Annual Report 2006/07

NSW Department of Health

NSW HEALTH

NSW Department of Health
73 Miller Street
NORTH SYDNEY NSW 2060
Tel. (02) 9391 9000
Fax. (02) 9391 9101
TTY. (02) 9391 9900
www.health.nsw.gov.au

For more copies contact
Better Health Centre – Publications Warehouse
Locked Mail Bag 5003
Gladesville NSW 2111
Tel. (02) 9816 0452
Fax. (02) 9816 0492

This report can be downloaded from the
NSW Health website www.health.nsw.gov.au

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December 2007

Letter to the Minister

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

Dear Minister

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

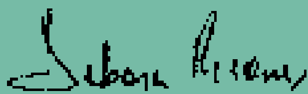
Submission of the Department's report by 31 October was not possible due to the late emergence of a number of issues requiring resolution by the Department:

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

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

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

Yours sincerely



Prof Debora Picone AM
Director General

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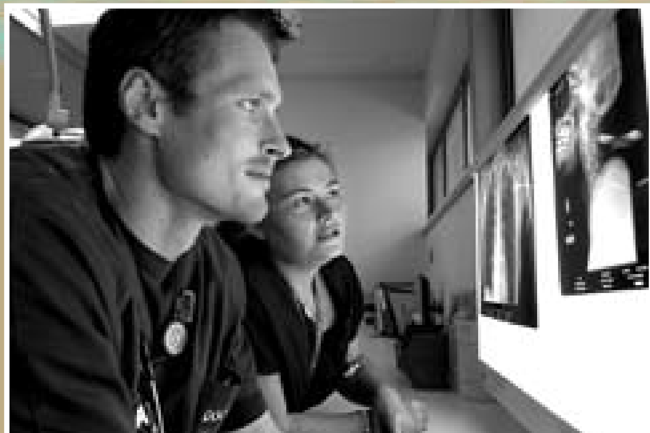


Director General's year in review 2006/07

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

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

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

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

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

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

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

Our goals under the State Plan are:

S1 – Improved access to quality healthcare.

S2 – Improved survival rates and quality of life for people with potentially fatal or chronic illness through improvements in health care.

S3 – Improved health through reduced obesity, smoking, illicit drug use and risk drinking.

F3 – Improved outcomes in mental health.

F5 – Reduced avoidable hospital admissions.

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

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

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

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

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

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

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

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

Nurse recruitment

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

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

Hospitalists

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

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

Electronic Health Record

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

Healthelink securely centralises a patient's records electronically, allowing health professionals to access updated records at any time and from any location participating in the trial. Electronic health records will make a big difference to patients and healthcare staff by providing instant access to the patient's medical history, removing the need to wait while paper records are retrieved.

Health Infrastructure Board

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

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

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

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

Reinvestment in frontline health care

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

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

Emergency Department Toolkit for treating children

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

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

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

Surgery hotline

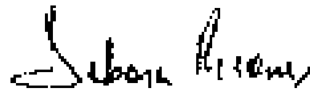
The Surgery Access Line was introduced statewide to assist patients to get earlier surgery when they are booked for elective surgical procedures.

The toll-free Surgery Access Line – 1800 053 456 – operates from 8am to 6pm Monday to Friday. The line is staffed by experienced people who are able to provide patients with advice about options that may be available for earlier treatment. Options may include surgery at the same hospital with a different surgeon or surgery at an alternative hospital.

Chief Health Officer's Report 2006

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

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



Professor Debora Picone AM
Director General

Governance

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About us

NSW Department of Health

We work to provide the people of NSW with the best possible health care

The NSW Department of Health supports the NSW Minister for Health and two Assistant Ministers to perform their executive and statutory functions.

This includes promoting, protecting, developing, maintaining and improving the health and wellbeing of the people of NSW, while considering the needs of the State and the finances and resources available.

The Department was established in 1982 under section 6 of the Health Administration Act 1982.

The Department has statewide responsibility for providing:

Advice to government

The Department provides advice and other support to the Minister for Health and the Ministers Assisting the Minister for Health (Cancer and Mental Health Services) in the performance of their role and 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 health services performance against key performance indicators and improvement strategies such as performance agreements, statewide reporting 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.

Regulatory functions

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

Legislative program

The Department provides advice and support for the Legislative Program and Subordinate Legislative Program for the Health portfolio.

Corporate governance

The Department provides advice, support and coordination for sound corporate governance across the health system.

Corporate support

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

NSW Department of Health priorities

NSW Health is a lead agency for achieving five of the Government's priorities in the NSW State Plan. They are:

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

It is also a contributing agency for the following State Plan priorities:

- Reduced rates of crime, particularly violent crime.
- Reducing re-offending.
- Reducing levels of antisocial behaviour.
- Increased participation and integration in community activities.
- Increased customer satisfaction with Government services.
- Improved health and education for Aboriginal people.
- Increased employment and community participation for people with disabilities.
- Embedding the principle of prevention and early intervention into Government service delivery in NSW.
- Increased proportion of children with skills for life and learning at school entry.
- Reduced rates of child abuse and neglect.
- Better access to training in rural and regional NSW to support local economies.
- More people using parks, sporting and recreational facilities and participating in the arts and cultural activity.

The NSW State Health Plan A New Direction for NSW Health: Towards 2010 and the long range vision, Future Directions for Health in NSW – Towards 2025 identify seven strategic directions to achieve these priorities.

Seven strategic directions

1. Make prevention everybody's business.
2. Create better experiences for people using the health system.
3. Strengthen primary health and continuing care in the community.
4. Build regional partnerships for health.
5. Make smart choices about the costs and benefits of health and health support services.
6. Build a sustainable health workforce.
7. Be ready for new risks and opportunities.

The NSW Department of Health Annual Report 2006/07 reports on our activities and achievements according to the seven strategic directions.

Healthy people – now and in the future

Why we are here	1 Make prevention everybody's business	2 Create better experiences for people using health services	3 Strengthen primary health and continuing care in the community	4 Build regional and other partnerships for health	5 Make smart choices about the costs and benefits of health services	6 Build a sustainable health workforce	7 Be ready for new risks and opportunities
What we do	– Health improvement – Re-investment – Immunisation – Child health and wellbeing – Mental health – Obesity – Chronic disease – Tobacco – Drugs and alcohol – Sexual health – Oral health – Healthy ageing – Urban planning	– Clinical services – Patient safety within a quality framework – Children and young people – Clinician and community engagement – Patient satisfaction – Public responsibility – Decision making – Information management and technology – Carers – Aged care/chronic care/ community acute care – Mental health – Rural and remote health – Drugs and alcohol – People with a disability – Culturally and linguistically diverse communities including refugees – Transport	– Integrated primary health care – Rural and remote areas – General practice access – Early intervention – Early screening, triage and assessment – Chronic care – Mental health – Aboriginal health – Carers – Disability support programs	– Community engagement – Regional health planning – General practitioners – Information sharing – Aboriginal health – Mental health – Non-government organisations – Private health sector – Older people	– Health investment and reinvestment – Prevention and early intervention funding – Equity – resource distribution formula – Asset management – Information management and technology – Health technology – Electronic medical and health information systems – Corporate services	– Recruitment and retention – Improving workforce flexibility and strengthening career pathways – Mental health workforce – Staff satisfaction – Education and training – Aboriginal workforce – Rural and remote workforce – Workforce planning	– Health reform – Health choices – Smart choices – Integration across government – Teaching and research – Risk management – Disaster preparedness – Environmental factors
Measuring success	– Improved health through reduced obesity, smoking, illicit drug use and risk drinking – Improved survival rates and quality of life for people with potentially fatal or chronic illness – Improved dental health – Reduced vaccine preventable conditions – Reduced fall injuries among older people – Increased participation in community, recreation, sporting, artistic and cultural activity – Reduced levels of anti-social behaviour	– Improved access to quality health care – Emergency departments – Elective surgery – Increased customer satisfaction with health services – Ensuring high quality care	– Reduced avoidable hospital admissions through early intervention, prevention and better access to community based services – Improved health for Aboriginal communities – Improved outcomes in mental health – Increased focus on early intervention – Reduced rates of crime, particularly violent crime	– Improved outcomes in mental health – Implement key plans and frameworks – Improved health outcomes for Aboriginal communities	– Make the most effective use of resources for health	– Build a sustainable workforce	– Ensure the NSW health system is ready for new risks and opportunities

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.

Our Vision

The NSW Department of Health provides system-wide leadership to ensure high quality health services which are responsive to consumers, the community and the challenges of the future. Our vision 'Healthy People – Now and in the Future' and our goals reflect these aspirations.

Our Values

The Department is guided by the public sector principles of responsibility to the Government, responsiveness to the public interest, and promoting and maintaining public confidence and trust in the work of the Department.

Our Values Statement applies to the Department, its staff and contractors, and forms the basis for decisions and actions on which performance ultimately depends.

The NSW Department of Health's Statement of Values is:

Integrity
Honesty, consistency and accountability in decisions, words and actions.

Respect
Recognising the inherent worth of people.

Fairness and Equity
Providing good health care based on need and striving for an equitable health system.

Excellence
Highest level of achievement in all aspects of our work.

Leadership
Looking to the future of health and building on past excellence.

Our Goals

Our focus is on meeting the health needs of the people of NSW within the resources available to us.

Our goals are:

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 the Department'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 Hon John Hatzistergos MLC served as Minister for Health until March 2007. The Hon Reba Meagher MP was appointed the NSW Minster for Health on 2 April 2007.

Minister Assisting the Minister for Health (Cancer)

The Hon Frank Sartor MP served as the Minister Assisting the NSW Minister for Health (Cancer) until March 2007. The Hon Verity Firth MP was appointed the Minister Assisting the NSW Minister for Health (Cancer) on 2 April 2007. Ms Firth 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 served as the Minister Assisting the NSW Minister for Health (Mental Health) until March 2007. The Hon Paul Lynch MP was appointed the Minister Assisting the NSW Minister for Health (Mental Health) on 2 April 2007. Mr Lynch is responsible for implementing the Government's five-year plan for mental health in NSW.

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.

Health Administration Corporation

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

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.

Area Health Services

Area Health Services, statutory health corporations and affiliated health organisations are known in NSW as Public Health Organisations. Area Health Services 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.

Other public health organisations

There are five 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
- Stewart House Preventorium.

There are 21 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. The Director General has a range of functions and powers under the Health Services Act 1997, the Health Administration Act 1982 and other legislation. These functions and powers include responsibility for the provision of ambulance services, provision of health support services to public health organisations and exercising, on behalf of the Government of NSW, the employer functions in relation to the staff employed in the NSW Health Service.

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
- Ensuring implementation of the NSW State Plan and the NSW State Health Plan.

The Management Board comprises the Department's senior management team including the Director General and Deputy Directors General. It meets fortnightly to determine corporate priorities, consider major issues and set strategic directions. The Board provides high-level oversight of the implementation of the NSW State Plan and State Health Plan and receives regular reports on State Plan priorities.

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, the Chief Financial Officer 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 Management 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 Corporate Governance and Risk Management Branch brings 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 facilitated, with significant results this year including:

- Employment screening and review policies and procedures published.
- Compliance system introduced for implementation of Premier's circulars and memoranda and Treasury circulars.
- Continuance of a training program for allegations management and employment screening.

During 2006/07 the Department's Internal Audit branch 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 conducted covering use of motor vehicles, capital budgeting, funding and performance agreements and information systems. In addition, audits were undertaken on HealthSupport and HealthTechnology covering core functions and transitional risks.

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:

- 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.
- Positive and strengthened relationships established with Ombudsman's Office, Health Care Complaints Commission, Commission for Children and Young People, Independent Commission Against Corruption and Audit Office.
- Participation in a nationwide research project into whistleblower protection and management and facilitation within NSW Department of Health.
- In conjunction with the Independent Commission Against Corruption, development of a training kit for managing the risk of corruption in the NSW public health sector.

Risk Management and Audit Committee

The Risk Management and Audit Committee comprises the Director General, two Deputy Directors General, Director Executive and Corporate Support, a member of the Information Management and Technology Strategic Reference Group and Mr Jon Isaacs 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 Department of Health.
- Monitor the Department's response to and implementation of any findings or recommendations of external bodies such as the Independent Commission Against Corruption and Audit Office of NSW.
- 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 public health 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.

Monitoring health system performance

The Department of Health has produced a set of high-level performance indicators. These indicators measure NSW Health performance against priorities and programs linked to the seven Strategic Directions identified in the State Health Plan, A New Direction for NSW Towards 2010 and against priorities contained in the NSW State Plan, A new direction for NSW.

Outcomes against 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

Governance reporting

The corporate governance and accountability compendium contains the corporate governance principles and framework to be adopted by Health Services. The NSW Health governance framework requires each Health Service to complete a standard annual statement of corporate governance certifying their level of compliance against eight primary governing responsibilities.

A review of the governance statements for the 2005/06 year, submitted in October 2006 for the eight Area Health Services and the Children's Hospital at Westmead, indicated 86 per cent full compliance across the 56 dimensions assessed within the governance statements. Health Services were generally addressing those areas where partial or non-compliance was indicated.

At the time of preparation of this report, the corporate governance statements for the 2006/07 financial year were being completed by Health Services.

Health infrastructure

On 25 June 2007, NSW Premier Morris Iemma announced the establishment of a Health Infrastructure Board to manage and oversee the delivery of the NSW Government's major hospital works by the Health Infrastructure Office within the Health Administration Corporation. The new board will commence in 2007/08.

Corporate governance priorities

Selected priority strategies and projects in corporate governance, risk management and internal audit for 2006/07 include:

- Re-issuing 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.
- Review the corporate governance statements for Chief Executives to incorporate changes to planning structures as a result of the State Plan and the State Health Plan and to ensure the statements reflect the responsibilities of Chief Executives in a shared services environment.
- Rationalising performance agreements in place across NSW Health.
- Rolling out the corporate governance statement process to NSW Health entities not currently completing governance statements.
- Ensuring the implementation of governance structures for health infrastructure and health support services.
- Developing governance standards and procedures for NSW Health Ministerial Board and Committees.
- 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 (p 154)
- Consumer participation (pp 164–5)
- Code of conduct (pp 155–61)
- Legislation (pp 234–5)
- Financial management (pp 71–152)
- Workforce management (pp 61–66)
- Committees, roles and responsibilities (pp 227–30)
- Senior executive performance statements (pp 183–87)
- Regulatory compliance index (p 285).

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 the NSW health system.

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.

Clinical governance has been embedded into the NSW health system through the mandatory requirement for all Area Health Services to have consistent structures in place, including a Clinical Governance Unit directly reporting to Chief Executives. Clinical Governance Units are responsible for the rollout of the NSW patient safety and clinical quality program within each Area Health Service and are supported by the Quality and Safety Branch and the work of the Clinical Excellence Commission.

Key functions of the Clinical Governance Units 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.

The NSW Health Reportable Incident Review Committee is responsible for examining and monitoring reported serious clinical adverse events and ensuring that appropriate action is taken.

The Committee is chaired by the Deputy Director General, Health System Performance and contains membership from the Clinical Excellence Commission and Directors of Branches/Services whose portfolio is directly or indirectly related to patient care.

In June 2006, the Reportable Incident Review Committee was authorised as a Committee under section 23 of the Health Administration Act. This section provides for restrictions to be imposed on the release of information obtained in connection with research and investigations of morbidity and mortality authorised by the Minister. Other section 23 committees operating in the NSW Health system include the NSW Mental Health Sentinel Events Review Committee and the NSW Maternal and Perinatal Committee.

Clinical, consumer and community participation

Health is an important issue for the community. The NSW Department of 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 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.

A list of priorities considered by the Health Care Advisory Council in 2006/07 is included in Appendix 1 – Consumer participation (page 164).

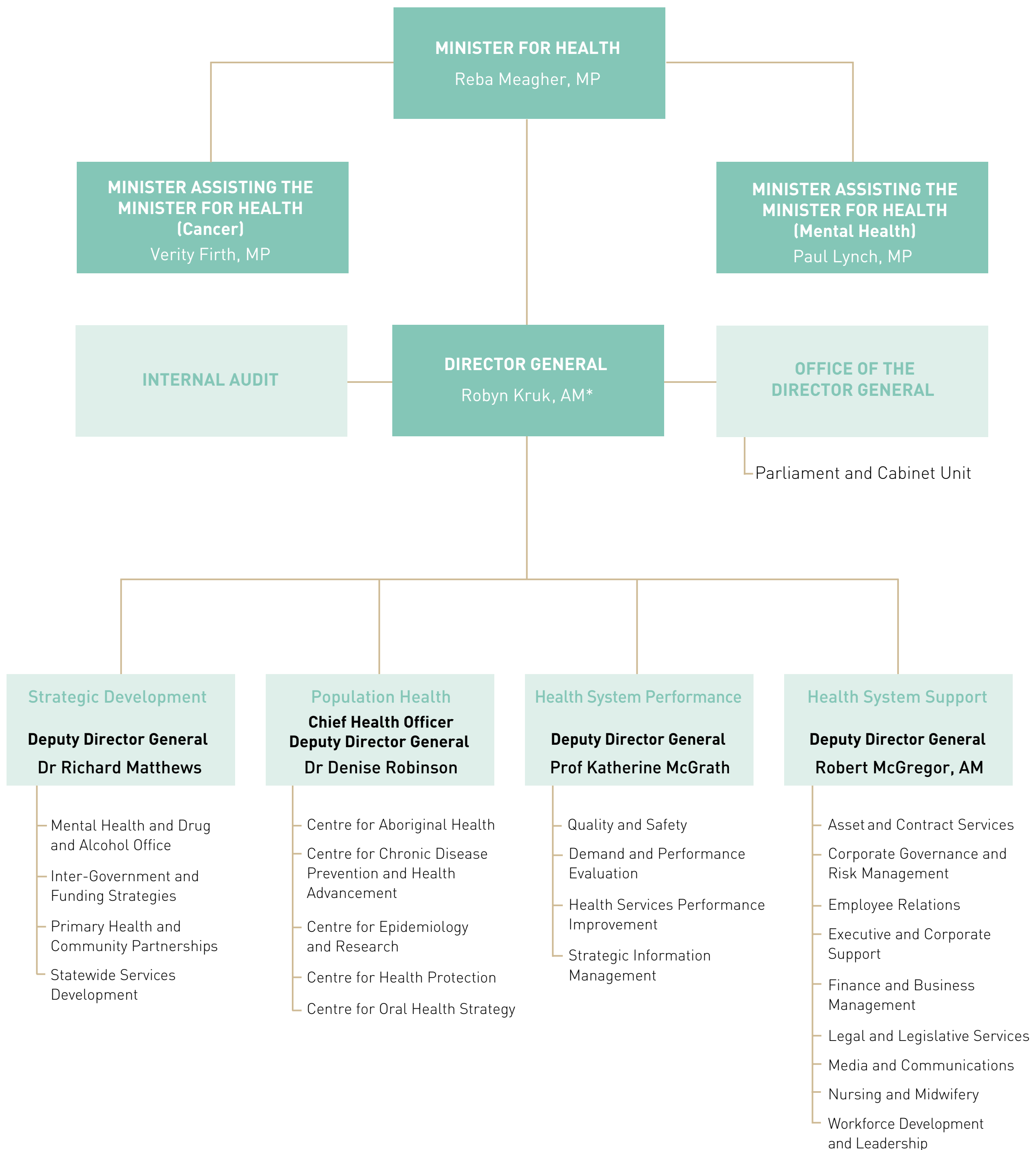
The Health Services Act enshrines permanent structures for community participation at the local area level in the form of Area Health Advisory Councils. All Area Health Services are required to establish these Councils as their peak advisory body. Under the Act the Children's Hospital at Westmead has also established an Advisory Council. They comprise clinicians and members of the community working together to provide advice to Chief Executives on planning and health service delivery. Each council is required to develop a charter and report annually to the Minister and Parliament.

