Orana Haven Aboriginal Corporation (Drug and Alcohol Rehabilitation Centre)	$114,800	Drug and alcohol rehabilitation service for Aboriginal and non Aboriginal people
Peak Hill Aboriginal Medical Service	$24,883	Two year AHP funding for Walan Mali Migay (young women) project
Pius X Aboriginal Corporation	$48,692	Two year AHP funding for AOD education and Community Kitchens
Regional Social Development Group Inc	$75,100	Develop an Aboriginal Family Health Strategy best practice model to increase access by the Aboriginal community to services specifically dealing with family violence, child protection and sexual assault services and preventative health projects
Riverina Medical and Dental Aboriginal Corporation	$378,100	Preventative health care, drug and alcohol, dental services, Otitis Media program and coordinator and Aboriginal Family Health Strategy to develop and implement family health education programs for Aboriginal community in the South Western area
South Coast Medical Service Aboriginal Corporation	$127,300	Preventative health care and drug and alcohol services for Aboriginal community in the Nowra area
Tharawal Aboriginal Corporation	$61,950	Dental, preventative health care and drug and alcohol services for Aboriginal community in the Campbelltown area
Thubbo Aboriginal Medical Cooperative Ltd	$17,677	Anti smoking project – Butt Out for Aboriginal community in the Dubbo area
Walgett Aboriginal Medical Service Co-op Ltd	$288,485	Preventative health care and drug and alcohol services and Family Health Strategy services for Aboriginal community in Walgett and surrounding areas
WAMINDA (South Coast Women's Health and Welfare Aboriginal Corp)	$70,000	Aboriginal Family Health Strategy grant to develop an education and training program for Aboriginal Community Workers covering family violence, sexual assault and child abuse issues
Weigelli Centre Aboriginal Corporation	$62,200	Residential drug and alcohol counselling, retraining and education programs for Aboriginal people in the Cowra area
Wellington Aboriginal Corporation Health Service	$122,050	Drug and alcohol services, youth and Family Health Strategy services for the Aboriginal community in Wellington
Yerin Aboriginal Health Services Inc	$294,800	Health and medical services both at the Centre and on an outreach basis, administration support, Otitis Media program and Family Health Strategy services for Aboriginal people in the Wyong area
Yoorana Gunya Aboriginal Family Violence Healing Centre Aboriginal Corporation	$133,600	Aboriginal Family Health Strategy project
TOTAL	$5,559,379	

Program:

36.1 Ambulatory, Primary and (General) Community Based Services

36.2.1 Mental Health Services

Grant recipient	Amount	Purpose
Mental Health		
Aboriginal Medical Service Co-op Ltd	$157,200	Mental Health workers project and mental health youth project for Aboriginal community in the Sydney inner city area
ARAFMI NSW Inc	$80,000	Three year Family and Carer Mental Health Project
Awabakal Newcastle Aboriginal Co-op Ltd	$77,100	Mental Health worker project for Aboriginal community in the Newcastle area
Black Dog Institute	$1,103,300	Programs to advance the understanding, diagnosis and management of mood disorders through research, education, training and population health approaches
Bulgarr Ngaru Medical Aboriginal Corporation	$78,600	Mental Health worker project for Aboriginal community
Carers NSW Inc	$240,000	Three year Family and Carer Mental Health Projects
Coomealla Health Aboriginal Corporation	$77,100	Mental Health worker project for Aboriginal community
Cummeragunja Housing and Development Aboriginal Corporation	$77,100	Mental Health worker project for Aboriginal community
Mental Health Coordinating Council NSW	$672,300	Peak organisation funded to support NGO sector efforts to provide efficient and effective delivery of mental health services plus three year project funding for the NGO Development Officers Strategy project
Mental Illness Education – Aust (NSW) Inc	$154,100	Mental health awareness program and insight program in secondary schools
NSW Consumer Advisory Group – Mental Health Inc (NSW CAG)	$381,200	Contribution to consumer and carer input into mental health policy making process and one off for MH Copes project
Parramatta Mission	$80,000	Three year Family and Carer Mental Health Project
Schizophrenia Fellowship of NSW Inc	$240,000	Three year Family and Carer Mental Health Projects
South Coast Medical Service Aboriginal Corporation	$78,600	Mental Health worker for local Aboriginal community
Matthew Talbot Homeless Facilities – Vincentian Village	$176,200	Funding for mental health workers at Vincentian Village, a service for homeless people in the inner city area
St Vincent de Paul Society Aged and Special Care Services Ltd – Frederick House	$154,100	Project grant for mental health services at aged care facility
The Peer Support Foundation Ltd	$200,700	Social skills development program, providing education and training for youth, parents, teachers, undertaken in schools across NSW
Wellington Aboriginal Corporation Health Service	$75,000	Project grant for the employment of a clinical team leader (psychologist) Aboriginal mental health focus
TOTAL	$4,102,600	

Appendix 32

Other funding grants

Grant recipient	Amount	Purpose
Aboriginal Health and Medical Research Council	41,364	Improvement of Aboriginal Men's Health
Aboriginal Health and Medical Research Council	296,386	Operating Expenses for 2005/06
Aboriginal Health and Medical Research Council	30,975	Mental Health Aboriginal Outcomes and Assessment Tools Project
Aboriginal Health and Medical Research Council	61,677	Employment of a Health Coordinator Aboriginal Mental Health
Adele Dundas Incorporated	144,710	Drug Court Residential Living Skills Program
AFL (NSW – ACT)	275,000	Sole Sponsorship of 'Smoking Don't be a Sucker' NSW High School Program
AIDS Council of NSW	8,220	Community Drug Action Team Funding
Airds Bradbury Community	4,600	Community Drug Action Team Funding
Ambulance Service of NSW	42,105	Enhancement of Emergency Department Network Activation (EDNA) System
Amputee Association of NSW	17,000	Funding and Performance Agreement commencing July 2005 for three years
Armidale Family Support Service	4,608	Administrative Costs of Community Drug Action Team
Attorney General's Department	341,536	Phase 2 Illicit Drug Diversion Initiatives 2005/06
Attorney General's Department	214,000	Compulsory Drug Treatment Correctional Centre
Australian College of Health Services	124,188	Management Development Program Grant 2006
Australian College of Health Services	92,771	Funding for Health Planning and Management Library
Australian College of Physical Scientists	40,264	Education of Radiation Oncology Medical Physicist Trainees
Australian Council of Health Care Standards	8,891	Embedding Cultural Diversity in Accreditation of Health Care Organisation Project
Australian Multicultural Foundation	5,000	Sponsorship of Diversity in Health Conference 2005
Australian Red Cross Blood	3,406,270	Bone Marrow Program
Australian Red Cross Blood	1,122,015	2005/06 Funding
Australian Red Cross Society	170,000	Heroin Overdose Prevention Education for Families and Carers of Drug Users
Australian Rotary Health Research Fund	12,500	Aboriginal Health Scholarship Program for 2005
Bankstown Community Health	2,727	Administrative and Program Costs of Community Drug Action Team
Bankstown Police Community Youth Centre	4,500	Community Drug Action Team Funding
Bathurst Regional Council	1,000	Facilitation of Community Drug Action Team 'Expo'
Beyondblue Ltd	591,889	Undertake Mental Health Initiatives in Depression, Anxiety and Related Disorders
Bicycle NSW	30,000	Increase Physical Activity in NSW
Biripi Medical	58,210	Minor Capital Works Project-Medical Services
Cancer Institute	83,222,536	Core Funding 2005/06 for Cancer Institute Services
Cancer Institute	40,459	Purchase of Data Link Computer Server
Cancer Institute	20,000	Establish and Operate 2006/07 Joint Ethics Committee
Canterbury Municipal Council	1,270	Community Drug Action Team Funding
Carers NSW Incorporated	375,000	Auspiced Demonstrations Project for Carers of People with Mental Illness
Casino Neighbourhood Centre	5,000	Community Drug Action Team Funding
Central Tablelands Water	39,814	Upgrade of Fluoridation Plant
Central West Consortium	16,250	General Practice Education Training
Centre for Development Disability Studies	25,000	Hospitalisation Training Project
Centre for Development Disability Studies	35,714	Development of Training and Information Package to GP's Clinical Nurse Consultants
Centrecare Wagga Wagga	1,000	Administrative Costs of Community Drug Action Team
Charles Sturt University	15,000	Research into 'Traumatic Brain Injury In Rural, Regional and Remote Australia