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

What we do

Structure and responsibilities

Organisational chart as at 30 June 2007



* Robyn Kruk resigned from the position of Director General in May 2007. Robert McGregor acted in this position until 30 June 2007. Karen Crawshaw acted as Deputy Director General Health System Support for the same period.

What we do

As at June 2007 the NSW Department of Health was administered through six main functional areas.

Director General
Robyn Kruk, AM

Robyn Kruk held the position of Director General for the NSW Department of Health for five years until May 2007. Robert McGregor AM acted in this position from May 2007 until the commencement of Professor Debora Picone AM in July 2007.

Ms Kruk was appointed to the position of Director General of the Department of Premier and Cabinet in May 2007. 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 Board of Management 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. The Director General is also the chair of the Senior Executive Advisory Board which represents the Chief Executives of public health organisation in NSW.

Office of the Director General

The Office of the Director General provides high-level executive and coordinated 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, coordinated 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

The Parliament and Cabinet Unit 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.

It 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 the NSW Department of Health.

Strategic Development

Deputy Director General
Dr 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.

He commenced his career in general practice and developed a special interest in drug and alcohol services. In his role, Dr Matthews has strategy planning responsibility for statewide services development, primary health and community partnerships, mental health, drug and alcohol, inter-government and funding strategies and structural reform and strategy.

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 health services in NSW. The Division also supports the Health Care Advisory Council and a number of Health Priority Taskforces.

Mental Health and Drug and Alcohol Office

The Mental Health and Drug and Alcohol Office was formed in October 2006 by the integration of the three previously separate entities: the Centre for Mental Health, the Centre for Drug and Alcohol and the Office of Drug and Alcohol Policy. The Community Drug Strategies branch amalgamated with the Office in February 2007.

The Mental Health and Drug and Alcohol Office is responsible for developing, managing and coordinating the NSW Health Department policy framework and strategy relating to mental health and to the prevention and management of alcohol and drug-related harm. It also supports the maintenance of the mental health legislative framework.

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 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.
- 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

Responsible for developing strategic policies, innovative service models and programs to ensure improved equity, access and health outcomes for targeted population groups often requiring special advocacy and attention due to their particular health needs. A related objective is the development of policies that give direction to primary and community-based services and improve the participation of consumers and communities in health care planning.

The Branch also has a key role in implementing effective clinician and community engagement in the delivery of health services through the Health Care Advisory Council, the Area Health Advisory Councils and the work of the Health Priority Taskforces.

Statewide Services Development

The Statewide Services Development branch is responsible for:

- Developing NSW Health Department policy, planning tools, frameworks, clinical plans and strategy development for a range of acute and specialty health services with statewide implications.
- Collaborates with asset and contract services 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.

Structural Reform and Strategy

This branch is responsible for leading and coordinating an integrated strategic planning framework across the NSW public health system. This involves monitoring and reporting on the implementation of the State Health Plan, NSW Health priorities under the State Plan and strategic plans of Area Health Services. These processes are aimed to ensure the NSW health system has the capacity to meet the challenges ahead.

Population Health

Chief Health Officer
Deputy Director General
Dr Denise Robinson

Denise Robinson has been the Chief Health Officer and Deputy Director General, Population Health since June 2005. Prior to joining the Department in 2003 as Deputy Chief Health Officer, Dr Robinson had extensive management experience in NSW, holding a range of senior positions within the health system. Since her appointment as the Chief Health Officer, Dr Robinson has worked to improve health outcomes for the Aboriginal people of NSW and to ensure that the NSW public dental system is available to provide necessary dental care to the eligible population.

Functions within the Department

The Population Health Division works in partnership with Area Health Services, NSW communities and organisations to promote and protect health and prevent injury, ill health and disease for the population of NSW.

Population Health monitors health and implements policy and services to improve life expectancy and health outcomes. It develops, maintains and reports on population health datasets, implements disease and injury prevention measures, promotes and educates people about healthier lifestyles. It protects health through disease prevention services, environmental services and regulation. It ensures the use of quality medicines and the safe use of poison, and licences private hospitals. The Division also has primary responsibility for counter disaster liaison and for the public health response to a disaster or emergency.

Centre for Aboriginal Health

Develops, coordinates and influences policy, strategic planning, services and program design to ensure that they are culturally inclusive and accessible to Aboriginal people living in NSW. The Centre acts as a specialist resource to support the NSW Department of Health and to ensure the Department has access to culturally sensitive and appropriate advice in relation to Aboriginal issues to support the organisation in developing services that will improve the health and wellbeing of Aboriginal people.

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 NSW Department of 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 research by providing infrastructure funding, and promotes the use of research to inform policy and practice through the following branches:

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

Centre for Health Protection

Identifies and helps reduce communicable and environmental risks to the population's health. The Centre also provides input into food regulatory policy and co-ordinates response to food-borne illness in liaison with the NSW Food Authority.

It also regulates the supply and distribution of medicines and poisons, licences private hospitals and provides policy input into a number of areas including cancer screening, organ and tissue donation and blood and blood products. It undertakes these tasks through the following sections:

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

Centre for Chronic Disease Prevention and Health Advancement

Develops and coordinates the strategic prevention response to national and state health priority issues, with a particular focus on the State priority areas of tobacco, falls prevention and overweight and obesity 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 and implements oral population health prevention initiatives and service delivery in NSW for those eligible for receipt of public oral health

services or sources those required from the private sector through the following sections:

- Performance management and funding
- Oral health promotion and water fluoridation
- Early childhood oral health
- Aboriginal oral health
- Oral health workforce policy.

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 the NSW Department of 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.

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.

Strategic Information Management
Leads the development of statewide strategies and future directions for NSW Health Information and Communication Technology. The portfolio consists of four core strategies – clinical, corporate, information and infrastructure and targets a common set of applications across NSW that best support the clinical services redesign and the shared corporate services reform programs.

Quality and 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 underpins the statewide incident management program.

Demand and Performance Evaluation
The Demand Performance Evaluation Branch is responsible for the oversight of the NSW Health state data and reporting infrastructure to improve health performance and outcomes. It manages the major health activity data collections such as admitted patient, emergency department and elective surgery waiting lists and also manages major health activity reporting for the NSW Department of Health.

It is also responsible for analysis of demand and performance data, benchmarking and governance of new data and information systems to better meet health needs. The Branch also provides support and advice for research, data management and information policy for NSW Health and currently sponsors the business information program – an information program reform to get better and more timely information to those who need it at the front line.

Health System Support

Deputy Director General
Robert McGregor, AM

Robert McGregor has extensive experience at senior management level in the NSW public sector, having occupied 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. Mr McGregor retired in July 2007.

Functions within the Department

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

Asset and Contract Services

Provides leadership in infrastructure, asset management and procurement policy development. Manages the Asset Acquisition Program and Shared Services 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. Manages relationships with key external agencies. Undertakes employment screening and investigations of allegations of abuse by health service employees.

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

The 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.

Corporate Personnel Services develops and implements the Department's human resources strategy. It provides support and guidance to staff on all personnel and payroll issues.

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.

Finance and Business Management

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

Legal and Legislative Services

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 the NSW Department of Health.

Provides registrar and administrative services to the nine Health Professionals 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 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.

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How we compare

The health of the people of NSW compares favorably with the rest of the world. Further, the sustained momentum of system redesign is leading to improvements in the quality and efficiency of the public health system.

Comparisons with other states and territories and other countries with similar health systems is an effective way to benchmark the NSW public health system. National and international results in key health indicators provide the signs we need to make sure we are still providing a public health service that is one of the best in the world.

This section provides an overview of results in common health indicators recognised internationally as reliable objective methods for measuring health and health services. International data has been sourced from the Organisation for Economic Co-operation and Development (OECD) and the World Health Organisation (WHO). Nationally, the Australian Institute of Health and Welfare (AIHW) produces robust state and territory health data and along with the Australian Bureau of Statistics (ABS) is the source of state and territory data produced here.

Information on a variety of indicators is included:

- Life expectancy at birth – international and state/territory comparisons
- Infant mortality – international and state/territory comparisons
- Death rates – state/territory comparisons
- Health expenditure – international and state/territory comparisons
- Public health expenditure by activity – state/territory comparisons
- Selected hospital activity data – state/territory comparisons.

Even though the OECD and WHO endeavor to standardise published health measures and results as robustly as possible, information users must always exhibit caution in drawing comparisons between countries. When considering the information provided in this section keep in mind that even though it may appear that countries are using the same health indicators, there may be hidden variations in their construction. For example, countries may 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. Although in this section 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.

Like international information, care should also be taken when comparing states and territories. Because each state and territory governs its own public health system and each has a unique geographic and demographic make up there is inevitably differences between systems. For example, the proportion of Indigenous people in the population will have an effect on the overall health outcomes of that population. Indigenous 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 when comparing state and territory health data that 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.

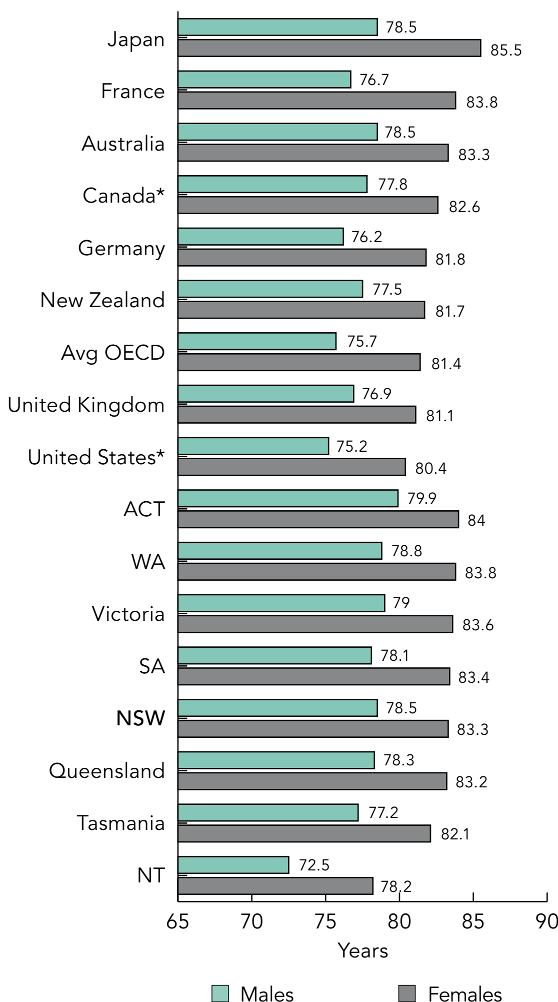
Life expectancy at birth

Life expectancy at birth measures the average number of years a newborn can expect to live if the existing mortality patterns remain during the individual's lifetime. Life expectancy has long been used as an indicator to reflect the level of mortality experienced by a population and is often used as an objective summary measure of 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 behaviours such as smoking and alcohol consumption.

The graph below 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 (2005)



Source: OECD Health Data, 2007 and ABS Death Statistics, 2005
*The US and Canada = 2004 data

Australia's life expectancy at birth for those born in 2005 was 83.3 years for females and 78.5 for males. Australia has enjoyed a continual increase since the early twentieth century in life expectancy and in the last ten years alone, female life expectancy has increased by 2.5 years and males by 3.5 years. Today, Australians have one of the best life expectancy rates amongst OECD countries and in fact, the world.

Life expectancy at birth in 2005 in NSW was on par with the Australian average at 83.3 years for females and 78.5 years for males. NSW life expectancy is longer than a number of countries including New Zealand, Canada, Germany, the US and the UK along with being longer than the OECD average. Like the national rate, NSW continues to improve year-on-year. Since 1995, female life expectancy has improved by 2.5 years and male life expectancy by 3.7 years, slightly more than the national improvement. Compared to the OECD average, NSW has been improving at a much quicker rate.

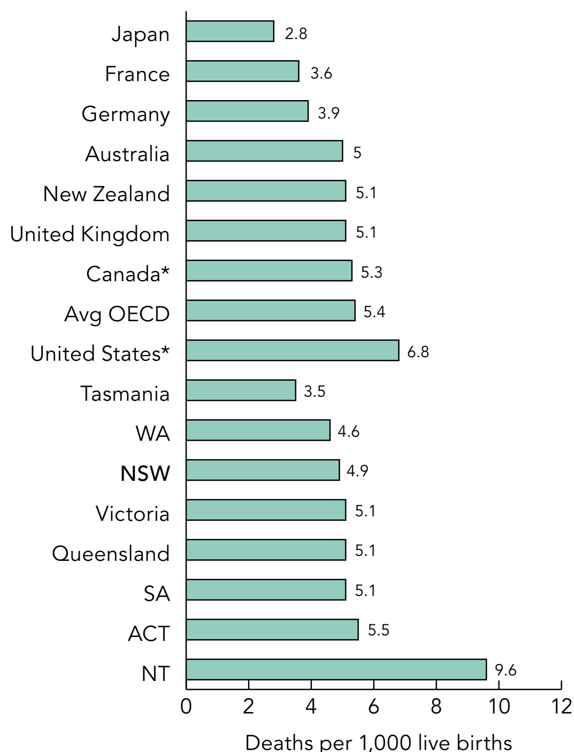
Infant mortality

Infant mortality is used to compare the health and wellbeing of populations across and within countries. 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. Like life expectancy at birth, it is internationally recognised as an indicator of population health and is often used in understanding an area's state of health development. In the past, infant mortality claimed a large percentage of children born, but the rates have significantly declined in modern times, mainly due to improvements in basic health care and advances in medical technology.

Today, infant mortality is 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.

Graph 2 (over page) shows the latest OECD data on infant mortality alongside state and territory rates from the ABS.

Graph 2. Infant mortality rates for selected OECD countries and Australian states and territories, 2005



Source: OECD Health Data, 2007 and ABS Death Statistics, 2005
*The US and Canada = 2004 data

Australia has seen a slight increase in the infant mortality rate in 2005 (5.0) compared to 2004 (4.7). However, slight fluctuations in the year-on-year rate are not uncommon and overall, the rate continues to steadily decline. In the last ten years the infant mortality rate has decreased by 13 per cent. Like life expectancy at birth, Australia has a better infant mortality rate than New Zealand, Canada, the UK and the US.

At 4.9, the infant mortality rate in 2005 in NSW was slightly better than the Australian rate. Compared to the other states and territories, NSW had the third lowest rate behind Tasmania and Western Australia. Although the NSW rate was up slightly on 2004, like the overall Australian rate, it has been steadily declining through time.

Health expenditure

The common aim between all OECD countries is to improve health outcomes while containing costs. Unfortunately, a robust method to benchmark countries on cost-effectiveness within health systems has yet to be defined. One problem, for example, is the difficulty of attributing improvements in health outcomes to spending levels. Without being able to easily measure cost-effectiveness, examining health expenditure as a proportion of Gross Domestic Product (GDP) between countries is a commonly used economic measure in health. Health expenditure as a proportion of GDP measures a nation's or state's spending on health goods, services and capital investment as a proportion of overall economic activity. However, this measure is susceptible to movements in GDP or health expenditure causing 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.

Although a comparison of Australia's health expenditure with other OECD countries gives us an indication of the relative efforts being made to meet the need for health goods and services in countries with similar economic and social structures, caution is recommended in the interpretation of results, given that differences may exist between countries in terms of what is included as health expenditure. The following table shows the latest available data (2004) from the WHO for both the per capita and GDP percentage of both total health expenditure and government health expenditure between selected OECD countries.

The total expenditure on health in Australia as a percentage of GDP was 9.6 per cent in 2004. Like past years, this was higher than the OECD median health to GDP ratio at 8.9 per cent. Australia's health to GDP ratio has been steadily increasing during the past ten years. Over the last decade, GDP has grown by 6.3 per cent per year. However, health has had a higher expenditure growth of 8.3 per cent over the same period resulting in a 1.7 percentage point increase in the health to GDP ratio during the period.