Grant recipient	Amount	Purpose
City of Ryde	6,491	Community Drug Action Team Funding
Commonwealth Department of Health and Ageing	646,094	National Cord Blood Collection Network 2005/06 Contribution
Community Relations Committee	50,000	Cronulla Unrest Project
Coomealla Health Aboriginal Corporation	9,091	Minor Capital Works Project-Dareton
Coonamble Shire Council	54,000	Upgrade of Fluoridation Plant
Corrective Services Department	1,399,915	Specialist Drug and Alcohol Community Positions
Cynthia Street Neighbourhood	3,250	Community Drug Action Team Funding
Daruk Aboriginal Medical Services	10,727	Minor Capital Works Project-Mt Druitt
Dementia Services Development Centre	10,000	Sponsorship of Enriching the Lives of People with Dementia Conference
Department Ageing, Disability and Home Care	120,000	Early Childhood Intervention Program
Department of Ageing and Disability	4,545	Contributions to 2006 International Day of People with Disability
Department of Community Services	169,744	Illicit Drugs and Alcohol Diversion Initiative Contribution for 2005/06
Department of Community Services	73,761	Drug and Alcohol Staff Training Program
Department of Education	20,000	Evaluation of Physical Activity in Linguistically Diverse Communities
Department of Education	100,000	Implementation of Sexual Health in Schools
Department of Education	146,090	Youth Drug and Alcohol Court Assessment Worker and TAFE Courses
Department of Health SA	69,939	National Health Data Directory 2005/06 Contribution
Department of Health SA	192,613	AHMAC Contribution 2005/06
Department of Health SA	87,215	Nurse Task Force Funding 2005/06
Department of Health SA	25,110	AHMAC Child Health Wellbeing 2005/06
Department of Health SA	580,676	AHMAC Contribution 2005/06
Department of Juvenile Justice	2,177,677	Youth Drug and Alcohol Court and Young Offender Programs
Guthrie House	42,315	Drug Court Residential Living Skills Program
Gwydir Shire Council	3,140	Administrative and Program Costs of Community Drug Action Team
Health and Ageing Services	45,455	Quality Improvement Initiative 2005/06
Health and Ageing Services	20,000	Armidale and District Services Incorporated Service Review
Health and Ageing Services	270,570	AUS Donate 2005/06 Contribution – Organ Donation
Health and Ageing Services	54,545	Contribution Towards Capital Works Project – Wellington Aboriginal Council
Health and Ageing Services	72,880	Minor Capital Works Project-Awabakal Counselling Facility
Hornsby Shire Council	1,642	Community Drug Action Team Funding
Hunter Medical Research	3,750,000	Construction of Medical Research Facility at John Hunter Hospital
Hunter New England Area Health Service	2,404	Administrative Costs of Community Drug Action Team
Inspire Foundation	70,000	Internet Interactive Self-help Module Targeted for Young Men
Inspire Foundation	250	Community Drug Action Team Funding
Institute of Psychiatry	1,805,557	Annual Operating Expenses
Institute of Psychiatry	250,000	Establishing Infrastructure to Maintain Accreditation of its Courses
Jarrah House	18,915	Residential Rehabilitation Services for Clients of Adult Drug Court Program
Karitane	5,000	Conference on 'Little Steps Big Progress' – Childhood Obesity
Kempsey Community Drug Action	7,000	Community Drug Action Team Funding
Kempsey Shire Council	147,750	Upgrade of Fluoridation Plant
Kyogle Youth Action Incorporated	3,100	Community Drug Action Team Funding
Lake Macquarie City Council	4,150	Community Drug Action Team Funding
Macathur Community Forum	500	Community Drug Action Team Funding
Mental Health Association of NSW	28,538	Relocation Costs of Mental Health Association New Office
Mental Health Council of NSW	13,376	National Mental Health Consumers and Carers Forum
Mid Western Regional Council	197,061	Upgrade of Fluoridation Plant
Monash University	2,000	Australian College of Toxicology – 17th Session
Moree Plains Shire Council	218,399	Upgrade of Fluoridation Plant

Grant recipient	Amount	Purpose
Multi Cultural Disability Advocacy Association	4,545	Conference 'From Tolerance to Respect'
Muswellbrook Shire Council	33,292	Upgrade of Fluoridation Plant
Narrama Multi Service Aboriginal Corporation	1,653	Administrative and Program Costs of Community Drug Action Team
National Blood Authority	14,284,333	NSW Share of Operational Funding and Blood Products
Neuroscience Institute	1,618,958	Research into Schizophrenia and Allied Disorders
Neuroscience Institute	87,118	Neuroscience Institute of Schizophrenia and Allied Disorder Partnership Project 2006
Ngaimpe Aboriginal	347,500	Minor Capital Works Project Glen Rehabilitation Centre
Niftey Australia	6,818	National Conference for Early Years – Silver Sponsorship
Nimbin Community Development Drug Action	6,560	Community Drug Action Team Funding
North Sydney and Central Coast Area Health Service	55,000	Funding for Clinical Placement Coordinator
NSW Cancer Council	9,091	Supporting Women in Rural Areas with Breast Cancer Initiative
NSW Cancer Council	75,000	Provision of Education for Child and Family Health Nurses
NSW Consumer Advisory Services	9,091	Sponsorship of 'Forging our Future Three Conference'
NSW Department of Aboriginal Affairs	5,000	Linga Linga Program for School Holidays
NSW Department of Tourism and Sport	44,000	Youth Friendship Games
NSW Police	42,436	Cannabis Cautioning Scheme
NSW Police	144,872	Diversion Training
NSW Police	340,000	Development of Drug and Alcohol Training Program
NSW Police Service	170,000	Random Roadside Drug Testing Project
Odyssey House	15,535	Residential Rehabilitation Services for Clients of Adult Drug Court Program
Orana Haven Rehab Centre	16,757	Water Pump Upgrade
Palliative Care Association NSW	10,000	Contributions to Palliative Care Conference
Palliative Care Association NSW	203,205	Funding for 'Program of Experience in the Palliative Approach'
Palliative Care Association of NSW	10,000	Sponsorship of 8th Australian Palliative Care Conference
Pittwater Municipal Council	2,600	Community Drug Action Team Funding
Pius X Aboriginal Centre	95,173	Minor Capital Works Project – Medical Services
Port Macquarie Hastings Council	3,000	Community Drug Action Team Funding
Quality Management Services	17,782	Embedding Cultural Diversity in Accreditation of Health Care Organisation project
Regional Youth Support Services	2,500	Community Drug Action Team Funding
Registration Centre	9,091	Sponsorship of 6th Men's Health Conference – Incorporating 4th National Indigenous Male Health Conference
Royal Alexandria Hospital	5,000	Youth Health Conference
Royal Alexandria Hospital	45,455	Registration Pharmaceuticals Training Program
Royal Australian College of Physicians	13,500	Sponsorship of Australian Healthcare Reform Alliance Conference
Salvation Army	31,525	Residential Rehabilitation Services for Clients of Adult Drug Court Program
San Remo Neighbourhood	2,300	Community Drug Action Team Funding
Shellharbour City Council	6,000	Administrative, Training and Events Costs of Community Drug Action Team
Singleton Council	2,500	Community Drug Action Team Funding
South Eastern Sydney and Illawarra Area Health Service	24,833	Aboriginal Cadetship – Bachelor of Arts in Population Health
Southern Cross University	4,400	Scholarship to Dorothy Pholi for Masters of Indigenous Studies
St Vincent's Hospital Lismore	77,597	Provision of Culturally Appropriate Palliative Care to Indigenous Australians
State and Regional Development	187,500	Annual Payment for Biotechnology Business Incubator
Suicide Prevention Australia	4,000	Sponsorship of National Life Awards
Sydney South West Area Health Service	220,265	Funding for 'Program of Experience in the Palliative Approach'
Sydney South West Area Health Service	14,851	Rural Surgical Enhancement Program
Tresillian Family Care	10,000	Major Sponsorship of Family Care Centres Conference

Grant recipient	Amount	Purpose
Uniting Care NSW	250,000	Lifeline NSW to Develop its capacity for New Operating Environment
University of Canberra	20,000	Development of Microsimulation Model for Australian Health System
University of New England	17,610	Development for Mental Health Workshop through Education Grants
University of New England	22,869	Development of NSW Mental Health Workshop through Educational Grants
University of Newcastle	677,500	Research and Educational Support to Rural Mental Health Services
University of Newcastle	56,309	Workshops and Seminars for Rural Support Agencies Meeting Mental and Health Needs
University of Newcastle	137,606	Evaluation of Point of Care Clinical Information Systems Implementation
University of NSW	25,000	Research into Role of Internet in Building Social Capital Among Homosexuals
University of NSW	35,000	Research on Miller Early Childhood Sustained Home Visiting Project
University of NSW	15,000	Sponsorship of NSW Primary Health Care Research Capacity Building Program
University of NSW	25,000	Funding for ASPIRE Study
University of NSW	150,000	Infrastructure Funding for Mood Disorders Research Centre
University of NSW	21,297	Study to Reduce Crime While on Methadone Treatment
University of NSW	55,000	Study on Use of Psychostimulants by Long-Haul Distance Drivers
University of Southern Cross	15,947	Sponsorship of Indigenous Students for Masters in Indigenous Studies
University of Sydney	44,000	Research into Tobacco Action Plan 2005–2009
University of Sydney	77,727	Coordinate and Develop Drugs and Alcohol Education in the Faculty of Medicine
University of Sydney	154,724	Refurbishment of Medical Foundation Building
University of Sydney	60,000	Development of Nutritional Plan for Public Health Nutrition Beyond 2000
University of Sydney	490,000	NSW Centre for Overweight and Obesity Funding
University of Sydney	109,091	Funding for Chair of Medical Physics
University of Sydney	200,000	Establishment of Chair for Geriatric Medicine and Aged Care at Westmead Hospital
University of Western Sydney	200,000	Men's Health and Information Resource Centre
University of Western Sydney	468,207	Establishment of Population Mental Health Development and Disasters Centre
University of Western Sydney	5,000	Negotiating the Challenges of Cultural Diversity in Children's Health Care
Various	412,025	Rural Scholarship Grants
Various	60,963	Radiation Oncology Post Graduate Scholarships
Various	1,911	Overseas Recruitment Program for Radiation Therapists
Walgett Aboriginal Medical Services	135,044	Minor Capital Works program for Building Expansion and Renovation
Wayback Committee	15,000	Follow up Study on 'The Effects of Maintenance Treatment on Heroin Addicts'
Wayback Committee Limited	277,218	Residential Rehabilitation Services for Clients of Adult Drug Court Program
We Help Ourselves	38,155	Residential Rehabilitation Services for Clients of Adult Drug Court Program
Yass Valley Council	500	Administrative Costs of Community Drug Action Team
YMCA Sydney	26,500	Supporting Women in Rural Areas with Breast Cancer Initiative
Yoorana Gunya	26,045	Minor Capital Works Project-Yoorana Gunya Forbes
	126,587,818	

Appendix 33

Operating consultants

Consultancies equal to or more than $30,000

Consultant	$ Cost	Title/Nature
Organisational Review		
Health Policy Analysis P/L	59,661	Review of NSW Program and Product Data Collection Standards
Communio	31,935	Review of Telephone Advisory and Counselling Service
Prof John Dwyer	50,600	Advice on Priority Health Reforms
Ian Sinclair	48,682	Advice on Reform of NSW Health System
Booz Allen Hamilton (Aus) P/L	118,545	Develop Strategic Planning Framework for NSW Health
David Isaac Ben-Tovim	58,500	Performance Improvement in Benchmarking and Evaluation
Deloitte Touche Tohmatsu	49,296	Analysis of Payroll Data of Staff Specialists
Sub Total	417,219	
Information Technology		
Bearingpoint Australia P/L	38,733	Review NSW Health Data Collection
Sub Total	38,733	
Management Services		
William Partick O'Loughlin	40,250	Review of NSW/AIDS Support Accommodation Services
Price Waterhouse Coopers Actuarial P/L	100,001	Review of Provision of Aids for Disabled People (PADP) Program
Price Waterhouse Coopers P/L	54,487	Review State Government Residential Aged Care Reform Program
Independent Pricing and Regulatory Tribunal	82,716	Review of Ambulance Service of NSW User Charges
Curtin University	69,090	Review on 'What Consumers Want'
Hudson Global	37,066	Development of Strategies on Drug Information
University of NSW	53,650	Development of Community Care Indicators
University of NSW	57,658	Development of Strategies in Health Care in the Community
Julie McDonald and Associates	103,098	Review Aboriginal Family Health Strategy
Doll Martin Associates	120,303	Develop Health eLink Business Case
Hardes and Associates	56,000	Review of Acute Inpatient Demand
Sub Total	774,319	
Training		
Futuretrain P/L	66,635	Development of Educational and Training Strategy for NSW Health
Sub Total	66,635	
Consultancies equal to or more than $30,000	1,296,906	

Consultancies less than $30,000

During the year 52 other consultancies were engaged to the following areas	
Finance and Accounting/Tax	44,939
Legal	0
Organisational Review	276,252
Information Technology	60,453
Management Services	498,916
Training	0
Total Consultancies less than $30,000	880,560
TOTAL CONSULTANCIES	2,177,466

Appendix 34

Commitment to women's health

The NSW Women's Health Strategy, funded through the Public Health Outcomes Funding Agreement, provides the framework for advancing the health and wellbeing of women in NSW. The principles of equity, access, rights and participation underpin the Strategy.

NSW Health recognises that the key determinants of health for women include the role and position of women in society and their reproductive role as well as their biomedical health. NSW Health funds, implements and monitors a range of initiatives to improve the health of women, including disadvantaged women, in NSW.

Reducing Violence Against Women

The NSW Strategy to Reduce Violence Against Women involves a partnership between the Attorney General's Department, NSW Police, Department of Community Services, Department of Education and Training, Department of Health, Department of Housing and the Office for Women. In 2005/06 the NSW Department of Health contributed $630,000 towards the initiative.

The NSW Health Policy and Procedures for Identifying and Responding to Domestic Violence (2003) introduced an early intervention and screening strategy involving routine screening for domestic violence. The aims of the policy are to:

■ reduce the incidence of domestic violence through primary and secondary prevention approaches

■ minimise the trauma experienced by people living with domestic violence, through tertiary prevention approaches, ongoing treatment and follow up counselling.

In 2004/05 routine screening was implemented in NSW Health services where significant numbers of women had been found to be at risk. These services included early childhood health centres, antenatal, mental health, and alcohol and other drugs services. In 2005/06 Women's Health Nurses also commenced routine screening.

In 2005/06, NSW Department of Health contributed $100,000 towards the review and production of domestic violence and sexual assault resources by the Education Centre Against Violence (ECAV). A further $206,000 is to be contributed in 2006/07. The projects enabled by this funding include revision and reprinting of the domestic violence screening forms, information brochures and training resources, and a sexual assault resource booklet.

Alignment of the Aboriginal Maternal Infant Health Strategy (AMIHS) and the Alternative Birthing Services Program (ABSP)

The goal of both the AMIHS and ABSP is to improve the health of Aboriginal mothers and their infants and decrease Aboriginal perinatal mortality and morbidity across NSW.

During 2004/05 NSW Health worked towards the alignment of both programs into the NSW Statewide Aboriginal Maternal and Infant Health Strategy. This strategy will enable the ABSP to be formally linked to the AMIHS structures and processes to strengthen NSW Health's strategic approach to improving Aboriginal maternal and infant health.