Table 1. Health expenditure for selected OECD countries, 2004

	Total expenditure on health as a proportion of GDP	Government expenditure on health as a proportion of total health expenditure	Per capita total health expenditure at avg exchange rate (US$)	Per capita government health expenditure at avg exchange rate (US$)
Australia	9.6	67.5	3123.3	2106.8
Canada	9.8	69.8	3037.6	2120.9
France	10.5	78.4	3464.0	2714.6
Germany	10.6	76.9	3521.4	2709.1
Japan	7.8	81.3	2823.2	2295.2
New Zealand	8.4	77.4	2039.6	1577.8
UK	8.1	86.3	2899.7	2501.8
US	15.4	44.7	6096.2	2724.7

Source: WHO, World health statistics 2007

Table 2. Average health expenditure per capita current prices, 2000/01 to 2004/05 (A$)

State/Territory	2000/01	2001/02	2002/03	2003/04	2004/05	Avg annual growth rate between 1996/97 and 2004/05 (%)
NSW	3,189	3,397	3,677	3,988	4,320	3.6
Vic	3,214	3,566	3,878	4,022	4,382	4.1
Qld	3,260	3,369	3,498	3,806	4,084	3.4
WA	3,004	3,249	3,543	3,849	4,313	5.5
SA	3,210	3,481	3,844	4,139	4,617	5.5
Tas	3,139	3,636	3,555	3,684	4,047	2.0
ACT	–	–	–	–	–	–
NT	3,519	3,693	4,314	4,043	4,834	5.0
Australia	3,195	3,437	3,700	3,958	4,319	4.0

'Expenditure' includes government funded (including the Australian Government), health insurance, injury compensation and 'out-of-pocket' expenditure.
ACT per capita figures are not calculated since these numbers include a substantial number of expenditures for NSW residents (ie the ACT population is not an appropriate denominator)
Source: AIHW, Health expenditure Australia 2004/05

Of the selected countries, Australia has the second lowest government proportion of total health expenditure (67.5 per cent). This was five percentage points below the OECD median of 72.5 per cent. A possible reason for this is Australia's growing private health sector compared with other countries. The US, well known for its large private health sector, has only a 45 per cent government contribution to health spending. Per capita, Australia spends US$3,123 on health at the average exchange rate. This is more than Canada, Japan, New Zealand and the UK.

Table 2 (above) considers health expenditure within Australia's states and territories.

Health expenditure in states and territories is influenced by the different health priorities of their governments. Priorities, and hence policies, will be influenced by the population. The socio-economic makeup of a population, the proportion of Indigenous people and remoteness issues will all influence health expenditure levels and distribution decisions.

During 2004/05, the AIHW estimates that NSW alone incurred 33 per cent ($29.2 billion) of Australia's total national health expenditure ($51.0 billion). This aligns to the proportion of Australia's population that resides in NSW. Per person, an average of $4,320 was spent on health in NSW in 2004/05. While this is on par with the Australian average, the average annual growth rate in per capita spending since 1996/97 (3.6 per cent) was slightly less than the Australian average (4.0 per cent).

While broad comparisons can be made between states and territories, caution must be exercised when comparing results. Although the AIHW applies consistent methods to their calculations, there may be data quality differences from one jurisdiction to another. It is also important to bear in mind when considering per capita figures that the costs of interstate patients are often included whereas the population (the denominator) is the resident population of the state or territory.

Another way to compare state and territory health expenditure is by examining public health spending. Public health activities generally can be viewed as a form of investment in the overall health status of a population. It is characterised by planning and intervening for better health in populations rather than focusing on individuals. Planning is aimed towards addressing the determinants of health and illness, rather than the consequences, with emphasis on illness prevention and protecting and promoting health. The National Public Health Expenditure Project (NPHEP) has built a framework of nine public health activity categories. Table 3 on the following page outlines state and territory funding in these areas.

In 2004/05, NSW spent $450.7 million on activity to promote and protect the future health of the population. As expected, this was the highest of all states and territories and was an increase of 18 per cent on 2003/04 expenditure. Like most of the other states and territories, except Victoria and the Northern Territory, the biggest share (29 per cent) was allocated to organised immunisation. At $66.78 million, NSW had one of the lowest average expenditures per person on public health with only Victoria and Queensland slightly lower. This result is to be expected given that the states and territories with smaller population have associated diseconomies of scale when delivering a range of public health services to small populations.

Demographic factors also affect the per capita rate. The Northern Territory for example, has a higher Indigenous population who have associated poorer average health status. They also have large proportions of their populations in isolated areas for which the delivery of public health activity costs more.

Table 3. Total government expenditure on public health activities (current prices) by state/territory, 2004/05 (A$ million)

Activity	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total
Communicable disease control	84.8	50.0	30.3	19.6	18.2	4.1	6.5	18.6	232.0
Selected health promotion	57.6	76.8	37.0	28.1	17.1	5.1	7.2	3.9	232.8
Organised immunisation	128.9	66.3	61.0	29.9	23.5	8.5	7.6	12.5	338.3
Environmental health	20.5	9.1	17.4	13.2	7.4	5.3	3.1	7.5	83.3
Food standards & hygiene	10.0	6.0	6.3	3.6	2.5	0.6	2.7	1.2	32.6
Breast cancer screening	43.9	25.8	23.6	10.1	7.9	4.1	1.7	1.3	118.3
Cervical screening	32.4	22.1	20.1	10.6	9.4	2.8	1.9	3.6	102.6
Prevention of hazardous & harmful drug use	39.2	39.0	44.2	25.8	22.6	6.4	5.1	11.8	194.2
Public Health research	33.3	26.7	14.2	11.4	9.7	2.4	1.6	2.4	101.8
Total	450.7	321.9	254.0	152.2	118.2	39.4	37.4	62.7	1,436.3
Total per capita	66.78	64.45	64.69	76.36	76.89	81.48	115.30	311.79	71.08

Source: AIHW, National Public Health Expenditure Report 2004/05

Death rates

In Australia, the standardised death rate in 2005 was 593.3 deaths per 100,000 population. This represents a significant improvement from 1995 when the death rate was 778 deaths per 100,000.

Overall, NSW has the third lowest standardised death rate in Australia. As expected, it is not dissimilar to that of Victoria and Queensland. NSW has seen excellent improvements in the 10 years to 2005 in the three leading causes of death. In fact, the state has the greatest improvement in deaths from Ischaemic heart disease in Australia over this period.

Trachea, bronchus and lung cancer, Ischaemic heart disease and Cerebrovascular disease continue to be Australia's leading causes of death in 2005. The table below outlines the standardised death rates by each state and territory for the leading causes of death along with the overall death rate for all causes.

Hospital activity

This section provides a selection of AIHW data related to public hospital activity by state and territory. When making comparisons in activity between states and territories, keep in mind that public hospitals vary considerably in size, services available and the degree of specialisation. 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, 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. The geographical and demographic make-up of a state or territory will be reflected in its hospital types and activity.

Table 4. Standardised death rates per 100,000 people by major cause of death, 2005

Cause of death	NSW	Vic	Qld	WA	SA	Tas	Act	NT
All causes	593.3	586.0	598.3	578.9	621.3	683.2	562.5	855.2
Trachea, bronchus and lung cancer – Change on 1995 rate	33.6 17%	32.9 22%	35.5 4%	37.1 11%	33.7 3%	44.0 -3%	23.2 13%	50.4 41%
Ischaemic heart disease – Change on 1995 rate	104.5 46%	102.0 43%	115.1 40%	101.8 44%	112.4 38%	114.5 41%	79.8 45%	106.3 31%
Cerebrovascular diseases – Change on 1995 rate	53.7 40%	49.4 34%	55.2 31%	43.4 43%	52.3 38%	43.5 50%	51.6 18%	43.3 50%

Source: ABS Causes of death 2005 (3303.0)

Table 5. Public Acute Hospital activity by state or territory, 2005/06*

Activity	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Australia
Number of Hospitals	221	142	173	90	78	24	3	5	736
Available or licensed beds	18,595	12,158	9,629	4,787	4,561	1,223	714	569	52,236
Emergency Department occasions of service (000s)	2,137	1,408	1,303	628	495	134	99	119	6,327
All admissions to hospitals (000s)	1,409	1,272	749	393	375	94	72	83	4,450
All admissions per 1,000 population	199.8	243.7	187.9	195.7	228.4	185.8	238.4	483.0	212.8
Surgical admissions from the elective waiting list (000s)	201	134	106	48	35	15	9	5	556
Surgical admissions from the elective waiting list per 1,000 population	29.6	26.6	26.6	24.1	23.2	30.9	27.8	27.9	27.2
Non-admitted occasions of service (000s)**	17,939	5,693	7,850	3,735	1,717	793	401	291	38,421

*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.

Source: AIHW, Australian Hospital Statistics 2005/06

NSW has the largest number of hospitals of any state or territory and also has the greatest number of hospital beds. Bed availability indicates a hospital's capacity to provide inpatient care. NSW has 36 per cent of Australia's inpatient beds reflecting the State's large population compared to the other states and territories. NSW Health's aim to provide the right care to people in the right place means many clinical services previously requiring admission to hospital are now being provided in alternative settings. This is not only better for the patient, but a more appropriate use of health resources.

NSW continues to provide more elective surgery than any other state or territory and at 29.6 per 1,000 has the second highest elective surgical admission rate. The 2005/06 year saw an extra 4,000 elective surgical admissions on the previous year. As a result, the waiting times for patients on the surgical waiting list continue to decline.

NSW has experienced an increase in emergency department occasions of service, a trend that has been seen throughout Australia in recent years. There were over two million presentations to emergency departments in 2005/06. Despite this increase, NSW performance in key indicators such as triage waiting time and emergency access performance continues to improve.

Summary

Information from the most recent OECD and WHO publications confirms that Australia can claim one of the best performing health systems in the world. In some of the major indicators of health status including life expectancy and infant mortality, Australia compares favourably with other countries with similar health systems within the developed world. The country's health outcome achievements are possible through continued increases to health spending, including spending focused on health promotion and illness prevention.

NSW boasts the country's largest population and hence the largest health system. The state continues to perform on par, and often above average, compared with overall Australian performance and thereby can also claim international recognition for its health system.

Excellent results have been achieved through the success of a multitude of different initiatives in recent years. Resources continue to be directed towards enhancing the health of the community in strategies around illness prevention, mental health and Aboriginal health to name just a few. The state's achievements compared with international results are particularly significant in light of the growing demand for health services and continual population pressures experienced in the state. However, NSW, with its excellent track record in health planning and service delivery, will no doubt continue to perform well on the world stage despite the complexities encountered in the health system.

NSW State Health Plan

The State Health Plan has been prepared to guide the development of the NSW public health system towards 2010 and beyond.

It sets out the strategic directions for NSW Health over the next five years, which reflect the priorities in the NSW Government's State Plan and the priorities in the Council of Australian Governments' national health reform agenda.

The Plan draws on extensive research and consultation with consumers, health professionals and other stakeholders that was undertaken to develop the longer-term strategic directions for NSW Health in the Future Directions for Health in NSW – Towards 2025.

It also draws on input from the Health Care Advisory Council – the peak community and clinical advisory body advising the Government on health care issues – and the Health Priority Taskforces, which advise on policy and service improvements in 12 high priority areas.

Why do we need a State Health Plan?

There have been major health gains for people in NSW over the last 20 years. These gains include a decline in rates of preventable death and a major reduction in deaths from cancer. Immunisation rates for children and adults are rising. Most people have ready access to the high quality health care they need.

However like health systems in other states and developed nations, the NSW Health system faces significant challenges in the years ahead.
These include:

- Increasing numbers of people with chronic health conditions.
- The ageing of the NSW population is driving up demand for health services.
- Community expectations of health services continue to rise.
- There is a worldwide shortage of skilled health workers.
- The incidence of people with mental health problems is increasing.
- Advances in medical technologies are expensive.

These challenges are placing increasing pressure on the public health system and are driving up health costs at a faster rate than general economic growth.

The State Health Plan addresses the challenges that lie ahead using the seven Strategic Directions identified during the consultation for the Future Directions for Health in NSW – Towards 2025.

Seven Strategic Directions

The Strategic Directions featured in the State Health Plan identify our health priorities over the next five years. These priorities will be reflected in planning processes at both State and Area Health Service levels. The seven Strategic Directions are:

1. Make prevention everybody's business

This will require new strategies for health promotion and illness prevention, which are supported by structural changes such as legislation, regulation and environmental changes. The principle of prevention will be embedded into NSW Health's service delivery.

2. Create better experiences for people using health services

Providing patients of NSW Health with ready access to satisfactory journeys through health services will involve making sure health services continue to be high quality, appropriate, safe, available when and where needed and coordinated to meet each individual's needs.

3. Strengthen primary health and continuing care in the community

This will help people to access most of the healthcare they need through an integrated network of primary and community health services, which will lead to improved health outcomes. Early intervention principles will be embedded into NSW Health's service delivery.

4. Build regional and other partnerships for health

By engaging more effectively with other government and non-government agencies, clinicians and the broader community, we will provide a more integrated approach to planning, funding and delivering health and other human services to local communities and regions.

5. Make smart choices about the costs and benefits of health services

As health costs continue to rise we need to make the most effective use of the finite resources available. Costs must be managed efficiently based on evidence of what works and health impact. Resources will be shifted to support early intervention and prevention programs.

6. Build a sustainable health workforce

Delivery of quality health services depends on having adequate numbers of skilled staff working where they are needed. Addressing the shortfall in the supply of health professionals and ensuring an even distribution of staff around the State is one of our key priorities for the future.

7. Be ready for new risks and opportunities

The NSW health system is a large, complex system that must continually adapt in a dynamic environment to meet the community's changing health needs. The system must be quick to respond to new issues and capable of sustaining itself in the face of external pressures.

The following pages reflect work undertaken over the 2006/07 financial year to address these Strategic Directions.

Make prevention everybody's business

Strategic direction one

The familiar saying that 'prevention is better than cure' is supported by clinical evidence. Reducing risk factors such as smoking, obesity, risky alcohol use and stress requires strong will and sustained action by individuals, families, communities and governments. Similar effort is needed to promote good nutrition, physical activity, healthy environments and supportive relationships.

We strive for a health system that puts greater effort and investment into improving health and preventing illness while continuing to treat chronic illness effectively. This requires new strategies for health promotion and illness prevention.

The average life expectancy in NSW is among the highest in the world, yet many people still die prematurely. A large number of these deaths can be linked to diseases and conditions that result from unhealthy lifestyles.

Improved health through reduced obesity

Childhood overweight and obesity is a serious health problem. There has been an alarming increase in the rate of children who are overweight or obese in Australia.

NSW Health aims to stop the growth in childhood obesity by holding it at the 2004 level of 25 per cent by 2010 and then reduce it to 22 per cent by 2016.

The Good for Kids, Good for Life initiative

The Good for Kids, Good for Life initiative is Australia's largest ever obesity prevention trial and is primarily concerned with prevention of childhood obesity in the Hunter New England area. Program objectives are to:

- Reduce consumption of sweetened drinks and increase consumption of water.
- Reduce consumption of energy-dense and nutrient poor foods.
- Increase consumption of vegetables and fruit.
- Increase time spent in organised and non-organised physical activities
- Reduce time spent in small screen recreation activities.

This initiative focuses on six key areas; schools, childcare, community organisations, health services, Aboriginal communities and media/marketing providers.

A key achievement for 2006/07 was the launch of the social marketing campaign for the Good for Kids, Good for Life program. This used TV, radio and print media and a website which will span the life of the program. Rigorous evaluation is expected to make a significant contribution to the evidence base for childhood obesity prevention.

Go for 2&5® Fruit and Vegetable campaign

NSW Health joined forces with the Cancer Institute NSW and Horticulture Australia to implement the Go for 2&5® Fruit and Vegetable campaign to promote increased fruit and vegetable consumption.

The main campaign audience was adults from 20 to 50 years of age, particularly parents, grocery buyers and those preparing family meals.

Tracking data indicated that almost three quarters of the target audience had seen the campaign advertisements and that there were behavioural and attitudinal shifts in line with campaign objectives.

Improved health through reduced smoking

NSW Health aims to continue reducing smoking rates by one per cent per annum to 2010, then by 0.5 per cent per annum to 2016. Although the target for reduced smoking rates applies to the whole population, we want to beat this target for the Aboriginal population where smoking rates are higher (43.2 per cent estimated for 2002–2005) than within the general population (17.7 per cent).

Smoke-free environments

Phase 2 of the staged removal exemptions under the Smoke-free Environment Act 2000 for licensed premises commenced on 3 July 2006, in the lead up to the total ban on smoking in the enclosed parts of licensed premises from 2 July 2007.

Professional development in smoking cessation

In 2006/07, NSW Health's Tobacco and Health Branch delivered training in the two nationally accredited units of competency in smoking cessation best practice. Videoconferencing facilities were used to train more than 300 health professionals at 27 sites across the state.

Training participants included nurses, allied health professionals, Aboriginal health workers and others. NSW Health plans to introduce an accreditation scheme for health workers trained in smoking cessation best practice who have achieved competency in the two units.

Improved health through reduced illicit drug use

NSW Health aims to keep illicit drug use in NSW to below 15 per cent of the population.

Strategies included establishing new specialist treatment centres including two new centres for psychostimulant users in Sydney and Newcastle, four new cannabis clinics in Western Sydney, Central Coast, Orange and Southern Sydney and the Nepean Drug and Alcohol Service in Western Sydney for young people with drug problems.

Club Drugs Campaign

In September 2006, NSW Health launched the Club Drugs Campaign in response to increasing concern about the effects of illicit drug use in nightclubs and dance parties. The campaign consisted of a series of poster advertisements communicating drug prevention and education messages across NSW.