From 2005/06 onwards, additional funds have been allocated to ABSP to bring it into line with funding provided under the AMIHS and to support efforts to develop common training, support and performance indicators.

Female Genital Mutilation (FGM)

In 2005/06 NSW Health allocated funding of $28,000 to the NSW Education Program on Female Genital Mutilation (FGM) to improve health information and services to minority refugee communities affected by FGM, such as Eritrea, Ethiopia, Southern Sudan, Nigeria, Ghana, Liberia and Sierra Leone. The aim of the project is to build capacity and implement sustainable strategies to address the needs of these women, their families and communities.

Enhancement funding to the Refugee Health Service

In 2004/05 additional recurrent funding of $100,000 was allocated to the Refugee Health Service to improve health literacy and direct community-based services for newly arrived refugee women and their families.

In 2005/06, this funding was increased to $200,000. This funding recognises the needs of refugees and the many challenges they face when arriving in Australia.

A project officer has been employed and has commenced mapping the health needs of refugee women. Information obtained will help inform health service delivery for refugee women and their families. This process has already facilitated access to health assessments, breast and cervical screening and parenting programs.

Justice Health

In 2005/06 NSW Department of Health granted Justice Health $55,000 in recurrent funding to support the health needs of women in custody. In particular, Justice Health has used the funding to develop a F*ramework for Pregnant Women in Custody* and will soon be initiating an education campaign for staff on shared care arrangements for pregnant women.

Work is also commencing on a colposcopy clinic to reduce wait times for women who have an abnormal PAP test. There is a higher incidence of abnormal PAP tests in jails than in the community and colposcopies are an essential part of early intervention and treatment.

Other projects

A variety of projects around NSW achieved significant progress in improving women's health in 2005/06. These projects were enabled by Public Health Outcomes Funding Agreement (PHOFA) funding administered by NSW Health and include:

■ The Sexual Assault Disability and Ageing Project (SADA) to develop a 'resource bank' of knowledge and expertise in responding to abuse of elderly women and women with disabilities living in residential care. The project was started with $18,000 from NSW Health and in 2005/06 was successful in applying for $250,000 in Commonwealth funding to continue the project to the next phase.

■ The Young Women Smoking Project, Eurobodalla, taught a group of young women media and film making skills and enabled them to produce a short film about young women and smoking. It was based on a 'Survivor' theme where participants who currently smoked were challenged to quit. There was a 65 per cent reduction in young women smoking in the group and the film is now used as a training resource for schools and community groups in the area.

■ An Aboriginal Women's Art project in Greater Southern Area Health Service, where three groups of Aboriginal women developed 15 posters on relevant health and social issues in their communities. The posters were recently presented at the NSW Evidence Into Practice Health Promotion Conference.

■ Core of Life, a midwife-led initiative targeting adolescent boys and girls, which aims to increase education and reduce the number of births to teenagers. The project not only increases knowledge about pregnancy, birth and parenting but also exposes young people to health careers.

■ The Early Parenting Program in South Eastern Sydney/Illawarra Area Health Service aims to build organisational capacity in early parenting and ensure that there is a focus on women most in need. A Father Link project is also being rolled out in the same Area, with the introduction of male-only discussion sessions in antenatal classes.

■ The Women with Weights initiative was set up as self-sustaining community-run weight bearing exercise classes for women over 60. It was initially funded by NSW Health in 2004/05. Due to its success the initiative continued to be rolled out in 2005/06 across the Wollongong and Shoalhaven regions.

■ The Breakaway Program involves cross-agency partnerships targeting young women at risk to address behavioural and educational issues. This program has now been rolled out across the Greater Western Area Health Service.

■ Following completion of an Australian-first tele-colposcopy pilot partnership between Hunter New England Area Health Service (HNEAHS) and South Eastern Sydney/Illawarra Area Health Service. The Cancer Institute has awarded funds to HNEAHS to continue work to improve rural women's access to colposcopy.

Appendix 35

Commitment to energy management

NSW Health is committed to achieving the Government's energy management targets as established in the Government Energy Management Policy (GEMP).

Planning

The NSW Department of Health has a statewide Energy Manager and Energy Coordinator whose roles are to liaise with Area Health Service Energy Managers on energy and water management issues.

Implementation

NSW Health is a strong performer in achievement of utilities reform, with many examples of innovative projects and a significant history of partnership with the Department of Energy, Utilities and Sustainability and Sydney Water. Innovative projects include the installation of electricity cogeneration, solar hot water, photovoltaic cells, upgraded lighting and building management systems, efficient air-conditioning and water saving technologies.

Over the past seven years NSW Health received loan funding to undertake energy efficiency projects to the value of $28,428,000 that provide recurrent savings of $4,766,000 per annum and reduce greenhouse gas emissions by 43,633 Tonnes per annum.

During 2005/06 the following new projects were approved and are currently being implemented :

- **Sydney West Area Health Service**
  The Sydney West Area Health Service obtained approval for two projects under the Government Energy Efficiency Investment Program to improve energy and water efficiency at the Blacktown, Mt Druitt and Westmead hospitals. The projects are to refurbish sterilisers, install solar hot water systems and upgrade building management control and lighting systems.

  Interest-bearing loans totalling $636,448 have been provided and when the projects are completed they will generate average annual savings of $91,000 and reduce greenhouse gas emissions by 1,197 Tonnes per annum.

- **South Eastern Sydney and Illawarra Area Health Service**
  A Treasury loan for the sum of $223,000 was approved to undertake a lighting upgrade project at the Sydney Hospital. On completion the project will generate average annual savings of $32,900 per annum and will reduce Greenhouse gas emissions by 350 Tonnes per annum

The following energy management projects are currently being developed:

- Replace air-conditioning chillers at the Nepean Hospital at an estimated cost of $487,000.

- Install a natural gas powered cogeneration plant and associated air-conditioning system at the Westmead Hospital that will reduce electricity consumption and the emission of greenhouse gases. Estimated cost at the early stages of planning are in the order of $9.0 million.

- Undertake a large energy performance contract that will cover most hospitals in the Northern Sydney Central Coast Area Health Service. The Area Health Service has conducted a call for Expressions of Interest and will select a successful proponent in late 2006. The final detailed feasibility plan will define the optimal scope of the project and the costs and guaranteed benefits. This study will become the basis of a loan application and will significantly improve the energy and greenhouse performance of the Area Health Service.

Future directions

NSW Health commitment to achieving the Government's energy management targets as established in the Government Energy Management Policy (GEMP) are reflected in the following future initiatives:

- NSW Health is working with the Department of Energy Utilities and Sustainability and other agencies to develop new performance targets and strategies to achieve the Government's overall objectives to reduce the consumption of energy, water and also minimise the emission of greenhouse gases.

- Area Health Services within the Sydney Water supply area have committed to the 'Every Drop Counts Program' and have been successful in obtaining grant funding to undertake water saving projects. This work is continuing in order to contribute to much needed water savings in this time of severe drought.

- There is an ongoing need to continue to reduce energy consumption. The cost of energy is escalating above the inflation rate and such reductions in demand will ensure sustained cost savings and improved energy efficiency.

Appendix 36

Response to NSW Government waste reduction and purchasing policy

Sustainability

The Department of Health leases nine floors of office space at 73 Miller Street North Sydney and occupies premises at Gladesville Hospital.

In 2005/06, the Department continued its proactive approach to waste management and energy management through its 'Greening of DoH Project'. This is an integrated strategy to reduce waste, increase recycling, reduce energy consumption, reduce greenhouse emissions and save water. This ongoing project ensures that the Department complies with the NSW Government's Waste Reduction and Purchasing Policy (WRAPP) and the Government's Energy Management Policy (GEMP).

In 2005/06, the Department of Health also participated in corporate sustainability programs offered by local government and community organisations such as 3CBDs Greenhouse Initiative and Green Capital. These programs allow the Department to remain informed on key sustainability issues and to demonstrate leadership in reducing the climate change impact of its office buildings.

Waste reduction and recycling

The results of our latest waste audit shows that the Department continues to recycle the majority of its garbage, with the diversion rate from landfill increasing from 64.7 per cent in 2004 to 79.7 per cent in 2005.

Recovery of all paper and cardboard is currently 97.2 per cent, an increase from 94.2 per cent in 2004, while the recovery of containers remains steady at 66.4 per cent. Contamination in the paper and cardboard stream was just 0.8 per cent down from 6.5 per cent in 2004, while contamination of recyclable containers increased to 4.0 per cent compared to 2.7 per cent in 2004.

Purchasing policy

The Department continues to promote the purchase and use of environmentally friendly products and services. Most purchases use existing State Government contracts and are regularly reviewed to identify the availability of more environmentally friendly options. Wherever possible, the Department purchases items that have a high-recycled content and are energy efficient. A review of our print and design criteria is currently underway, which will ensure that the Department adopts best practice in its purchasing of paper and printing products.

Energy consumption

The Department works cooperatively with the landlord of 73 Miller Street to improve the energy efficiency of its tenancy. The Australian Building Greenhouse Rating (ABGR) is a measure of a building's energy efficiency. An ABGR rating is expressed in stars – five being the most efficient, one being the least. The 73 Miller Street building is rated four stars.

Several initiatives were implemented during the year to further improve energy rating:

1. A rain harvesting and garden watering system allows gardens to be solely watered by harvested water.

2. A Fleet Environmental Improvement Plan is now being finalised to augment the significant changes to the Departmental vehicle fleet that have occurred over the last few years. The Department is ahead of the targets set by the Premier's Department for providing a cleaner fleet.

3. Extensive remedial building works and changes in the active water used in waterless urinals throughout 73 Miller Street have led to more savings in water throughout the building.

Books/booklets

- A Guide to Consumer Participation in NSW Drug and Alcohol Services
- Counting the Costs of Tobacco and the Benefits of Reducing Smoking Prevalence
- Fit for the future (six community language translations)
- Fit for the future (English)
- Know Your Heart (CDs)
- 'Let's take a moment' quit smoking brief intervention – a guide for all health professionals
- Questionnaire for Clinical Nurse Consultants, Nurse Practitioners and Nurses working in transitional Nurse Practitioner positions
- Quit because you can
- Safe Sex. No Regrets
- Stay On Your Feet. Your Home Safety Checklist
- The Clean Air For All Project: Managing Nicotine Dependence in Two Mental Health Units in Sydney South West
- What licensed venues need to know
- Your health rights and responsibilities (ten community language translations)
- Your health rights and responsibilities (English)

Brochures/flyers

- Decisions at the end-of-life Rural Seminar Series – Charles Sturt University, Bathurst
- Healthy kids – Ideas for communities to support healthy lifestyles for children
- Healthy kids – Setting the scene for healthy kids
- Healthy kids – Reducing children's television time
- Healthy kids – Ideas for sporting clubs to support healthy lifestyles for children
- Healthy kids – Choosing the right snacks for your children
- Healthy kids – Ideas for schools to support healthy lifestyles for children
- Healthy kids – Choosing drinks for your children
- Healthy kids – Kids and fruit and vegies
- Healthy kids – Kids and getting active
- How to obtain your artificial limb
- NSW Chronic Care Collaborative: Improving Diagnosis and Management of People with Chronic Obstructive Pulmonary Disease (COPD) and Heart Failure

- Prenatal testing and counselling (update)
- Products to help you Quit Smoking
- Quit for life (wallet brochure)
- SmokeCheck – Non-smokers: Keep up the good work
- SmokeCheck – Smokers: decided to give up?
- SmokeCheck – Smokers: it's deadly to know
- SmokeCheck – Smokers: thinking about giving up
- SmokeCheck – Ex-smokers: keep up the good work!
- Smoking and Pregnancy
- Statewide Infant Screening – Hearing (SWISH) (parent information brochure)

Manuals/information kits

- Corporate Governance and Accountability Compendium for NSW Health
- HealthSmart – Nicotine Replacement Therapy (English, DVD)
- HealthSmart – Nicotine Replacement Therapy (Multicultural, DVD)
- Improving Care for People with Chronic Disease – A Practical Toolkit for Clinicians and Managers (CD Rom)
- Improving Care for People with Chronic Disease: A Practical Toolkit for Clinicians and Managers
- Know Your Heart Manual
- Lower Limb Ulcers in Diabetes: A Practical Guide to Diagnosis and Management
- New Parent First Aid Information Kit
- Patient Safety and Quality Compendia
- SmokeCheck – Brief intervention for smoking cessation – Facilitator's training manual 2005
- Surgical Services – 23 Hour Care Units – Toolkit for Implementation in NSW Health Facilities
- 2006 Personal Health Record

Fact sheets

- Drug and Alcohol fact sheets (series of eight): Ecstasy, Alcohol, Benzodiazepines, Cocaine, Heroin, Marijuana, Hallucinogens, Speed
- Mine dust and you
- Tobacco – Smoking and pregnancy
- Tobacco – Benefits of quitting smoking
- Tobacco – Nicotine dependence and withdrawal

Policies and guidelines

- Breastfeeding in NSW: Promotion, protection and support
- Breastfeeding – Promoting and supporting in NSW: case studies
- Child related allegations, charges and convictions against employees
- Child Protection Issues for Mental Health Services – Risk of Harm Assessment Checklist
- Clinical Ethics Processes in NSW Health
- Clinical Practices – Adult Sexual Assault Forensic Examinations Conducted by Nurse Examiners
- Code of Conduct – NSW Health
- Complaint or Concern about a Clinician – Management Guidelines
- Complaint or Concern about a Clinician – Principles for Action
- Consumer Participation in NSW Drug and Alcohol Services – Guide
- Costs of Care Standards 2005/06 – NSW
- Criminal Allegations, Charges and Convictions Against Employees
- Data Dictionary and Collection Guidelines for the NSW 2005/06 – 2006/07
- Deaths – Perinatal – Hospital Procedures for Review and Reporting of Perinatal Deaths
- Disability – People with Disabilities: responding to their needs during hospitalisation
- Distribution and Use of Surgical Services – 23 hour care units – Toolkit for implementation in NSW Health facilities
- Drug and Alcohol Clinical Supervision Guidelines
- First Aid Directory and Safety Tips for New Parents Kit
- Funding Guidelines 2005/06 – NSW
- Funding Guidelines Addendum – Rehabilitation and Extended Care 2005/06 – NSW
- Genetics Services in NSW 2001–2004
- Guidelines for End-Of-Life Care and Decision-Making
- HEALTHPLAN – NSW
- Human Immunodeficiency Virus (HIV) – Management of Non-Occupational Exposure
- Incident Management Policy
- Legal Matters of Significance to Government
- Maternity – Public Homebirth Services
- Medication Chart – NSW Implementation of the National Inpatient Medication Methotrexate – Safe use of Oral Methotrexate
- Midwives – NSW Health – Credentialling Framework
- Models for Emergency Care (guidelines)
- Models for Emergency Care CD
- National clinical guidelines for the management of drug use during pregnancy, birth and the early development years of the newborn
- National Framework for Action on Dementia 2006–2010
- Needle and Syringe Program Policy and Guidelines for NSW
- NSW Health Aboriginal Health Impact Statement Guidelines 2006
- NSW Needle and Syringe Program Policy and Guidelines
- NSW Tobacco Action Plan 2005–2009 – A vision for the future
- NSW Tobacco Action Plan 2005–2009 – Background paper
- Occupational Health and Safety Issues Associated with Management Bariatric (Severely Obese) Patients
- Paracetamol Use
- Minimum Data Set for Drug and Alcohol Treatment Services
- Paediatric Clinical Guidelines Folder
- Paediatric Clinical Guidelines – Acute management of seizures in infants and children
- Patient Safety and Clinical Quality Program Implementation Plan
- Patient Safety and Clinical Quality Program – Second Report on Incident Management in the NSW Public Health System 2004–2005
- Privacy Internal Review Guidelines NSW Health
- Radiotherapy – Prescription and treatment sheets for NSW Health Radiation Therapy Facilities
- Waiting Time and Elective Patient Management Policy