The campaign was additionally supported by a drug information resource Drug Safety – a guide to a better night. Over 250,000 copies of the resource were distributed through music retail outlets, drug and alcohol treatment services and through the statewide network of community drug action teams.

Cannabis Information Campaign

In April 2007, NSW Health re-launched the highly successful statewide Cannabis Information Campaign designed to appeal to young people 13 to 19 years of age. It featured stories encouraging discussion about cannabis use and helping teenagers to become more aware of the drug's negative health and social effects.

Community Drug Action Team Grants Programs

The annual Community Drug Action Team Grants program provided more than $154,000 for 68 community drug action teams drug prevention projects across NSW in 2006/07. The program also established two capacity building projects aimed at promoting the work of the teams and enhancing their project management skills. In addition to the grants programs, an additional $183,830 in other government grants, resources and in-kind donations were sourced.

Improved health through reduced risk drinking

In 2006, 32.8 per cent of the adult population in NSW engaged in any risk drinking behaviour, down from 42.3 per cent in 1997. NSW Health seeks to reduce total risk drinking to below 25 per cent by 2012.

Initiatives for 2006/07 included the statewide expansion of the successful Alcohol Linking Program to target licensed premises that have irresponsible drinking practices; the expansion of the Supply Means Supply program to tackle underage drinking through education of young people, adults and the liquor industry.

Responsible drinking campaign

In early 2007, NSW Health piloted a responsible drinking education campaign – Be Part Of It, Not Out Of It – targeting young males between the ages of 14 and 29. The aim of the campaign was to reduce the impact of public drunkenness by communicating that getting drunk could result in serious illness or injury.

Improved survival rates and quality of life for people with potentially fatal or chronic illness

While Australians are living longer and, in many cases, healthier lives, the numbers of people with chronic disease is growing and pose a challenge to all of us. Chronic diseases include cardiovascular disease, asthma, diabetes, cancer, arthritis, stroke, chronic obstructive pulmonary disease, depression and chronic kidney disease.

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.

NSW Health aims to reduce the number of potentially avoidable deaths for people under 75 years of age to 150 per 100,000 population by 2016.

During 2006/07, NSW Health allocated an additional $40 million in recurrent funding to improve services in the community including augmenting the delivery of rehabilitation for patients with chronic disease.

Partnerships with non-government organisations

The Department also continued to work with several non-government organisations and research institutes that support chronic disease management on a range of projects. Examples include:

- Research undertaken through the Asthma Foundation (in conjunction with Macquarie Bank) on the mechanisms of airway inflammation and development of vaccination to prevent bacterial infections that may lead to asthma.
- The National Heart Foundation of Australia's initiatives including clinical guidelines for conditions such as acute coronary syndrome and heart failure and coordination of training for clinicians in psychological assessment and interventions.

Community-based diabetes prevention program

Under the auspices of the Australian Better Health Initiative, a community based diabetes prevention program was initiated. After a competitive selection process, Sydney South West Area Health Service was appointed to implement the program at a cost of $5 million over five years.

Project participants will be set an individualised and/or group supported lifestyle modification program including advice on goal setting, physical activity and nutrition advice.

Improved dental health

NSW Health aims to increase the proportion of five-year-old children without dental decay to 77 per cent in 2010. In 2000 the rate was 70 per cent.

This community-based, Early Childhood Oral Health Program, is an early intervention program to improve access to oral health care for children assessed as being at high risk.

An advisory committee will further develop and evaluate this program.

Clean Teeth, Wicked Smiles

The Clean Teeth, Wicked Smiles program aims to improve oral health in non-fluoridated communities in far west NSW by giving primary school aged children an understanding of the importance of looking after their teeth while providing the knowledge, equipment and opportunity to do so.

The program was developed in consultation with teachers, public health dentists, dental staff, local health workers, specialists in health promotion and social marketing. It has so far resulted in a marked improvement in children's awareness of the importance of caring for their own teeth and a marked increase in children brushing regularly.

Messages for a Healthy Mouth

The publication NSW Messages for a Healthy Mouth provides evidence-based, consistent oral health messages, which will help to improve the health of the NSW population. The document includes clear and simple key messages to improve oral health – eat well, drink well, clean well, play well and stay well. It also reinforces the notion that oral health is an integral and essential part of a person's overall health.

New models of dental care

The Centre for Oral Health Strategy has been working with the National Dental Foundation NSW Committee and other dental organisations to support the growing number of volunteer dental programs that have been operating across Australia. An innovative dental volunteer group was established by the National Dental Foundation – a network of private practice dentists working with their own teams giving two days a year in their own surgery to provide pro bono care.

The National Dental Foundation program operates on weekends twice per year with a goal of increasing to four times per year. It extends the reach of oral health care through charitable agencies and non-government organisations to those most challenged by access such as the homeless, youth in crisis, women, men and families in protective care or transition to the community and independent living.

Reduced vaccine preventable conditions through increased immunisation

Adult immunisation

NSW Health aims to reduce illness and death from vaccine-preventable diseases in adults.

During 2006/07, an occupational assessment, screening and vaccination against infectious diseases policy directive was issued to assist Health Services to meet their occupational health and safety obligations and duty of care to staff, clients and other users of the health service premises.

Childhood immunisation

In 2006/07, NSW maintained high immunisation coverage rates of children fully immunised at 12 months (93 per cent) and two years of age (92 per cent). We continued to increase the immunisation coverage rate for Aboriginal children at 12 months (91.2 per cent) and at two years of age (91.4 per cent).

There was continued implementation of routine adolescent school-based immunisation services to protect against Hepatitis B and chickenpox.

NSW Health also implemented the mass national Cervical Cancer (HPV) program in high schools targeting girls aged 12 to 18 years of age.

Improved health through reduced fall injuries among older people

Falls are one of the most common causes of injury-related preventable hospitalisations for people aged 65 years and over in NSW. It is also one of the most expensive. Older people are more susceptible to falls, for reasons including reduced strength and balance, chronic illness and medication use. Twenty-five per cent of people aged 65 years and older living in the community report falling at least once in a year.

Falls prevention strategies

Each Area Health Service now has a falls prevention plan with strategies to reduce falls injury in the community, acute care and residential aged care settings.

NSW Falls Prevention Network

The NSW Falls Prevention Network is funded to provide health professionals with a forum for discussion of falls related issues, the dissemination of research findings, information on falls prevention initiatives, the sharing of resources and opportunities for collaboration.

Other Highlights

Communicable Diseases

A range of initiatives was undertaken in 2006/07 to assist in the prevention of communicable diseases. These included training workshops and seminars for NSW public health officers, development of the Gastro Pack to assist in outbreak control in health care settings and updating of a range of fact sheets and protocols for pubic health follow-up of influenza, pertussis and cryptosporidiosis.

In 2007/06 public health units, investigated and controlled the risks associated with:

- Hepatitis A in a food handler who worked at a sushi bar
- Hepatitis C transmission in a private medical clinic
- Salmonella infection linked to consumption of rockmelons.

Swimming pools and spas

NSW Health worked with the Aquatic Recreational Institute to begin a review of public swimming pools and spa pool guidelines. This work included a series of seminars and consultations. A series of posters and pamphlets were developed for use by public swimming pool operators to reduce the incidence of Cryptospoidiosis outbreaks.

Legionella

A local government Legionella implementation program was developed which included guidelines to assist local councils to develop Legionella management plans.

HIV/AIDS, Hepatitis and Sexually Transmissible Infections

In 2006/07, there was a continuing stability in numbers of new HIV diagnoses that were notified to NSW Health.

A review was undertaken of the health and economic impact of the NSW Government investment in HIV/AIDS prevention in the period 1985–2005. The review concluded that, to 2005, the NSW Government's investment in prevention has averted 44,500 infections and has saved $995 million in direct care costs. The findings of this review will be used to inform the ongoing development of the NSW HIV prevention program and inform strategic re-investment.

The NSW HIV/AIDS, Sexually Transmissible Infections and Hepatitis C Strategies Implementation Plan for Aboriginal People 2006–2009 was released to establish directions and priorities for the response to blood-borne viruses in Aboriginal communities across NSW.

A new Sexually Transmissible Infections Programs Unit was established to initiate and coordinate statewide activities that support the implementation of the NSW Sexually Transmissible Infections Strategy 2006–2009. The unit will play a key role in supporting the reorientation of services to meet community need and in strengthening relationships between the network of specialist sexual health services and general practice.

Aboriginal health promotions

The Aboriginal Health Promotion Community Grants Scheme was administered in 2006/07, providing short-term funding for a range of innovative health promotion projects targeting Aboriginal communities. Projects addressed health priorities such as nutrition, physical activity and smoking cessation.

Recently funded projects include the healthy lifestyle program at Griffith Aboriginal Medical Service targeting chronic disease prevention and the Better teeth for the Bellbrook mob project at Durri Medical Corporation.

PERFORMANCE INDICATOR

Obesity

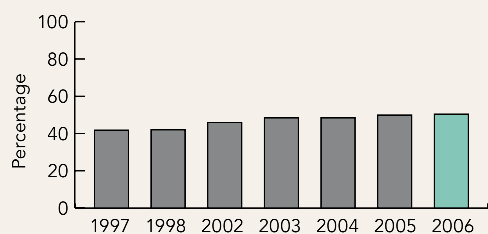
Desired outcome

Prevent further increases in levels of adult obesity.

Context

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

Overweight or obese, persons aged 16 years and over (%)



Source: NSW Population Health Survey, Centre for Epidemiology and Research

Interpretation

Consistent with national and international trends, the prevalence of overweight or obesity has risen from 41.8 per cent in 1997 to 50.4 per cent in 2006. This increase has occurred in both males and females. In 2006, more males (57.4 per cent) than females (43.3 per cent) were overweight or obese. More rural residents (52.5 per cent) than urban residents (49.5 per cent) were overweight or obese.

Related policies and programs

In early 2007, the Go for 2&5® Fruit and Vegetable campaign was run in partnership with the Cancer Institute NSW and Horticulture Australia.

NSW Health also continues to fund world-class research centres to guide best practice in obesity prevention including the NSW Centre for Overweight and Obesity; the NSW Centre for Public Health Nutrition and the NSW Centre for Physical Activity and Health.

PERFORMANCE INDICATOR

Childhood obesity

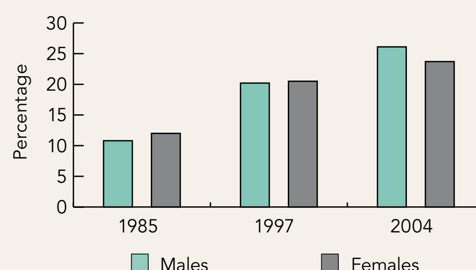
Desired outcome

No further increases until 2010, then reduce levels by 2016.

Context

Childhood overweight and obesity is a serious health problem. There has been an alarming increase in the rate of children who are overweight or obese in Australia. One in five children in NSW between the ages of seven and fifteen are either overweight or obese. Children and young people who are obese have a greater chance of being obese adults. Overweight and obese people are at greater risk of weight related ill-health.

Children overweight or obese – children aged 7–16 yrs (%)



Source: NSW Schools Physical Activity and Nutrition Survey 2004

Interpretation

The prevalence is rising rapidly. In boys, the prevalence of overweight and obesity increased from 10.8 per cent to 26.1 per cent between 1985 and 2004 across all school years and from 12.0 per cent to 23.7 per cent in girls in the same period.

Related policies and programs

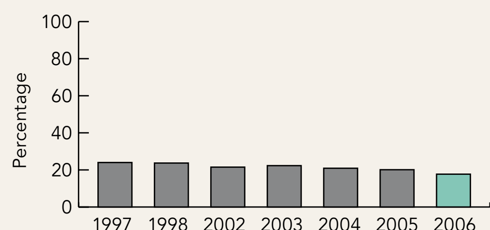
Ongoing implementation of the NSW Government Action Plan 2003–2007: Prevention of Obesity in Children and Young People included such initiatives as implementation of the NSW Health breastfeeding policy; launch of the Good for Kids, Good for Life initiative; The Go for 2&5® Fruit and Vegetable campaign in partnership with the Cancer Institute NSW and Horticulture Australia and the NSW Healthy School Canteen strategy.

PERFORMANCE INDICATOR
Smoking

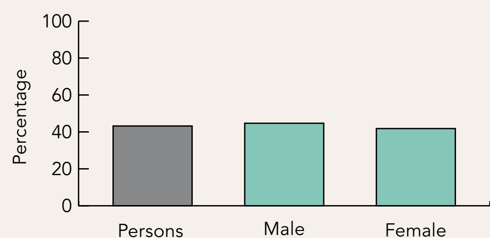
Desired outcome
Reduced proportion of the population who smoke in NSW.

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. The burden of illness resulting from smoking is greater for Aboriginal adults than the general population.

Smoking – daily or occasionally, persons aged 16 years and over



Smoking – daily or occasionally, Aboriginal persons, 2002–2005



Source: NSW Population Health Survey, Centre for Epidemiology and Research

Interpretation
Since 1997, the prevalence of current smoking among NSW adults has decreased from 24.0 per cent to 17.7 per cent in 2006. For both males and females, rates of current smoking were highest in young adults. A higher proportion of Aboriginal adults are current smokers, compared with adults in the general population. The percentage of smoke-free households has increased significantly, from 69.7 per cent in 1997 to 87.7 per cent in 2006.

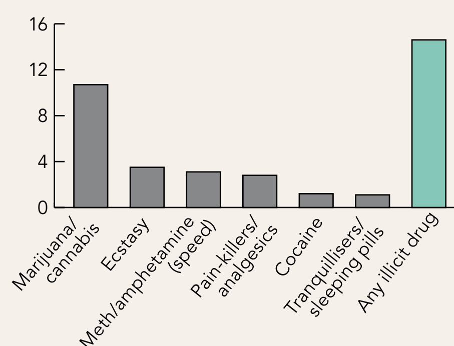
Related policies or programs
The NSW Tobacco Action Plan 2005–2009 sets out the NSW Government's commitment to the prevention and reduction of tobacco-related harm in NSW. The six focus areas are smoking cessation, exposure to environmental tobacco smoke, marketing and promotion of tobacco products,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

PERFORMANCE INDICATOR
Illicit drug use

Desired outcome
Maintain and improve the health of the population by holding illicit drug use in NSW to below 15 per cent of the population.

Context
Illicit drug use carries with it serious health risks. The provision of evidence based treatment services by Area Health Services and non-government organisations enables individuals to address those health risks and cease or reduce illicit drug use. As important as effective treatment, is the delivery of strong prevention, promotion and community development programs at a local level to improve health outcomes in relation to the effects of illicit drug use.

Recent (in the past 12 months) illicit drug use summary – proportion of the population aged 14 years and over



Source: Australian Institute of Health and Welfare 2005, 2004 National Drug Strategy Household

Interpretation
The figures for use of illicit drugs over the twelve months of 2005 shows that cannabis is the most frequently used illicit drug among people over the age of 14 years. Other illicit drugs were used by less than 4 per cent of the population. The use of illicit drugs is less than 15 per cent across the whole population.

Related policies and programs
Since the 1999 Drug Summit, NSW has set a new direction in drug policy, which recognises the complexity of drug abuse and tackles the problem on all levels, as a whole of Government, whole of community issue.

Under the State Plan the Government has renewed this commitment with a target to hold illicit drug use below 15 per cent. In order to meet this target the Government is implementing an evidence-based strategy focusing on prevention, education, treatment and law enforcement. NSW Health is the lead agency in coordinating this work across government.

In addition to the provision of treatment, NSW Health has set in place prevention strategies aimed at reducing the uptake, use and harms of illicit drugs. These include community based information campaigns targeting cannabis and methamphetamine use, overdose prevention, Community Drug Action Teams to develop local solutions and diversionary programs to rehabilitate drug offenders. The Department also works in partnership with other agencies such as the NSW Police Force and Departments of Education and Training, and Community Services who implement complementary initiatives in law enforcement, school based education and early intervention.

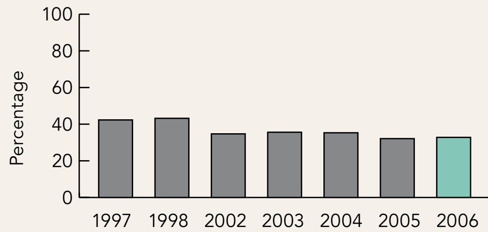
PERFORMANCE INDICATOR

Risk drinking

Desired outcome
Reduced total risk drinking.

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, persons aged 16 years and over (%)



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 42.3 per cent to 32.8 per cent in 2006. This decrease was greater in males (from 50.6 per cent to 37.3 per cent) than in females (from 34.3 per cent to 28.4 per cent). In 2006, as in previous years, more rural adults (37.2 per cent) than urban adults (30.9 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 and programs
Under the State Plan, the Government renewed its commitment to tackling risk drinking – building on the progress made since the 2003 NSW Summit on Alcohol Abuse.

The Government's State Plan commitment to reduce risk drinking to below 25 per cent by 2012 demonstrates that promoting a responsible drinking culture is a key priority for NSW. NSW Health is the lead agency for coordinating this work across government and works in partnership with a range of other agencies to implement programs encompassing prevention, education, treatment and law enforcement.

Key programs and policy implemented by NSW Health which target risk drinking include:

- Be Part Of It, Not Out Of It which aims to reduce the impact of public drunkenness in key locations among males aged 14–29 years of age.
- The Play Now, Act Now alcohol and other drugs creative arts festival which is a peer-based health education initiative that raises awareness of responsible use of alcohol.
- The Controlled Drinking by Correspondence program which targets high-risk drinkers and the Nepean Youth Drug and Alcohol Service which targets young people aged 12 to 20 who have a substance abuse problem.
- These programs are supported by the NSW Health Drug and Alcohol Plan 2006–2010 which outlines the strategic direction for NSW Health's drug and alcohol services across NSW.