Posters/postcards

- 2006 Winter tips – poster
- 2006 Baxter NSW Health Awards – postcard and poster
- Your health and responsibilities – poster
- 'Let's Take A Moment' – Quit Smoking Brief Interventon – A Guide for all Health Professionals – flowchart
- Severity Assessment Code (SAC) Matrix – double-sided poster
- Clinical Guidelines for Assessment and Management Of Psychostimulant Users Flowchart – Amphetamine, Ecstasy and Cocaine – A Prevention and Treatment Plan 2005–2009
- NSW Health Privacy – poster
- Choose smoke-free for a healthy baby

Reports

- Families first annual report
- First report on the models of care project – February–April 2005. Models of Care Roadshow
- Futures Planning
- Healthy People NSW 2006 – Strategic directions for population health
- NSW Service Plan for Specialist Mental Health Services for Older People
- NSW Community Mental Health Strategy – from prevention and early intervention to recovery 2006–2011
- NSW: A New Direction for Mental Health
- NSW Chronic Care Program Phase Three: 2006–2009, NSW Chronic Disease Strategy full report
- NSW Chronic Care Program Phase Three: 2006–2009. NSW Chronic Disease Strategy Executive Summary
- NSW Chronic Care Program Phase Three: 2006–2009. NSW Chronic Disease Summary
- NSW Department of Health Annual Report 2004/05
- NSW Health response to the population health sector of the Health Training Package – Resolution workshop report
- NSW Schools Physical Activity and Nutrition Survey 2004 report
- Reducing the burden of multiple resistant organisms (MROs)
- Review of Nurse Specialist, Clinical Nurse Educator and Nurse Educator roles questionnaire survey findings
- Summary Report – NSW Schools Physical Activity and Nutrition Survey 2004
- Routine Screening for Domestic Violence Program: Snapshot Report 2
- Resource Distribution Formula Technical Paper 2005 Revision
- The management and accommodation of older people with severely and persistently challenging behaviours in NSW: Summary Report
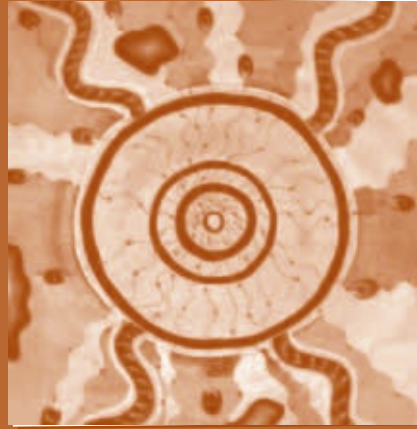
Services and facilities

Department of Health selected services

Department of Health

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Website. www.health.nsw.gov.au
Email. nswhealth@doh.health.nsw.gov.au

Director General Robyn Kruk

Business hours 9.00am–5.00pm
Monday to Friday

Centre for Oral Health Strategy

Corner Mons Road and Institute Road
Westmead NSW 2145

Tel. 8821 4300
Fax. 8821 4302

Chief Dental Officer Dr Clive Wright

Business hours 9.00am–5.00pm
Monday to Friday

Environmental Health Branch

Building 11
Gladesville Hospital Campus
Victoria Road
Gladesville NSW 2111
(PO Box 798
Gladesville NSW 1675)

Tel. 9816 0234
Fax. 9816 0240

Director Dr Michael Staff

Business hours 9.00am–5.00pm
Monday to Friday

Pharmaceutical Services Branch

Building 20
Gladesville Hospital Campus
Victoria Road
Gladesville NSW 2111
(PO Box 103
Gladesville NSW 1675)

Tel. 9879 3214
Fax. 9859 5165

Chief Pharmacist and Director John Lumby

Business hours 8.30am–5.30pm
Monday to Friday

Methadone Program

Tel. 9879 5246
Fax. 9859 5170

Enquires relating to authorities to prescribe other
drugs of addiction
Tel. 9879 5239
Fax. 9859 5175

Health Professionals Registration Boards

Level 6
477 Pitt Street
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Fax. 9281 2030
Website. www.hprb.health.nsw.gov.au
Email. hprb@doh.health.nsw.gov.au

Director Jim Tzannes

Business hours 8.30am–5.00pm

Cashier service 8.30am–4.30pm
Monday to Friday

Map and profiles of metropolitan Area Health Services

**North Sydney/
Central Coast**

Gosford n

①

④

Sydney West

Penrith n

Liverpool n

**Sydney
South West**

③

n Wollongong

②

**South Eastern
Sydney/Illawarra**

① Northern Sydney Central Coast AHS

Tel. 4320 2333
Fax. 4320 2477
Website. www.nsccahs.health.nsw.gov.au

Chief Executive
Dr Stephen Christley

Local government areas
Hornsby, Ku-ring-gai, Ryde,
Hunters Hill, Lane Cove,
Willoughby, North Sydney,
Mosman, Manly, Warringah, Pittwater,
Gosford, Wyong

Public hospitals
Royal North Shore Hospital
Ryde Hospital
Manly Hospital
Mona Vale Hospital
Hornsby Ku-ring-gai Hospital
Macquarie Hospital
Gosford Hospital
Wyong Hospital
Woy Woy Hospital
Long Jetty Hospital

Public nursing homes
Graythwaite Nursing Home

Affiliated organisations
Hope HealthCare
  (Greenwich Hospital,
  Graythwaite Nursing Home,
  Neringah Hospital)
Royal Rehabilitation Centre, Sydney

Other services
Northern Sydney Home
  Nursing Service
Sydney Dialysis Centre, Darling Point
BreastScreen (various sites)
Sexual Assault Service
Multicultural Health Service
Drug and Alcohol Services
Mental Health Services
Women's and Children's
  Health Services
Aboriginal Health
Acute/Post Acute Care

② South Eastern Sydney Illawarra AHS

Tel. 4253 4888
Fax. 4253 4878
Website.
www.sesiahs.health.nsw.gov.au

Chief Executive
Professor Debora Picone AM

Local government areas
Botany Bay, Kiama, Hurstville, Kogarah, Randwick, Rockdale, Shellharbour, Shoalhaven, Sutherland, Sydney (part), Waverley, Woollahra, Wollongong, Lord Howe Island

Public hospitals
Bulli District Hospital
Calvary Health Care Sydney
Coledale District Hospital
David Berry Hospital
Kiama Hospital
Milton Ulladulla Hospital
Port Kembla Hospital
Prince of Wales Hospital
Royal Hospital for Women
St George Hospital
St Vincent's Hospital Sydney Ltd
Sacred Heart Hospice
Shellharbour Hospital
Shoalhaven District Memorial
   Hospital
Sutherland Hospital
Sydney Children's Hospital
Sydney Hospital/Sydney Eye Hospital
   (including the Langton Centre,
   Kirketon Road Centres
   and Sydney Sexual Health Centre)
War Memorial Hospital, Waverley
Wollongong Hospital
SESIAHS also has administrative
   responsibility for the Gower
   Wilson Memorial Hospital on
   Lord Howe Island

Public nursing homes
Garrawarra Centre, Waterfall

Other services
Eastern Sydney Scarba Service
   and Early Intervention Program

③ Sydney South West AHS

Tel. 9828 5700
Fax. 9828 5769
Website. www.sswahs.nsw.gov.au

Chief Executive
Dr Diana Horvath AO

Local government areas
Ashfield, Bankstown, Burwood, Camden, Campbelltown, Canada Bay, Fairfield, Leichhardt, Liverpool, Marrickville, Strathfield, Sydney (part) Wingecarribee, Wollondilly

Public hospitals
Balmain Hospital
Bankstown/Lidcombe Hospital
Bowral Hospital
Braeside Hospital
Camden Hospital
Campbelltown Hospital
Canterbury Hospital
Carrington Hospital
Concord Hospital
Fairfield Hospital
Karitane Mothercraft
Liverpool Hospital
Queen Victoria Thirlmere
Royal Prince Alfred Hospital
Rozelle Hospital
Sydney Dental Hospital
Thomas Walker Hospital
Tresillian

Third schedule facilities
Tresillian Family Care Centres
Carrington Centennial Care
Braeside Hospital
Karitane
Queen Victoria Memorial Home

Other services
Department of Forensic Medicine
Sydney South West Laboratory
   Services

④ Sydney West AHS

Tel. 4734 2120
Fax. 4734 3737
Website. www.wsahs.nsw.gov.au

Chief Executive
Professor Steven Boyages

Local government areas
Auburn, Baulkham Hills, Blacktown, Blue Mountains, Hawkesbury, Holroyd, Lithgow, Parramatta, Penrith

Public hospitals
Auburn Hospital
Blacktown Hospital
Blue Mountains District ANZAC
   Memorial Hospital
Cumberland Hospital
Lithgow Hospital
Lottie Stewart Hospital
Mt Druitt Hospital
Nepean Hospital
Portland Hospital
Springwood Hospital
St Joseph's Hospital, Auburn
Tresillian Wentworth
Westmead Hospital

Note: the Area Health Service contracts with Hawkesbury District Health Service Ltd to provide public health services in the Hawkesbury.

Public nursing homes
Governor Phillip Nursing Home
Bodington Red Cross Hospital,
   Wentworth Falls (run by
   Catholic Health Care)

Map and profiles of rural Area Health Services

Lismore n

4

North Coast

3

2

Greater Western

Hunter/ New England

n Dubbo

Newcastle

1

Greater Southern

n
Queanbeyan

① Greater Southern AHS

Tel. 6128 9777
Fax. 6299 6363
Website. www.gsahs.nsw.gov.au

A/Chief Executive
Dr Nigel Lyons

Local government areas
Albury, Bega Valley, Berrigan, Bland, Bombala, Boorowa, Carrathool, Conargo, Coolamon, Cooma Monaro, Cootamundra, Corowa, Deniliquin, Eurobodalla, Goulburn, Mulwaree, Greater Hume, Griffith, Gundagai, Harden, Hay, Jerilderie, Junee, Leeton, Lockhart, Murray, Murrumbidgee, Narrandera, Palerang, Queanbeyan, Snowy River, Temora, Tumbarumba, Tumut, Upper Lachlan, Urana, Yass Valley, Young, Wagga Wagga, Wakool

Public hospitals
Albury Base Hospital
Barham Koondrook Soldiers Memorial
Batemans Bay District Hospital
Batlow District Hospital
Bega District Hospital
Berrigan War Memorial Hospital
Bombala Hospital
Boorowa Hospital
Bourke Street Health Service
Braidwood Hospital
Coolamon Ganmain Health Service
Cooma Hospital
Cootamundra Hospital
Corowa Hospital
Crookwell Hospital
Culcairn Health Service
Delegate Multi-Purpose Service
Deniliquin District Hospital
Finley Hospital
Goulburn Hospital
Griffith Base Hospital
Gundagai District Hospital
Hay Hospital and Health Service
Henty District Hospital
Hillston District Hospital

Holbrook District Hospital
Jerilderie Health Service
Junee District Hospital
Kenmore Hospital
Leeton District Hospital
Lockhart Hospital
Moruya District Hospital
Murrumburrah-Harden Hospital
Narrandera District Hospital
Pambula District Hospital
Queanbeyan District Health Service
Temora & District Hospital
Tocumwal Hospital
Tumbarumba Health Service
Tumut District Hospital
Urana Health Service
Wagga Wagga Base Hospital
West Wyalong Hospital
Yass District Hospital
Young District Hospital

Third schedule hospitals
Mercy Health Service Albury
Mercy Care Centre Young

② Greater Western AHS

Tel. 6841 2222
Fax. 6841 2230
Website. www.gwahs.nsw.gov.au

Chief Executive
Dr Claire Blizard

Local government areas
Balranald, Bathurst Regional, Blayney, Bogan, Bourke, Brewarrina, Broken Hill, Cabonne, Central Darling, Cobar, Coonamble, Cowra, Dubbo, Forbes, Gilgandra, Lachlan, Mid-Western, Narromine, Oberon, Orange, Parkes, Walgett, Warren, Warrumbungle, Weddin, Wellington, Wentworth, Unincorporated Far West

Public hospitals
Balranald District Hospital
Baradine Multi-Purpose Service
Bathurst Base Hospital
Blayney Multi-Purpose Service
Bloomfield Hospital
Bourke District Hospital
Brewarrina Multi-Purpose Service
Broken Hill Base Hospital
Canowindra Soldiers' Memorial
  Hospital
Condobolin District Hospital
Cowra District Hospital
Cudal War Memorial Hospital
Cobar District Hospital
Collarenebri Multi-Purpose Service
Coolah Multi-Purpose Service
Coonabarabran District Hospital
Coonamble District Hospital
Dubbo Base Hospital
Dunedoo War Memorial Hospital
Eugowra Memorial Hospital
Forbes District Hospital
Gilgandra Multi-Purpose Service
Goodooga Community Health Service
Grenfell Multi-Purpose Service

Gulargambone Multi-Purpose Service
Gulgong District Hospital
Ivanhoe District Hospital
Lake Cargelligo Multi-Purpose Service
Lightning Ridge Multi-Purpose Service
Menindee Health Service
Molong District Hospital
Mudgee District Hospital
Narromine District Hospital
Nyngan District Hospital
Oberon Multi-Purpose Service
Orange Base Hospital
Parkes District Hospital
Peak Hill Hospital
Rylstone Multi-Purpose Service
Tibooburra District Hospital
Tottenham Hospital
Tullamore Hospital
Trangie Multi-Purpose Service
Trundle Multi-Purpose Service
Warren Multi-Purpose Health Service
Wellington Hospital, Bindawalla
Walgett District Hospital
Wentworth District Hospital
Wilcannia Multi-Purpose Service

❸ Hunter and New England AHS

Tel. 4921 4922
Fax. 4921 4939
Website. www.hnehealth.nsw.gov.au

Chief Executive
Terry Clout

Local government areas

Armidale, Dumaresq, Glenn Innes, Severn, Gunnedah, Guyra, Gwydir, Inverell, Liverpool Plains, Moree Plains, Narrabri, Tamworth Regional, Tenterfield, Uralla, Walcha, Cessnock, Dungog, Gloucester, Great Lakes, Greater Taree, Lake Macquarie, Maitland, Muswellbrook, Newcastle, Port Stephens, Singleton and Upper Hunter

Public hospitals

Armidale and District Hospital
Belmont District Hospital
Cessnock District Hospital
Glen Innes District Hospital
Gloucester Soldiers' Memorial Hospital
Gunnedah District Hospital
Inverell District Hospital
James Fletcher Hospital
John Hunter Hospital
John Hunter Children's Hospital
Kurri Kurri District Hospital
Maitland Hospital
Manilla District Hospital
Morisset Hospital
Moree Hospital
Muswellbrook District Hospital
Narrabri District Hospital
Newcastle Mater Misericordiae Hospital
Quirindi Hospital
Royal Newcastle Hospital
Scott Memorial Hospital
Tamworth Base Hospital
Manning Base Hospital
Singleton District Hospital

Community hospitals/ multi-purpose services

Barraba, Bingara, Boggabri, Bulahdelah, Denman, Dungog, Emmaville – Vegetable Creek, Guyra, Merriwa, Murrurundi, Nelson Bay, Tenterfield, Tingha, Walcha, Warialda, Wee Waa, Werris Creek and Wingham

❹ North Coast AHS

Tel. 6620 2100
Fax. 6621 7088
Website. www.ncahs.nsw.gov.au

Chief Executive
Chris Crawford

Local government areas

Ballina, Bellingen, Byron, Clarence Valley, Coffs Harbour, Hastings, Kempsey, Kyogle, Lismore, Nambucca, Richmond Valley, Tweed