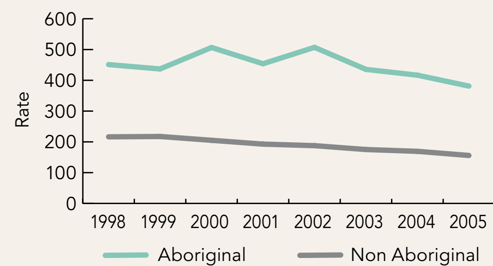
PERFORMANCE INDICATOR

Potentially avoidable deaths

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 deaths – persons aged <75 yrs (age adjusted rate per 100,000 population)



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

Interpretation
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, eg 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 eg heart revascularisation procedures.

Related policies and programs
Strategies for interventions are included in the State Plan. These include improved access to rehabilitation for chronic disease (includes self-management support and/or case management), advanced care planning, enhanced carer support, essential information technology support for community based services, focused health research and delivery of the NSW Cancer Plan 2007–10.

Policies that underpin these strategies are:

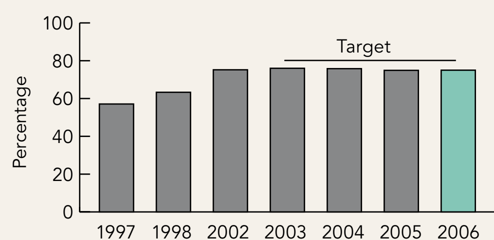
- NSW Chronic Disease Prevention Strategy 2003–07
- NSW Chronic Disease Strategy 2006–2009
- NSW Health Rehabilitation for Chronic Disease PD 2006_107
- NSW Cancer Plan 2007–10 developed by the NSW Cancer Institute
- NSW Health Aboriginal Chronic Conditions Area Health Service Standards PD 2005_588

PERFORMANCE INDICATOR
Adult immunisation

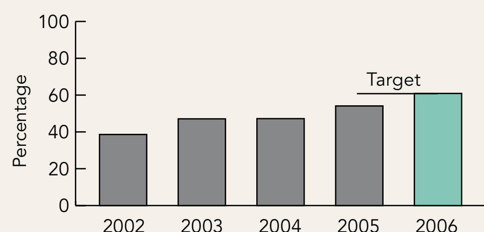
Desired outcome
Reduced illness and death from vaccine-preventable diseases in adults.

Context
Vaccination against influenza and pneumococcal disease is recommended by the National Health and Medical Research Council (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.

Influenza – People aged 65 years and over vaccinated in the last 12 months (%)



Pneumococcal disease – People aged 65 years and over vaccinated in the last 5 years (%)



Source NSW Population Health Survey, Centre for Epidemiology and Research

Interpretation
Among adults aged 65 years and over, there has been a significant increase in influenza vaccination in the last 12 months, from 57.1 per cent in 1997 to 75 per cent in 2006. Among adults aged 65 years and over, there has been a significant increase in pneumococcal vaccination in the last five years, from 38.6 per cent in 2002 to 60.9 per cent in 2006.

Related policies and programs

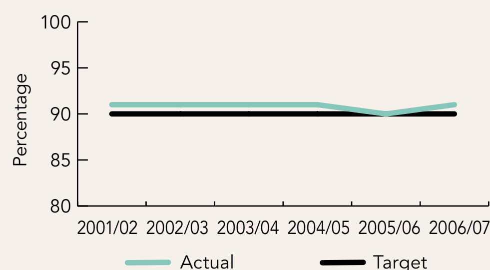
- NSW Immunisation Strategy 2007–2010 highlights improving adult vaccination as a Key Result Area.
- National Influenza and Pneumococcal Vaccination program.
- Recurrent funding is provided to Area Health Services to implement adult vaccination initiatives that improve coverage to achieve national target levels.

PERFORMANCE INDICATOR
Children fully immunised at one year

Desired outcome
Reduced 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

Note: The data may underestimate actual vaccination rates by around three percentage points due to children being vaccinated late or to delays by service providers forwarding information to the Register. Therefore although the Commonwealth target is 94 per cent, the NSW target has been set at >90 per cent to account for this discrepancy.

Interpretation
The Australian Childhood Immunisation Register was established in 1996. Data from the Register provide information on the immunisation status of all children less than seven years of age. Data for NSW indicate that at the end of June 2007, 91 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.

Related policies and programs
Recurrent funding is provided to Area Health Services to implement the NSW Immunisation Strategy 2007–2010.

PERFORMANCE INDICATOR

Fall injury separations – people aged 65 years and over

Desired outcome

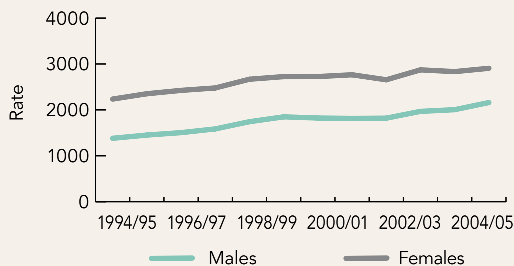
Reduce injuries and hospitalisations from fall-related injury in people aged 65 years and over.

Context

Falls are one of the most common causes of injury-related preventable hospitalisations for people aged 65 years and over in NSW. It is also one of the most expensive. Older people are more susceptible to falls, for reasons including reduced strength and balance, chronic illness and medication use. One quarter of 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:

- Preventing the development of falls risk factors amongst older people, such as through promotion of appropriate physical activity and nutrition throughout life
- Promoting the identification and management of falls risk factors amongst those older people at immediate risk of falls
- Promoting environments that reduce the risk of falls and fall injury

Fall injuries – hospitalisations for people aged 65 years and over (age adjusted hospital separation rate per 100,000 population)



Source: NSW Inpatient Statistics Collection and ABS population estimates (HOIST), Centre for Epidemiology 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.

Related policies and programs

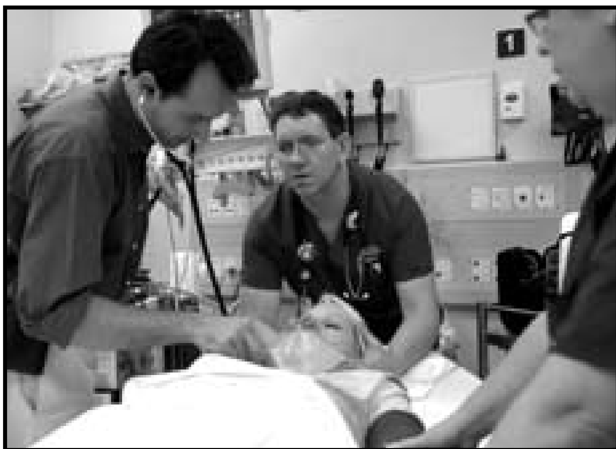
Ongoing implementation of the Management Policy to Reduce Fall Injury Among Older People 2003–2007.

Create better experiences for people using health services

Strategic direction two

Creating better experiences for people using public health services is a matter of making sure that these services are of high quality, appropriate, safe, available when and where needed, and coordinated to meet each individual's needs, including those from Aboriginal or other culturally and linguistically diverse backgrounds.

What we are striving for is a health system that provides patients with ready access to health services and ensures patients and their carers are informed and involved in health care decisions and treated with respect.



Improved access to emergency departments

For the first time since recording of triage performance commenced in 1994, benchmarks set by the Australasian College of Emergency Medicine were achieved in all five triage categories in December 2006 and February 2007, despite significant increases in people presenting to emergency departments over the past 12 months.

Emergency admissions performance – the measure of timeliness of admission from an emergency department – has been at or better than target for most of the year.

During 2006/07, a toolkit for redesigning care in emergency departments has been implemented across the state and has already demonstrated a reduction in delays for patients in NSW public hospitals

In addition, Triage and Treat processes under which senior nursing staff are able to manage a predefined group of patients who present with non-urgent, non emergency problems have been implemented.

After Hours GP Clinics

In March 2007, the NSW Government made a commitment to open a further twelve new after-hours GP clinics co-located with or in close proximity to public hospitals at a cost of up to $8 million.

These clinics will improve the community's access to health care by ensuring people with less complex illnesses and injuries can access primary health care out of hours and helping to reduce unnecessary demand on hospital emergency departments.

Improved access to elective surgery

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.

NSW Health aims to provide surgery to all patients within the national benchmark of 100 per cent within 30 days or 12 months depending on their clinical condition.

Predictable Surgery Program

The Predictable Surgery Program is aimed at ensuring timely and equitable access to surgical services in NSW.

In 2006/07 the major achievements of the Predictable Surgery Program were:

- Significant improvement in access for Category 1 (admission required within 30 days).
- Significant improvement in the average waiting times for surgery, especially in Category 1 (admission required within 30 days): now best ever in NSW.
- Access for Category 3 (admission required within 365 days) has been sustained from 2005/06.
- The elective surgical activity (ie booked surgical admissions) has also been sustained from 2005/06 activity.

In November 2006, a Surgery Access Line was launched to assist patients by providing advice and options for accessing their surgery sooner with other clinicians.

Reducing waiting times for children requiring general anaesthetics

Plans are now in place to ensure all paediatric surgical dental waiting lists are within benchmark times and no patient waits more than 12 months for care.

In an effort to improve the oral health of high-risk children already on the general anaesthetic waiting list, a project is being developed that aims at reducing the need for further treatment through education and prevention of further dental caries. This project will provide extensive oral hygiene and diet advice to families of high-risk children.

Increased customer satisfaction with health services

Released in August 2006, NSW Health's Complaint Management Policy provides a standard approach to complaints handling to ensure effective and timely management of complaints.

In December 2006, Complaint Management Guidelines were released to assist health service staff to understand and manage consumers' experiences and expectations.

A 10 Tips for Safer Health Care guide that encourages consumers to become more actively involved in decision-making about their health care was also re-released in June 2007.

Ensuring high quality care

Clinical Services Redesign Program

The Clinical Services Redesign Program (CSRP) aims to make each patient's journey smooth, safe and of the highest quality, improving their experience on their journey through the health system.

The CSRP facilitated 33 redesign projects in 2006/07 focused on providing good experiences for patients, good access to care as well as safe and efficient services. These projects involved emergency departments, surgery, mental health, cardiology, aged and chronic care, pathology services and management development.

Statewide Cardiology Redesign Project

The Statewide Cardiology Redesign Project guides the implementation of strategies that enable timely and equitable access to care for adult acute cardiology patients across NSW.

The project has produced a variety of solutions to improve the journey of patients with acute coronary syndrome and create better experiences for these patients as they move through the health system. Priority solutions include establishing chest pain evaluation areas to improve processes for managing patients presenting to hospital with chest pain and new cardiology bed management strategies to optimally utilise bed capacity for cardiology patients

Many solutions have already been implemented at twelve cardiac catheter laboratories across NSW enabling the optimal utilisation of their bed capacity to deal with demand from cardiac patients.

Open Disclosure

Open disclosure refers to the frank discussion with a patient and their support person about an incident that may have resulted in harm or injury to the patient.

The NSW Open Disclosure Policy and Guidelines were revised in 2007 reflecting changes in the legal and policy framework. The Guidelines provide greater guidance on the processes involved in open disclosure.

Reducing clinical incidents

NSW Health's Incident Management policy was released in August 2006 to ensure a consistent and coordinated approach to the identification, notification, investigation and analysis of incidents.

In May 2007, the Online Easy Guide to Clinical Incident Management was released to support implementation of the Incident Management policy and assist staff to respond to incidents. This online tool provides staff with a comprehensive guide to incident identification and notification using the Incident Information Management System (IIMS).

Serious clinical incidents continue to be reviewed using the Root Cause Analysis (RCA) methodology. Following a review of the methodology, a revised, flexible RCA model was implemented from August 2006.

In late 2006, an RCA team leader support and development program was delivered to RCA team leaders. An online discussion forum has been established to enable RCA team leaders and other interested staff to share and discuss aspects of the RCA process.

In 2006/07, statewide specialist groups representing surgical services, radiology, nuclear medicine, radiation oncology and oral health worked together to develop strategies to reduce incorrect patient, incorrect procedure and incorrect site incidents. Successful initiatives including checklists, audit tools and flyers are shared across the health system.

Other highlights

Transport for health program

From 1 July 2006, the Isolated Patients Travel and Accommodation Assistance Scheme (IPTAAS) distance criteria was reduced from 200km to 100km one way and the motor vehicle subsidy was increased from 12.7c to 15c/km.

Also in 2006/07, NSW Health revised the isolated patients travel and accommodation assistance scheme and statewide infant screening-hearing travel application forms to make the application process simpler for patients and medical practitioners.

Healthcare associated infections

A revised Infection Control policy, released in May 2007, provides a framework within which the NSW Health system can develop local infection control policies and procedures.

In addition, the Central Line Associated Bacteraemia in Intensive Care Units project was developed, sponsored jointly by the Intensive Care Coordination and Monitoring Unit, the Clinical Excellence Commission and NSW Health. This project aims to reduce the occurrence of central line infections in intensive care units.

Medication Safety

The National Inpatient Medication Chart (NIMC) was implemented across the NSW Health system during 2006/07 to reduce medication prescribing, dispensing and administration errors by providing a standardised medication chart for all health facilities.

Carers in NSW

NSW Health led the development of the NSW Carers Action Plan 2007/12, released in March 2007. The plan was developed as the whole of government policy framework for addressing the needs of carers in NSW the goal of clearly articulating the Government's commitment to carer recognition and support over the next five years.

The plan recognises that support for carers crosses a range of policy areas such as ageing, community support, health, education and employment. It also consolidates enhancements in disability services and mental health services that will provide significant benefits to families and carers.

Disability

In 2006/07, NSW Health was a key partner in the development of Better together: A new direction to make NSW Government services work better for people with a disability and their families – 2007–2011.

Interagency work is underway on improving pathways for access to therapy services for people with a disability. Another key area of work is strengthening services and support for children with autism and their families.

During the year, NSW Health also implemented strategic administrative reforms to improve the delivery of services to particular target groups. Reforms applied to the Artificial Limbs Scheme, Home Oxygen, Ventilator Dependent Quadriplegia and the Program of Appliances for Disabled People (PADP).

Personal Health Record – the 'Blue Book'

In 2006/07, NSW Health conducted a major review of the NSW Personal Health Record (1988). The revised document was released in March 2007 and will be used by a range of health professionals, including midwives, child and family health nurses, general practitioners and paediatricians.

Having a baby

'Having a baby' is a comprehensive guide for pregnant women, their families and health professionals. Developed and released in 2007, the book provides evidence-based, best practice information about pregnancy, childbirth and the post-natal period, promoting maternal and infant health and wellbeing. The book is available free of charge to all women booking into a NSW public hospital for birth.

Fetal welfare, obstetric emergency and neonatal resuscitation training

The Fetal Welfare, Obstetric Emergency and Neonatal Resuscitation Training Project commenced in 2006/07. It aims to improve fetal welfare assessment, neonatal resuscitation and maternity emergency management in NSW birthing facilities for mothers and babies. The initiative comprises the provision of statewide electronic online education for fetal welfare assessment and interpretation of fetal heart rate patterns, as well as education and capacity building strategy within area health services.

Correspondence Controlled Drinking Project

In 2006/07, NSW Health provided support for the implementation of the Correspondence Controlled Drinking Project run by Sydney West Area Health Service. The program includes the first Australian web-assisted change program for problem drinkers.

Substance abuse and mental illness

In 2006/07, NSW Health identified the need to develop a statewide policy and manage a program of activity in response to the emerging issues related to co-morbidity (co-existing substance abuse and mental illness).

To support the new area of co-morbidity policy work, both the NSW Health Mental Health Program Council and the Drug and Alcohol Council agreed to establish a Co-morbidity Sub-committee to guide the development of a Framework for Action and to inform ongoing and future responses to co-morbidity issues.

In December 2006, a NSW Health Co-morbidity Forum was held, including a mix of policy and operational managers and clinicians from mental health and drug and alcohol services, as well as relevant stakeholders.

The Sub-committee also supported an audit of projects that address co-morbidity across both mental health and drug and alcohol services.

Research grants for early psychosis/ schizophrenia co-morbidity

In 2006/07, funding was also allocated to administer the Co-Morbidity Research Grants Program. A total of $429,784 was allocated to seven research projects to investigate key issues relating to co-morbidity in NSW. The seven research projects cover:

- Young people and early intervention for psychosis
- Post-traumatic stress disorder and amphetamine dependence
- Cognitive behavioural therapy for amphetamine use and depression
- Structured stepped-care intervention for psychiatric co-morbidity
- Co-morbidity in young offenders
- Pharmacotherapy for cannabis users
- Cannabis use and schizophrenia.

Psychologist-in-training project

In May 2006, $1.64 million was allocated to support the psychologist-in-training program, aimed at increasing the number of psychologists with skills and an interest in drug and alcohol with a particular focus on people with concurrent mental health conditions.

The program comprises:

- a nine-month drug and alcohol psychologists-in-training program for up to 37 new psychology graduates
- a three-day training course and debriefing for psychologists-in-training
- statewide co-morbidity training open to all NSW provisionally registered psychologists, of which there are around 1,200.

Thirty-seven traineeships were available in 2007, spread across metropolitan and rural Area Health Services in NSW, non-government organisations and one Aboriginal health centre. All of the psychologists-in-training gain experience and receive supervision and training at their placement drug and alcohol service, at a pace which matches their knowledge and skills, and which gives them the opportunity to develop professionally.

The statewide co-morbidity training is being delivered during 2007 through 16 seminars across NSW with around 450 provisionally registered psychologists expected to attend.

Cannabis and amphetamine stimulant treatment program clinics

An evaluation of the State's four cannabis clinics commenced in December 2006 and is due for completion in late 2007.

Stimulant treatment clinics aimed at providing treatment for methamphetamine ('ice') users has been established at St Vincent's Hospital in Darlinghurst and at the Royal Newcastle Hospital. Both clinics commenced operating at the end of November 2006 and take a mainly psychosocial, stepped-care approach offering cognitive behavioural therapy, motivational interviewing and narrative therapy.