Public hospitals

Ballina District Hospital
Bellinger River District Hospital
Bonalbo Health Service
Byron District Hospital
The Campbell Hospital, Coraki
Casino and District Memorial Hospital
Coffs Harbour Health Campus
Dorrigo Multi-Purpose Service
Grafton Base Hospital
Kempsey District Hospital
Kyogle Memorial Health Service
Lismore Base Hospital
Macksville Health Campus
Maclean District Hospital
Mullumbimby and District War Memorial Hospital
Murwillumbah District Hospital
Nimbin Health Service
Port Macquarie Base Hospital
The Tweed Hospital
Urbenville Health Service
Wauchope District Memorial Hospital

Statewide Services

Ambulance Service of NSW

Tel. 9320 7777
Fax. 9320 7800
Website. www.ambulance.nsw.gov.au

Chief Executive
Greg Rochford

Clinical Excellence Commission

Tel. 9382 7600
Fax. 9382 7615
Website. www.cec.health.nsw.gov.au

Chief Executive Officer
Professor Clifford Hughes AO

HealthQuest

Tel. 9289 7700
Fax. 9282 9898
Website. www.healthquest.gov.au

Chief Executive Officer
Alison Viney

Justice Health

Tel. 9289 2977
Fax. 9311 3005
Website. www.justicehealth.nsw.gov.au

Chief Executive Officer
Dr Richard Matthews

The Children's Hospital at Westmead

Tel. 9845 0000
Fax. 9845 3489
Website. www.chw.edu.au

Chief Executive
Dr Antonia Penna

Area Health Service Public Health Units

Greater Southern PHU

Level 3, 34 Lowe Street
Queanbeyan NSW 2620

Tel. (02) 6124 9942
Fax. (02) 6299 6363

641 Olive Street
Albury NSW 2640

Tel. (02) 6021 4799
Fax. (02) 6021 4899

Greater Western PHU

Broken Hill NSW 2880
Tel. (08) 8080 1500
Fax. (08) 8080 1683

23 Hawthorn Street
Dubbo NSW 2830

Tel. (02) 6841 5569
Fax. (02) 6841 5570

PO Box 143
Bathurst NSW 2795

Tel. (02) 6339 5601
Fax. (02) 6339 5189

Hunter/New England PHU

Suite 7, 2nd Floor,
Parry Shire Building
470 Peel Street
Tamworth NSW 2340

Tel. (02) 6766 2288
Fax. (02) 6766 3003

Hunter Population Health
Booth Building
Wallsend Campus
Longworth Avenue
Wallsend NSW 2287

Tel. (02) 4924 6473
Fax. (02) 4924 6048

Justice Health Service PHU

Long Bay Complex
Anzac Parade
Malabar NSW 2036

Tel. (02) 8372 3006
Fax. (02) 9344 4151

North Coast PHU

Port Macquarie Health Campus
Morton Street
Port Macquarie NSW 2444

Tel. (02) 6588 2750
Fax. (02) 6588 2837

31 Uralba Street
Lismore NSW 2480

Tel. (02) 6620 7500
Fax. (02) 6622 2552

**Northern Sydney/
Central Coast PHU**

c/Hornsby Ku-ring-gai Hospital
Palmerston Road
Hornsby NSW 2077

Tel. (02) 9477 9400
Fax. (02) 9482 1650

Newcastle University
Ourimbah Campus
Brush Road
Ourimbah NSW 2258

Tel. (02) 4349 4845
Fax. (02) 4349 4850

**South Eastern Sydney/
Illawarra PHU**

Hut U, Easy Street
Prince of Wales Hospital Campus
Randwick NSW 2031

Tel. (02) 9382 8333
Fax. (02) 9382 8334

Block B, Building 39
University of Wollongong
Gwynneville NSW 2500

Tel. (02) 4221 6700
Fax. (02) 4221 6759

Sydney South West PHU

Level 6 West Queen Mary Building
Royal Prince Alfred Hospital
Grose Road
Camperdown NSW 2050

Tel. (02) 9515 9420
Fax. (02) 9515 3182

Hugh Jardine Building
Liverpool Hospital, Eastern Campus
Elizabeth Street
Liverpool NSW 2170

Tel. (02) 9828 5944
Fax. (02) 9828 5955

Sydney West PHU

Gungarra (Building 68)
Cumberland Hospital
5 Fleet Street
North Parramatta NSW 2151

Tel. (02) 9840 3603
Fax. (02) 9840 3608

Nepean Hospital
Great Western Highway
Kingswood NSW 2750

Tel. (02) 4734 2022
Fax. (02) 4734 3300

Glossary of terms

Admission

The process by which a person commences a period of residential care in a health facility.

Admitted patients

Individuals accepted by a hospital for inpatient care.

Average length of stay (ALOS)

The average number of days each admitted patient stays in hospital. This is calculated by dividing the total number of occupied bed days for the period by the number of actual separations in the period.

Accrual accounting

Recognises revenues and expenses in the accounting period in which goods and services are provided or consumed, rather than in periods when cash is received or paid. In addition, it provides information on the assets and liabilities of an economic entity.

Ambulatory care

Any form of care other than as a hospital inpatient.

Best practice

Identifying and matching the best performance of others.

Bed days

The total number of bed days of all admitted patients accommodated during the reporting period. It is taken from the count of the number of inpatients at midnight (approximately) each day. Details for Same Day patients are also recorded as Occupied Bed Days where one Occupied Bed Day is counted for each Same Day patient.

Bed occupancy rate

The percentage of available beds which have been occupied over the year. It is a measure of the intensity of the use of hospital resources by inpatients.

Booked admission

Patients who require non-emergency admission to hospital (formerly called elective patients) where admission need not occur within 24 hours are booked in and placed on a waiting list.

Clinical pathways

The systematic approach to achieving particular outcomes for an inpatient, which identifies the amount and sequence of resources for that type of case.

Chargeable inpatients

Any admitted patient or registered non-inpatient for whom a charge can be raised by a hospital or Area Health Service for the provision of health care.

Diagnosis related groups (DRGs)

A system designed to classify every acute inpatient episode, from admission to discharge, into one of approximately 500 coding classes. Each group contains only patients who have similar clinical conditions and treatment costs.

Day of surgery admission (DOSA)

Involves patients who require an overnight stay in hospital following their procedure but who are admitted to hospital on the day of surgery.

Inpatient

A person who is admitted to hospital.

Non-admitted patient services (NAPS)

Services provided to clients/patients who are not admitted to hospital, eg emergency department services, outpatient department services and community health services.

Performance agreement

An agreement between the Director General and public health organisations, as outlined under the *Health Services Act 1997*. The agreement contains agreed objectives and goals and defines accountabilities and measures performance.

Performance indicator

A set of indicators for the NSW public health system that focus on a limited number of high-level issues designed to provide a broad overview of NSW Health. This core set of indicators forms part of other major indicator sets used by NSW Health, such as performance agreements with NSW Treasury and with Area Health Services.

Same-day surgery

Involves the patient being admitted and discharged on the day of surgery.

Specialist

A doctor who has extra qualifications in one or more clinical areas of practice. Some examples of specialists are gynaecologists, ophthalmologists and neurosurgeons.

Specialty

The term used to describe the particular field of medicine in which a specialist doctor practises, eg orthopaedics, urology, gynaecology.

Telehealth

A telecommunications network connecting health facilities around NSW to improve access to health care services for patients, especially those living in rural and remote communities. It uses pictures, videos and information across long distances so that health professionals and patients can decide treatment options without the need for travel.

Triage

An essential function of emergency departments where many patients may present at the same time. Triage aims to ensure that patients are treated in order of their clinical priority and that their treatment is timely.

Waiting time

The amount of time that a patient has waited for admission to hospital. It is measured from the day the hospital receives a 'recommendation for admission' form for the patient until the day the patient is admitted.

23 hour care unit

Units that have been specifically designed to accommodate patients, both booked and emergency, that meet specific admission criteria including:

- absolute expectation of discharge within 24 hours
- preadmission screening (booked patients)
- agreed clinical guidelines in place
- agreed protocols based on nurse initated discharge.

Compliance index

Regulatory requirements for annual reporting

Index

Annual Report production costs

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