Drug and alcohol research

In 2006/07, a total of $150,000 was committed to the NSW Health Drug and Alcohol research grants program. NSW Health coordinated the grant selection process in association with the research sub-committee. Seven research projects were selected to undertake research into priority areas surrounding drug and alcohol issues in NSW.

All research projects are underway and are expected to report final outcomes and findings in late 2007.

Performance Indicator

Emergency department triage times – cases treated within benchmark times

Desired outcome
Treatment of Emergency department patients within timeframes appropriate to their clinical urgency, resulting in improved survival, quality of life and patient satisfaction.

Context
Timely treatment is critical to emergency care. Triage aims to ensure that patients are treated in a timeframe appropriate to their clinical urgency, so that patients presenting to the emergency department are seen on the basis of their need for medical and nursing care and classified into one of five triage categories. Good management of emergency department resources and workloads, as well as utilisation review, delivers timely provision of emergency care.

Interpretation
Benchmarks have been met or exceeded for Triage categories 1, 2, 4 and 5. This indicates a major improvement for Triage 2 and Triage 4, with the best results ever recorded. These improvements were achieved despite a significant increase in the number of patients attending Emergency Departments. Triage 3 also improved significantly but just failed to achieve the Australian College of Emergency Medicine benchmark.

Related policies and programs
A number of initiatives were implemented in emergency departments and hospital wards across the state to improve the timeliness of access to treatment.

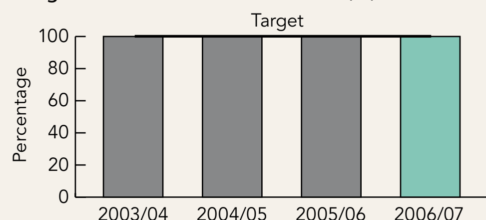
Fast Track Zones were implemented in over 25 emergency departments to ensure that less complex patients who have traditionally waited for long periods are cared for quickly but safely. These fast track zones use skilled staff such as nurse practitioners and advanced practice nurses.

Emergency Medicine Units in 14 NSW emergency departments 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.

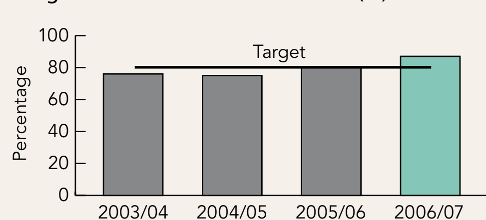
Short Stay Units have been created in a number of hospitals for patients who need shorter periods of admission to a specialty unit. This again allows for much more efficient processing of new patients as they arrive in the emergency department.

Patient Flow Units have been established in a large number of hospitals to better coordinate the logistics of moving patients between the emergency department and the ward or operating theatre and between hospitals as required, therefore freeing up beds for newly arrived patients.

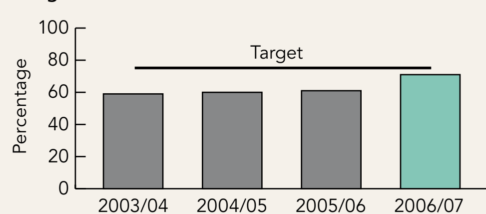
Triage 1 treated within 2 minutes (%)



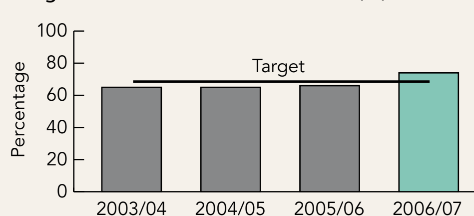
Triage 2 treated within 10 minutes (%)



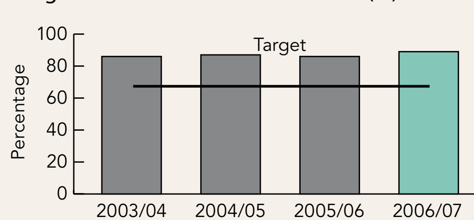
Triage 3 treated within 30 minutes (%)



Triage 4 treated within 60 minutes (%)



Triage 5 treated within 120 minutes (%)



Source: Emergency Department Information System

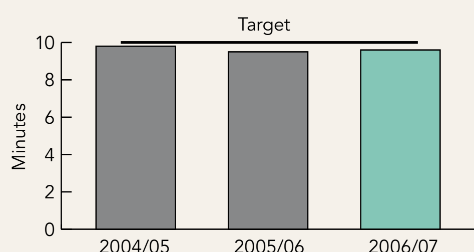
Performance Indicator

Ambulance response time – potentially life threatening cases

Desired outcome
Ambulance response times that are appropriate for cases requiring urgent pre-hospital treatment and transport, resulting in improved survival, quality of life and patient satisfaction.

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.

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



Source: NSW Ambulance Service, CAD System

Interpretation
In 2006/07 the 50th percentile response time for potentially life threatening cases was 9.60 minutes for the State and 9.25 minutes for the Sydney metropolitan area. The result was 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 policies and programs
Improvements in emergency and non-emergency response times are the result of the addition of 93 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.

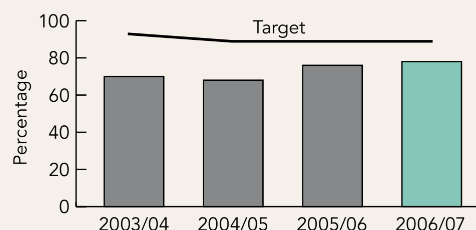
Performance Indicator

Off stretcher time < 30 minutes

Desired outcome
Timely transfers of patients from ambulance to hospital emergency departments, resulting in improved survival, quality of life and patient satisfaction, as well as improved Ambulance operational efficiency.

Context
Timeliness of treatment is a critical dimension of emergency care. Better coordination between ambulance services and emergency departments allows patients to receive treatment more quickly. Also, delays in hospitals impact on Ambulance operational efficiency.

Offstretchertime–transferofcaretotheemergencydepartment < 30 minutes from ambulance arrival



Source: NSW Ambulance Service, CAD System

Interpretation
Off-stretcher time has continued to improve since 2004/05. This is despite a significant increase in the number of patients arriving to emergency departments via ambulance during this period.

Related policies and programs
The refined emergency department network access system in the Sydney metropolitan, Central Coast and lower 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 Services Redesign Program.

Patient flow units have been established in a large number of hospitals to better coordinate the logistics of moving patients between the emergency department and the ward or operating theatre, and between hospitals as required, therefore freeing up beds for newly arrived patients.

Performance Indicator

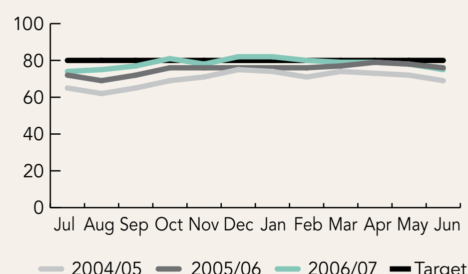
Emergency admission performance – patients transferred to an inpatient bed within 8 hours

Desired outcome
Timely admission from the emergency department for those patients who require inpatient treatment, resulting in improved patient satisfaction and better availability of services for other patients.

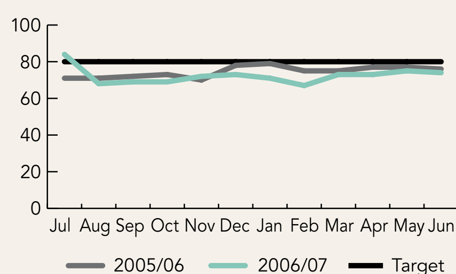
Context
Patient satisfaction is improved with reduced waiting time for admission from the emergency department to a hospital ward, intensive care unit bed or operating theatre. Also, emergency department services are freed up for other patients.

Emergency admission performance, patients transferred to an inpatient bed within eight hours (%):

Overall



Mental Health



Source: Emergency Department Information System

Interpretation
Emergency admission performance has improved significantly over the last 12 months, with results being at or above target between October and April. The 2006/07 full year result is considerably better than 2005/06, and was the best result since 2000/01 despite significant increases in the number of patients admitted to hospital.

Emergency admission performance for patients being treated for mental health issues also improved during 2006/07, being much closer to target from December onwards.

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

Surge beds are those that 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 emergency departments. 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 Centers provide a place where mental health patients presenting at Emergency can be provided with better and more coordinated care by specialist psychiatric staff. Funding has been provided for nine centers throughout metropolitan Sydney and a further 26 new beds were announced in the new direction for mental health five year funding package.

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 focused care.

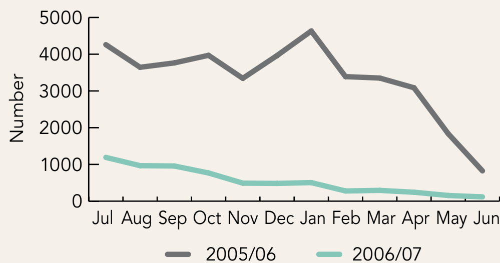
Performance Indicator
Booked surgical patients

Desired outcome
Timely treatment of booked surgical patients, resulting in improved clinical outcomes, quality of life and convenience for patients.

Context
Long wait and overdue patients are those who have not received treatment within the recommended timeframes. The numbers and proportions of long wait and overdue patients represent measures of hospital performance in the provision of elective care. 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.

Booked surgical patients waiting:

Urgency category 1 > 30 days (Overdues)



Interpretation
Long wait patient numbers have significantly reduced from 5,187 (July 2005) to 84 (June 2007) and the overdue patient numbers from 4,260 (July 2005) to 135 (June 2007).

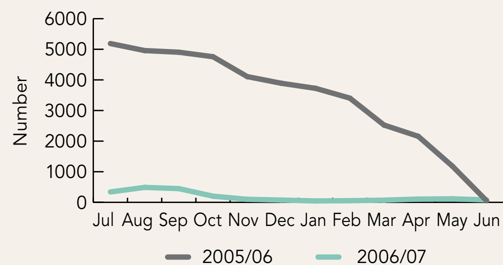
Related policies and programs

- Sustainable Access Program
- Clinical Services Redesign Program
- Predictable Surgery Program

The new extended day only policy was implemented in October 2006. This policy provides direction to Area Health Services regarding the types of cases that should be routinely considered for extended day only admission.

The new surgical activity during Christmas/New Year period policy was introduced in November 2006. The policy was developed to provide direction to area health services on the optimal and maximum periods for reduced activity during this time.

All urgency categories > 12 months (Long waits)



Source: Waiting List Collection Online System

Performance Indicator
Unplanned/unexpected readmissions within 28 days of separation – all admissions

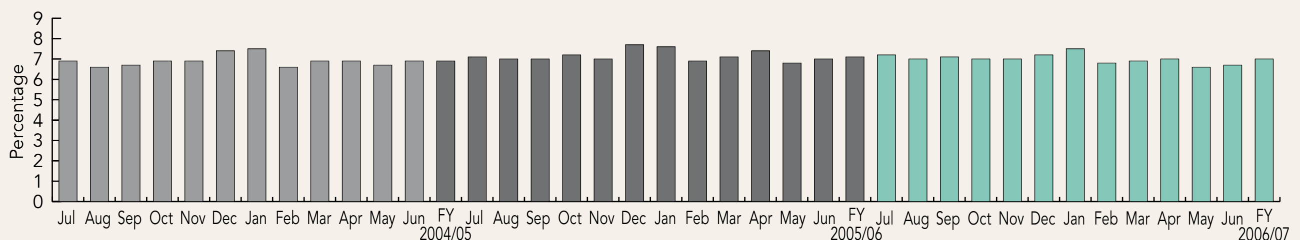
Desired outcome
Minimal unplanned/unexpected readmissions, resulting in improved clinical outcomes, quality of life, convenience and patient satisfaction.

Context
Unplanned and unexpected re-admissions to a hospital may reflect less than optimal patient management. Patients might be re-admitted unexpectedly if the initial care or treatment was ineffective or unsatisfactory, or if post-discharge planning was inadequate. Whilst improvements can be made to reduce readmission rates, unplanned readmissions cannot be fully eliminated. However, other factors occurring after discharge may contribute to readmission, eg poor post-discharge care. Improved quality and safety of treatment reduces unplanned events.

Interpretation
State wide the annual readmission rate has been consistent over the period 2004 to 2006 with the annual readmission rate of 7.0 per cent in 2004, 7.0 per cent in 2005 and 7.1 per cent in 2006.

Related policies and programs
Hospital readmissions have complex and wide-ranging causes. The strategies employed by NSW Health include improving the patient journey, robust discharge planning, access to outpatient services and optimal community support.

Unplanned/unexpected readmissions within 28 days of separation – all admissions (%)



Performance Indicator
Sentinel events

Desired outcome
Reduction of sentinel events, resulting in improved clinical outcomes, quality of life and patient satisfaction.

Context
Sentinel events are incidents agreed as key indicators of system problems by all States and Territories and defined by the Australian Council for Safety and Quality in Healthcare as 'events in which death or serious harm to a patient has occurred'[1].

1 Safety and Quality Council Sentinel Events Fact Sheet

Sentinel events (rate per 100,000 bed days)

Source: SAC1 Clinical RIBS/HIE

Interpretation
During 2006/07, NSW Health recorded and acted upon 555 sentinel events that occurred across the health system. This is a second successive annual rise in the number of serious clinical incidents reported. An increase in numbers does not equate to poor safety performance. In fact, a safe organisational culture encourages reporting as a means of learning and improvement. The number of incidents reported may continue to increase as confidence in the reporting system grows.

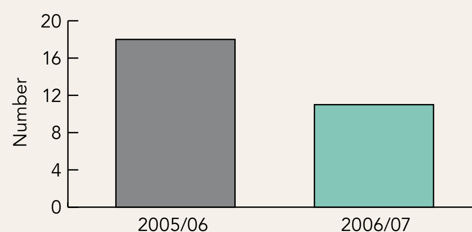
Related policies and programs
NSW Health has built on the groundwork of the Patient Safety and Clinical Quality Program through the identification of priority areas and targets for action that will result in significant improvements in patient safety. Targeted areas include a sustained reduction in avoidable deaths due to falls, a sustained reduction in medication incidents, elimination of avoidable incidents due to incorrect procedures and a sustained decrease in healthcare associated infections.

Performance Indicator
Incorrect procedures

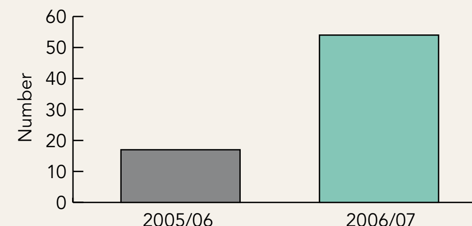
Desired outcome
Elimination of incorrect procedures, resulting in improved clinical outcomes, quality of life and patient satisfaction.

Context
Incorrect procedures, though low in frequency, provide insight into system failures that allow them to happen. Health studies have indicated that, with the implementation of correct patient/site/procedure policies, these incidents can be eliminated.

Incorrect procedures
Operating theatre suite (number)



Radiology, Radiation Oncology, Nuclear Medicine (number)



Source: TRIM/Quality & Safety Branch RIB/RCA Database

Interpretation
There was a decrease in the number of incorrect patient, procedure and site incidents notified in surgical areas for 2006/07. Incidents notified in radiology, radiation oncology, and nuclear medicine areas increased due to a focused campaign over the past twelve months to increase awareness of the importance of correctly identifying the patient, procedure and site. This increase in reported incidents is consistent with international findings from the World Health Organisation that is monitoring the implementation of the correct patient, procedure, site universal protocol.

From July 2006, the requirement to report these incidents in all clinical areas became mandatory and included an in depth review to determine the root causes of why the incidents occurred. Specialist clinical groups in surgery, radiology, nuclear medicine, radiation oncology and oral health have developed new systems that will be implemented over the next 12 months to address incorrect procedures. These systems include a revised policy with greater emphasis on non-surgical areas, development and distribution of safety toolkits and targeted education strategies.

Related policies and programs
Patient Identification – Correct Patient, Correct Procedure and Correct Site Model PD2005_380. The revised policy is due for release in late 2007.

Other relevant policies include the NSW Patient Safety and Clinical Quality Program PD2005_608; the NSW Patient Safety and Clinical Quality Program – Implementation Plan PD2005_609; and the Incident Management PD2007_061.

Performance Indicator

Healthcare associated bloodstream infections

Desired outcome

To have a sustained reduction in the incidence of central line bloodstream infections resulting in increased patient safety and improved clinical outcomes in intensive care unit patients.

Context

Although a central venous catheter provides necessary vascular access in an intensive care unit patient, its use puts the patient at risk for local and systemic infection complications and is an important cause of patient morbidity and mortality. There is also an associated increase in hospital length of stay and healthcare costs.

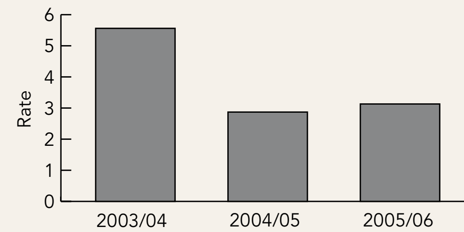
The evidence shows that Intensive Care Unit CLABs can be reduced during the insertion of a central venous catheter by:

- Strict adherence to hand hygiene protocols.
- Maximal barrier precautions.
- Chlorhexidine skin antisepsis.
- Optimal catheter site selection, with subclavian vein as the preferred site for non-tunnelled catheters.
- Daily review of line necessity, with prompt removal of unnecessary lines.

From July 2007, the requirement to report these CLABs in all intensive care units became mandatory and included an audit of compliance with the CVC Insertion Clinical Guideline. Specialists in intensive care, infection control, microbiology and clinical governance have developed the clinical guideline. Further toolkits and targeted education strategies will also be developed.

Each intensive care unit will report their data to NSW Health.

Healthcare associated bloodstream infections – Rate of intensive care unit central line associated bloodstream infections per 1000 line days



Source: Australian Council on Healthcare Standards

Interpretation

The implementation of the Clinical Excellence Commission hand hygiene program Clean Hands Save Lives, the recommendations made by the NSW Multi Resistant Organism Expert Group and the use of a best practice clinical guideline for inserting central lines have positioned the NSW Health system to reduce the number of healthcare associated infections in Intensive Care Unit patients.

Related policies and programs

The goal of the NSW Healthcare Associated Infection Quality Program is to prevent every patient from acquiring a healthcare associated infection or multi-resistant organism colonisation during all stages of their care and treatment. NSW Health has provided additional recurrent resources to Area Health Services for improved infection control activity that will support the key prevention strategies. These include: hand hygiene, correct antibiotic usage, adherence to contact precautions, effective environmental cleaning programs in clinical care and treatment areas and adherence to Intensive Care Unit central venous catheter insertion guideline.

Relevant policies and reports include:

- NSW Infection Control Policy PD2007_036
- Infection Control Program Quality Monitoring Policy PD2005_414http://www.health.nsw.gov.au/policies/PD/2005/pdf/PD2005_414.pdf
- Infection Control Program Quality Monitoring Indicators Users Manual (Version 2 – 2005/06)
- NSW MRO Key Recommendations Report 2006

Performance Indicator

Deaths as a result of a fall in hospital

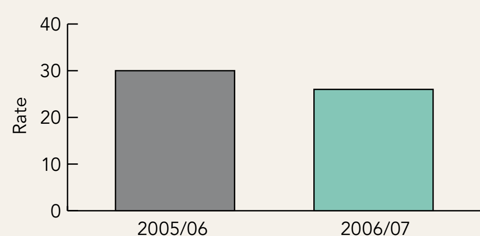
Desired outcome

Reduce deaths as a direct result of fall in hospital, thereby maintaining quality of life and improving patient satisfaction.

Context

Falls are a leading cause of injury in hospital. The implementation of the NSW fall prevention program will improve the identification and management of risk factors for fall injury in hospital thereby reducing fall rates. Factors associated with the risk of a fall in the hospital setting may differ from those in the community.

Deaths as a result of falls in hospitals (rate per 1,000 bed days)



Source: TRIM/Quality and Safety Branch ROB/RCA Database

Interpretation

There are a number of factors that increase the risk of patients falling while in hospital. Some of these include confusion, multiple medical conditions, polypharmacy and environmental factors. Although the majority of falls reported have resulted in no patient harm, in 2006/07, there were 26 falls that were reported to the Department of Health that appear to have resulted in patient death. When comparing this figure to the 2005/06 period there is a 13 per cent decrease in absolute numbers. Caution should be used in drawing definitive conclusions due to the small number of these incidents occurring.

Related policies and programs

Achieving a demonstrable sustained reduction in deaths as a result of a fall in hospital is one area of focus of the NSW falls prevention program, conjointly sponsored by the Clinical Excellence Commission and NSW Health.

The NSW Falls Prevention Program aims to improve the identification and management of risk factors for fall injury in hospital through:

- Statewide roll out of national best practice guidelines.
- Area Health Services to have in place a hospital falls policy and a policy for patient management post fall, addressing issues such as the assessment, monitoring and post fall care.
- Area Health Services to ensure that those wards where patients traditionally are at a high risk of falling will consider all patients admitted to these wards as 'high risk' and implement strategies for high risk people in these ward areas.
- Area Health Services to ensure systems exist to meet the mobility assistance, supervision and toileting needs of people at 'high risk' of falls.
- A NSW Leader of the Falls program has been appointed to the Clinical Excellence Commission to provide statewide co-ordination and support to the Area Health Services in falls prevention. Additionally, each Area Health Services has appointed a falls coordinator to implement the program.

Strengthen primary health and continuing care in the community

Strategic direction three

NSW Health is striving for a health system that helps people to access most of the health care they need through a network of primary health and community care services across the public and private health systems.

Primary health services include general practice, community health centres and community nursing services, youth health services, pharmacies, allied health services, Aboriginal health and multicultural services. They are provided in both public and private settings and by specific non-government organisations.

Early intervention principles are embedded into our delivery, leading to improved health outcomes and reduced avoidable hospital admissions.

Reduced avoidable hospital admissions

There are over one and a half million hospital admissions every year in NSW and demand for services continues to grow. Patients tell us that if treatments could be safely delivered in the community or at home, they would prefer not to have to be admitted to hospital.

Reducing avoidable hospital admissions through early intervention and prevention will lead to improved health outcomes and enable better management of hospital resources.

NSW Health aims to reduce avoidable hospital admissions by 15 per cent within five years through early intervention and prevention and better access to community based services.

Health Care at Home

NSW Health has expanded services under the Health Care at Home strategy. A total of $40 million in recurrent funding has been provided to better manage the frail elderly and those with chronic disease. Under the program, specific emphasis has been placed on strategies to manage people at home for conditions amenable to home visits by treating nurses, packages of care to speed up the transfer of patients from hospital back into the community and the delivery of rehabilitation for patients with chronic disease.

HealthOne NSW program

The NSW Government committed $52 million in capital and recurrent funds over five years to 2010/11 for the establishment of HealthOne NSW services across the State.

HealthOne NSW services bring together GPs, community health workers, allied health and other medical professionals in 'one stop shops' in community settings. These services will focus on keeping people well and out of hospital through disease prevention and early intervention strategies, as well as providing continuing care for people with chronic illness.

Work is underway to identify information management and technology solutions to support the integration of general practice and community health staff in HealthOne NSW services.

Improved health for Aboriginal communities

Reducing avoidable hospital admissions for Aboriginal people is a high priority as their health outcomes are significantly worse than for the rest of the State's population.

NSW Health aims to reduce hospital admissions by 15 per cent over five years for Aboriginal people with conditions that can be appropriately treated in the home.

Reducing the impact of syphilis in Aboriginal communities

In 2006/07, NSW Health ran a project to inform strategy development on eliminating syphilis in Aboriginal communities. The project reviewed Australian and international literature and analysed data and consulted with key stakeholders. Strategies identified will enhance inter-organisational partnerships and service capacity.

Improved outcomes in mental health

Following the release of NSW: A New Direction for Mental Health in June 2006 much has been achieved in improving outcomes for people with mental illness.

Housing and Accommodation Support Initiative

In 2006/07, an extra 850 placements under the Housing and Accommodation Support Initiative were made available for people with a mental illness. This has already had a positive impact on the people participating with increased participation in the workforce and community activities and reduced hospitalisation rates.

Expanding emergency psychiatric services

Emergency care for people with a mental illness continues to improve with the roll-out of Psychiatric Emergency Care Centres to nine locations across the greater Sydney metropolitan area in Liverpool, Nepean, St George, St Vincent's, Hornsby, Wyong, Blacktown, Campbelltown and Wollongong hospitals.

A further two locations are providing psychiatric services in emergency departments while the psychiatric emergency care centres are under construction

In 2006/07, implementation of the Rural Critical Care Services model of care began. Major developments include:

- Appointment of project officers in four rural Area Health Services.
- Initial implementation of the mental health retrieval model.
- Commencement of the Albury Resource Centre (available 24 hours, seven days a week).
- Tele-health equipment supplied at Wagga Wagga, Narrandera, Temora and West Wyalong to provide emergency departments with remote patient support.
- Developments in provision of safe assessment emergency department rooms at Mudgee and Walgett.

Funding was also provided to support the NSW Ambulance Mental Health Plan implementation and the adoption of mental health as a priority care category. This has allowed the development of a comprehensive training program and the trial of a restraint device for transporting behaviourally disturbed patients.

Youth mental health pilot

During 2006/07, a pilot youth mental health service called Y-Central was set up in the Northern Sydney Central Coast Area Health Service. The pilot is developing principles for establishing responsive and accessible youth mental health services in youth-friendly settings that also include access to primary health, drug and alcohol and other services. The focus of the service is on early intervention, prevention, flexible approaches to service provision and early access.

Drought initiatives

In October 2006, following consultation with NSW Farmers Association, the NSW Government announced a $1 million drought mental health assistance package. The package includes six additional mental health workers across rural NSW, 50 mental health first aid training sessions for frontline service providers and 15 mental health workshops to be held throughout rural and regional NSW. In addition, 2,000 mental

health resource packages have been collated to assist frontline health and agriculture support workers to better integrate services.

Other Highlights

Rural research capacity building program

Several projects supported by the NSW Institute of Rural Clinical Services and Teaching under the rural research capacity building program have a focus on strengthening primary health care and care in the community.

Initiatives include a comparison of intake strategies across a range of rural community health sites and delivering early psychosis mental health services to young people in rural communities, including finding the young people and developing service models that resonate with them.

Enhancements for rural hospitals

In 2006/07, NSW Health developed the $2 million Rural Minor Works Program, which provided enhancements to Bega, Canowindra, Dubbo, Goulburn, Griffith, Lithgow, Moree, Port Macquarie, Shoalhaven and Wilcannia.

In addition, the Department developed a $1.5 million program to establish and enhance specialised stroke services in rural areas including Armidale/Tamworth, Bathurst/Orange, Dubbo, Shoalhaven and Wagga Wagga.

Rural Clinical Locum Program

A range of new projects were funding under the 2006/07 Rural Clinical Locum Program. Projects include:

- The Rural Remote Nursing Exchange Program at the Greater Western Area Health Service ($1.04 million). This program provides nurses in rural and remote locations with the opportunity to undertake a clinical placement in a larger centre with backfill provided by nurses from Sydney South West Area Health Service.
- The Allied Health Locum Project – Greater Southern, Greater Western and Hunter New England Area Health Services ($3.04m). This project is a trial of three different models of locum service provision for physiotherapy, occupational therapy and speech pathology.

PERFORMANCE INDICATOR

Mental health acute adult readmission

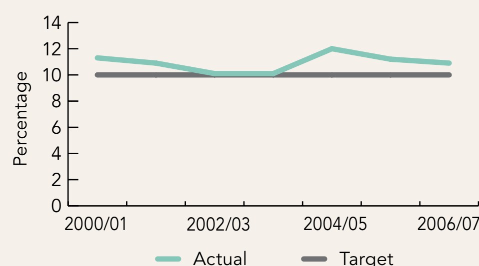
Desired outcome

Rates of mental health readmission minimised, resulting in improved clinical outcomes, quality of life and patient satisfaction, as well as reduced unplanned demand on services.

Context

Mental health problems are increasing in complexity and co-morbidity with a growing level of acuity in child and adolescent presentation. Despite improvement in access to mental health services, demand continues to rise for a wide range of care and support services for people with mental illness. 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 services in the community may not have adequately supported continuity of care for the client.

Mental Health acute adult readmission within 28 days to same facility (%)



Source: Admitted Patient Collection on HOIST and HIE Datamart

Interpretation

There has been a continuing decrease in this indicator over the last 12 months to less than 11 per cent. Over the five-year period since 2001/02 the indicator 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 and programs

With the allocation of Area Health Service 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 the quality and safety of mental health services.

PERFORMANCE INDICATOR

Suspected suicides of patients in hospital, on leave, or within seven days of contact with a mental health service

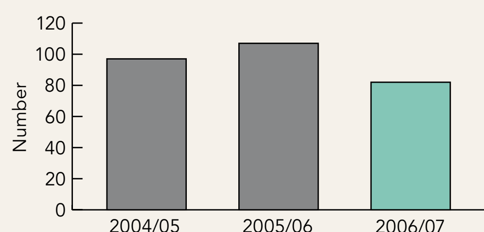
Desired outcome

Minimal number of suicides of patients following contact with a mental health service.

Context

Suicide is an infrequent and complex event that is influenced by a wide variety of factors. The existence of a mental illness can increase the risk of such an event. A range of appropriate mental health services across the spectrum of treatment settings are being implemented between now and 2011 to increase the level of support to clients, their families and carers. This will help reduce the risk of suicide for people who have been in contact with mental health services.

Suspected suicides of patients in hospital, on leave, or within seven days of contact with a mental health service (number)



Source: Reportable Incident Briefs and Mental Health Client Death Report Form

Interpretation

There has been a reduction in the number of suspected suicides of clients of mental health services compared to 2005/06 and 2004/05. In addition, the NSW suicide rate in 2005 was 8.0 per 100,000 people, the lowest since 1979 and the lowest amongst all Australian States and Territories. This represents a reduction of 6.9 per cent since 2004.

Related policies and programs

The initiatives highlighted in NSW: A New Direction for Mental Health, have provided much needed support and care for mental health clients. Initiatives such as the Housing and Accommodation Support Initiative (HASI) program have reduced hospitalisation, improved socialisation and reduced isolation in mental health clients through the provision of stable housing and associated support. Programs developed to encourage participation and employment further help to reduce the risk and severity of mental illness, as do programs to train clinicians in the early detection and intervention of people at risk of suicide. Programs focussing on dual disorders will help to address some of the complex factors that can increase the risk of suicide, especially in younger people.

PERFORMANCE INDICATOR

Mental health: Ambulatory contacts and acute overnight inpatient separations

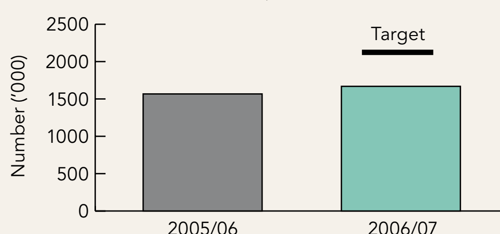
Desired outcome

Improved mental health and wellbeing. An increase in the number of new presentations to mental health services that is reflective of a greater proportion of the population in need of these services gaining access to them.

Context

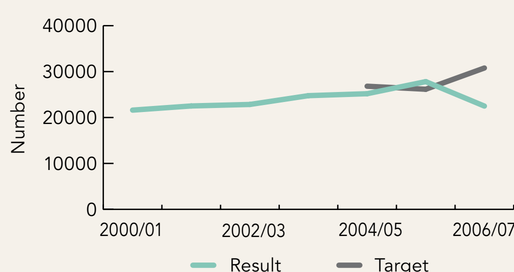
Mental health problems are increasing in complexity and co-morbidity, with a growing level of acuity in child and adolescent presentations. Despite improvements in access to mental health services, demand continues to rise for a wide range of care and support services. A range of community-based services is being implemented between now and 2011 that span the spectrum of care types from acute care to supported accommodation. There is an ongoing commitment to increase inpatient bed numbers. Numbers of ambulatory contacts, inpatient separations and numbers of individuals are expected to rise.

Mental Health Ambulatory contacts (number)



Source: 00/01 to 04/05: State HIE (MHAMB collection) plus manual submissions; 05/06 and 06/07 : State IQ Server 1/8/2007

Mental Health Acute overnight inpatient separations (number)



Source: DOHRS VAX and HIE extracted 26/08/07c

Interpretation

There has been a small increase in the number of ambulatory contacts although interpretation of this data needs to be treated with caution. The complete number of ambulatory contacts will not be finalised until late 2007, therefore the number of contacts presented here are most likely under-reported.

Acute overnight separations are on target according to increases in funded acute bed numbers and average acute length of stay, as predicted by the service-planning model used for mental health services.

Related policies and programs

There has been a major investment through NSW: A New Direction for Mental Health in expanding community based specialist mental health services and community rehabilitation services. This will help reduce unnecessary hospital admissions allowing people to be treated more appropriately in the community.

PERFORMANCE INDICATOR

Antenatal visits – births where the first maternal visit was before 20 weeks gestation

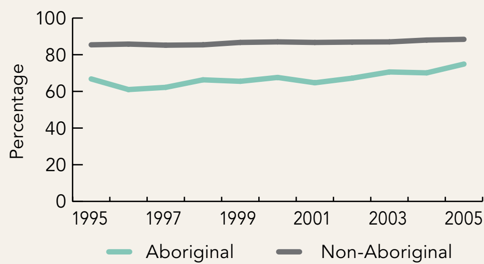
Desired outcome

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.

Antenatal visits – births where first maternal visit was 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 since 1995. However, the percentage for Aboriginal mothers remains below that for non-Aboriginal mothers, although the gap is narrowing.

Related policies and programs

- NSW Framework for Maternity Services provides the NSW policy for maternity services.
- The Maternal and Perinatal Health Priority Taskforce and NSW Health support the continued development of a range of models of care including stand-alone primary maternity services. The Taskforce has established a sub-group called the Primary Maternity Services Network. This network provides leadership; support and information sharing for area health services that are developing continuity of midwifery care models.
- The NSW Aboriginal Maternal and Infant Health Strategy is a primary health care strategy implemented in seven sites in 2001 to improve perinatal mortality and morbidity. In 2006 the evaluation of the program demonstrated marked improvement in access to antenatal care by Aboriginal mothers in the program areas. NSW Health has entered into a Memorandum of Understanding (MOU) with the NSW Department of Community Services to expand the Aboriginal Maternal and Infant Health Strategy as a statewide service increasing to over 30 programs.

PERFORMANCE INDICATOR

Low birth weight babies – weighing less than 2,500g

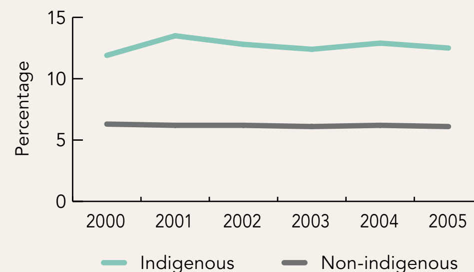
Desired outcome

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 birth weight babies – births with birth weight 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 and programs

- NSW Framework for Maternity Services provides the NSW policy for maternity services.
- The Maternal and Perinatal Health Priority Taskforce and NSW Health support the continued development of a range of models of care including stand-alone primary maternity services. The Taskforce has established a sub-group called the Primary Maternity Services Network. This network provides leadership; support and information sharing for area health services that are developing continuity of midwifery care models.
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PERFORMANCE INDICATOR

Postnatal home visits – receiving a Families NSW visit within two weeks of the birth

Desired outcome
To solve problems in raising children early, before they become entrenched resulting in the best possible start in life.

Context
The Families NSW program aims to give children the best possible start in life. The purpose 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. It 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.

Families receiving a Families NSW visit within two weeks of the birth (%)

Source: Families First Area Health Service Annual Reports, NSW Admitted Patient Data Collection (HOIST)

Interpretation
Since the commencement of the Families NSW initiative, over 260,000 NSW families with a new baby have received a universal health home visit. Area Health Services continue to guide services, improve continuity of care between maternity services and child and family health services and strengthen service networks to support the implementation of Families NSW and in particular the provision of a home visit by a child and family health nurse to families with a new baby.

Related policies and programs
The Families NSW strategy is delivered jointly by Community Services, NSW Health, the Department of Education and Training, Housing and Ageing, Disability and Home Care in partnership with parents, community organisations and local government.

The NSW integrated perinatal and infant care Safe Start initiative uses an internationally innovative model of assessment, prevention and early intervention to identify the risk factors for current and future parenting or mental health problems during pregnancy and following the birth of the infant. It defines clinical pathways to appropriate care and models of service delivery for health services to support parental well being, enhance parenting skills, child and family mental health and protect against child neglect and abuse.

Build regional and other partnerships for health

Strategic direction four

NSW Health strives for a health system that engages more effectively with other government and non-government organisations, with clinicians and the broader community. Our aim is to provide a more integrated approach to planning, funding and delivering health and other human services to local communities and regions.

NSW Health has a particular focus on reducing the health gap for communities that experience multiple disadvantages such as Aboriginal communities, refugees and those of lower socio-economic status.

Improved outcomes in mental health

NSW Health aims to increase the percentage of people aged 15–64 years of age with a mental illness who are employed to 34 per cent by 2016. Together with other agencies, we will also aim to increase the community participation rates of people with mental illness by 40 per cent by 2016.

Support for Non-Government Organisations (NGOs)

NSW Health supports NGOs that provide effective mental health services. The Mental Health Infrastructure Grants Program aims to support and assist NGOs to develop their capacities to deliver quality services. This program is a vital step forward in the relationship between Government, the NGO sector, carers and consumers.

In addition, the Resource and Recovery Services Program is providing $3 million in recurrent funding to NGOs across NSW to establish services in identified areas of need where there is a limited range of community based mental health services currently available.

The program is designed to increase the capacity of NGOs to provide individually tailored access to quality mainstream community, social, leisure and recreation opportunities and vocational services for people with a mental illness, based on the best evidence and practices available.

Clinical mental health partnerships

Partnerships play an important role in increasing awareness of mental health issues, defining agency roles and responsibilities and improving service responses at a local level. In 2006/07, work was underway through Area Health Services to develop partnership plans that identify local priorities and incorporate key partnership priorities.

Vocation education training employment program

The aim of this trial program is to establish and evaluate service pathways to improve educational and employment outcomes for people with a psychiatric disability.

Individual support is also provided to consumers who are currently enrolled in tertiary education and the effectiveness of the supported education services will be evaluated over a longer period of time reflecting the length of the study programs.

The trial commenced in early 2007 at Hunter New England Area Health Service.

Improved outcomes for Aboriginal communities

NSW Health aims to enhance and strengthen partnerships with Aboriginal people and other key groups, to implement the NSW Aboriginal Health Partnership Agreement and Two Ways Together: the NSW Aboriginal Affairs Plan 2003–2012 to achieve measurable health improvements for Aboriginal people.

The initial focus will be on Otitis Media screening, oral health, family violence and mental health. There will also be consultations with the Aboriginal community to build the capacity of the Aboriginal mental health and drug and alcohol workforce in NSW.

Otitis Media screening program

The Otitis Media Screening Program is an initiative of the Aboriginal Affairs Plan: Two Ways Together, which aims to reduce the impact of Otitis Media through a statewide screening and referral service, as well as education for parents and communities.

The program met and exceeded its 2006/07 target of 19,394 children by screening 19,403 Aboriginal children and trained a further 60 Aboriginal health workers in audiometry. The program has also facilitated the development of strategic action plans by Area Health Services to meet screening targets.

Additional Otitis Media strategies progressed by NSW Health in 2006/07 included the development of a nationally accredited screening training program, refinement of an awareness kit for parents and health/education professionals and the establishment of specialist ear, nose and throat outreach clinics at Goulburn, Nepean and Armidale hospitals.

Violence, sexual assault and child abuse

In 2006/07, work was underway to finalise the newly developed NSW Health Aboriginal Families Strategy (2007–2012). This strategy evolved from the previous NSW Aboriginal Family Health Strategy.

Implementation of the new strategy will contribute significantly to the NSW Government's Interagency Plan to tackle child sexual assault in Aboriginal communities (2006–2011).

Other Highlights

Provide an outreach program to young people in the Coffs Harbour community

In 2006/07, the Coffs Harbour Community Drug Education Team initiated the Safe Party Squad, a group of volunteer youth workers who undertook outreach to young people on Friday and Saturday nights at a local beach.

With active involvement from police and other partners, the team initiated an outreach program to engage with the young people including providing water, occasional barbeques, safe sex and drug and alcohol information and referrals to services in a friendly and non-threatening manner.

The project is supported by the NSW Police, the Tedd Noffs Foundation, local drug and alcohol services and local businesses. The success of the project led to a $250,000 grant to support the project on a long-term basis.

Enhanced ability to respond to local drug and alcohol problems

The Local Government Drug Information Project is an initiative of NSW Health in partnership with the Local Government and Shires Association (NSW). This four-year project is aimed at enhancing local government's capacity to work in partnership and respond to drug and alcohol problems in their communities.

The project will achieve this aim through the development of a resource manual for local government, the provision of training to councillors and staff on the use of the manual and regular information updates and bulletins to local government on drug and alcohol issues.

Ministerial Standing Committee on Hearing

The Ministerial Standing Committee on Hearing provides strategic advice to the Minister for Health on hearing services in NSW. It met four times in the financial year 2006/07 and focussed on the development of key priorities for hearing services in NSW.

A key area progressed in 2006/07 was the development and implementation of a Hearing Health Network for NSW.

Health service planning

In 2006/07, NSW Health worked with Northern Sydney Central Coast Area Health Service to develop the Northern Beaches Health Services Plan, a major planning process

associated with the service configuration on Sydney's northern beaches.

NSW Health also commenced planning for the proposed Tamworth Hospital Redevelopment.

Domestic violence risk assessment tool

In 2006/07, NSW Health commenced a two-year interagency project to develop a 'tool' designed to assess the risk of domestic violence to individuals and families and to develop interventions to manage or reduce this risk.

The project also includes the trial implementation and evaluation of the tool in selected services and locations. Known as the Cross Agency Domestic Violence Risk Assessment Tool, it will provide a more integrated and consistent service response and facilitate cross-agency communication on individual cases of domestic violence. It is expected that this will lead to the provision of earlier, more effective services for victims of domestic violence.

Performance Indicator

Otitis Media screening – Aboriginal children (0–6 years)

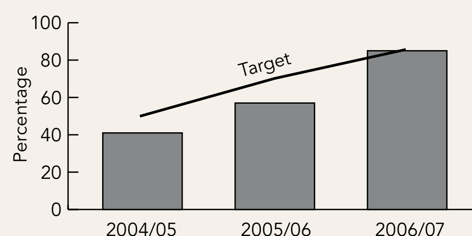
Desired outcome

Increase screening for Otitis Media in Aboriginal children aged 0–6 to 85 per cent.

Context

The incidence and consequence of Otitis Media and associated hearing loss in Aboriginal communities has been identified. The World Health Organisation noted that prevalence of Otitis Media greater than four per cent in a population indicates a massive public health problem. Otitis Media affects up to ten times this proportion of children in many Indigenous communities in Australia.

Otitis media screening – Aboriginal children (0–6 years) screened (%)



Source: Centre for Aboriginal Health

Interpretation

The program has experienced rapid growth in screening capacity during the first three years due to a large and sustained workforce development effort with over 120 participants (primarily Aboriginal health workers) completing audiometry training.

The program screened 19,403 Aboriginal children in 2006/07, a 50 per cent increase on the number screened in 2005/06. The program has also facilitated the development of strategic action plans by area health services to meet Otitis Media screening targets and initiated a common reporting framework for Aboriginal Community Controlled Health Services. Together these efforts have increased the level of community awareness for Otitis Media and its impact.

Related policies and programs

Additional Otitis Media strategies progressed by NSW Health in 2006/07 included the engagement of partners including the Royal Institute for Deaf and Blind Children, University of NSW, Macquarie University and The Sax Institute to provide supplementary screening support. Other strategies include the refinement of a nationally accredited screening training program, revision of an awareness kit for parents and health and education professionals and the embedding specialist ear, nose and throat outreach clinics at Goulburn, Nepean and Armidale hospitals.

Make smart choices about the costs and benefits of health services

Strategic direction five

As health costs continue to rise we need to make the most effective use of the resources available. Services and infrastructure provided to meet the State's healthcare needs must be carefully planned with community and clinician input. They must also be managed efficiently based on solid evidence of effectiveness and health impact.

Increasing reinvestment of savings achieved through reform

NSW Health is committed to improving the efficiency of corporate services across the health system to deliver savings for reinvestment in frontline health services. In addition, we aim to harness the full purchasing power of the statewide health system to achieve best value, aligned with quality in the procurement of goods, services and infrastructure.

Through the Health Administration Corporation (HAC), HealthSupport has been established as the vehicle to reform health system corporate services, including the provision of payroll, linen, food and other non-clinical services.

Information on initiatives undertaken by HealthSupport during 2006/07 is detailed in Appendix 3 of this report.

Investment in electronic information systems

Building information management and technology training and capability across the health system, for clinicians and managers at all levels will provide a more robust foundation for decision making, performance monitoring and the delivery of patient care.

Another business unit of HAC is HealthTechnology. This unit is rolling out new electronic information systems across the NSW health system to support health service staff to deliver improved clinical outcomes, such as improved waiting times for operating theatres and initial diagnoses.

Information on information management and electronic service delivery initiatives is detailed in Appendix 3 of this report.

Asset management

NSW Health is committed to ensuring effective linkages between services planning and infrastructure plans so that resources can be distributed to match health service needs and respond to emerging models of care.

Planning for the future

During 2006/07, the NSW Health Strategic Asset Management Plan and ten-year Capital Investment Strategic Plan were finalised.

Clinical services plans to provide a basis for capital investment have been developed in conjunction with the relevant area health services for Bega Valley, Narrabri, Wagga Wagga and Liverpool Hospital.

Capital planning undertaken for major projects including Mandala mental health redevelopment at Gosford, child and adolescent services at Sydney Children's Hospital and Shellharbour Hospital.

A helping hand for rural health services

During 2006/07, a Service Planning Handbook for Rural Health Service Planners was released. The handbook is a 'how to' guide for planners with responsibility for service and strategic planning in rural areas, particularly those who may be working in isolation from their peers, have limited access resources or may be new to the process of strategic service planning.

Other highlights

New planning tools for clinical care

During 2006/07, new planning tools were created to supplement the long-standing Acute Inpatient Modelling tool. These new planning devices include the Sub-acute Inpatient Activity Modelling (SiAM) tool and an Operating Theatre Requirements Projection Tool.

SiAM provides capacity to project requirements for a range of sub-acute activity including rehabilitation, palliative care and geriatrics. The Operating Theatres Requirements Projection Tool informs future planning and development of operating theatres by translating the projected surgical activity data into projected requirements for theatres.

This approach takes into account factors such as average surgery times, opening hours and utilisation rates. These projection methodologies were developed with significant collaboration clinicians and area health services.

Information sharing protocol and training

NSW Health and the Department of Community Services have been examining methods to improve the identification of children at risk who may be cared for by an adult who is receiving opioid treatment program services.

During 2006/07, a methadone information sharing protocol was developed between agencies. The protocol was trialled in a number of sites in NSW before being rolled out across the State.

Issues relating to child safety have been given renewed emphasis with the 2006 Opioid Treatment Program Clinical Guidelines and a campaign called Kids and Drugs Don't Mix.

Centre for Health Record Linkage

During 2006/07, the Centre for Health Record Linkage was established with partners including the Cancer Institute NSW, NSW Clinical Excellence Commission, The Sax Institute, University of Sydney, University of Newcastle, University of NSW and ACT Health. The Cancer Institute NSW is the host organisation.

With ethical and data custodian approval, the Centre provides a mechanism for de-identified linked health data to be provided for use in health and health services research.

Revised pharmacotherapy accreditation system

The Pharmacotherapy Credentialing Subcommittee (PCS) provides advice to NSW Health regarding the authorisation of prescribers to use methadone and buprenorphine for the treatment of drug dependence.

In 2006/07, acting on recommendations from PCS, NSW Health commenced implementation of a re-accreditation system for all prescribers. In addition, the approval process for authorisation of limits on patient numbers has been streamlined reducing the administrative burden on prescribers. Both of these measures will lead to improvements in the quality of treatment services.

Service Development and Reporting Framework

NSW Health and the Commonwealth Department of Health and Ageing Office for Aboriginal and Torres Strait Islander Health have jointly developed a Service Development and Reporting Framework for NSW.

This reporting framework will allow all Aboriginal community-controlled health services to use one tool to plan and report all of their service delivery, management, linkages and coordination and community involvement activities each financial year.

This will reduce the reporting burden on these services, allowing them to focus on the delivery of primary health care services to the local Aboriginal population.

NSW Health is the first State Government agency to integrate its non-financial activity reporting with a Commonwealth Department of Health and Ageing Office for Aboriginal and Torres Strait Islander Health State Office. The Commonwealth is seeking to showcase the work done in NSW as an example of effective and functioning partnership.

Performance Indicator

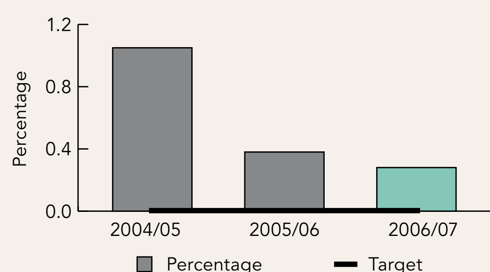
Net cost of service – General Fund variance against budget

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 service a number of health services and which would otherwise distort the host health service's financial performance.
- Effect of special projects that are only available for the specific purpose (e.g. oral health, drug and alcohol).

Net cost of service – General Fund (General) variance against budget



Interpretation
The aggregated result was within 0.3 per cent of issued budgets. Northern Sydney Central Coast Area Health Service is required to implement strategies in order to realign expenditure to available funds in 2007/08. As all Area 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

General Creditors > 45 Days as at the end of the year

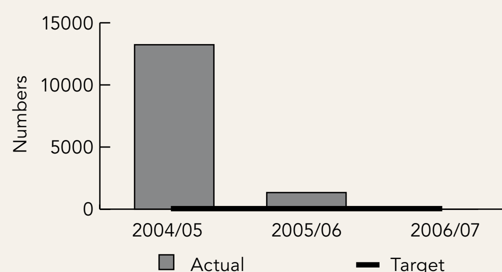
Desired outcome
Payment of general creditors within agreed terms.

Context
Creditor management affects the standing of NSW Health in the general community, and is of continuing interest to central agencies. Creditor management is an indicator of a Health Service's performance in managing its liquidity.

While health services are expected to pay creditors within terms, individual payment benchmarks have been established for each Health Service.

General creditors relates to 'trade' creditors which are those persons and businesses that have provided a service to a Health Service for which payment is owing.

General Creditors > 45 Days as at the end of the year ($'000)



Interpretation
At 30 June 2007 all health services complied with the Department's requirement that they have no general creditors remaining unpaid after 45 days from date of receipt of invoice.

Related policies and programs
The Department's 2006/07 allocation letter to Area Health Services advised the policy/practice to be adopted in respect of creditor payments and liquidity management.

Performance Indicator

Major and minor works – Variance against Budget Paper 4 (BP4) total capital allocation

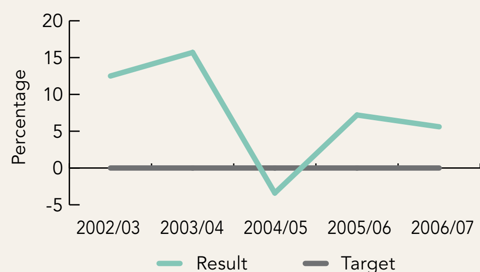
Desired outcome

Optimal use of resources for asset management. The desired outcome is 0 per cent, that is, full expenditure of the NSW Health capital allocation for major and minor works.

Context

Variance against total BP4 capital allocation and actual expenditure achieved in the financial year is used to measure performance in delivering capital assets.

Major and minor works – Variance against Budget Paper 4 (BP4) total capital allocation (%)



Source: Asset Management Services

Interpretation

Actual expenditure of $668.3 million for 2006/07 is a favourable (5.56 per cent) result against the BP4 allocation of $633.1 million. The additional expenditure was largely due to various in-year additional Treasury approvals and additional expenditure on repairs, maintenance and renewals (RMR>$10,000) by Area Health Services.

Related policies and programs

Strategies to achieve the desired outcome of 0 per cent during 2007/08 include:

- Continual review and monitoring of the health asset acquisition program against expenditure projections.
- Continued centralised control of major capital projects with a value greater than $10 million through the establishment of the Health Infrastructure Board.
- Ongoing regular program of Area Health Services chief executive review meetings to monitor project progress.
- Establishment of the NSW Health Cross-Divisional Capital Steering Committee to monitor the asset acquisition program and capital budget processes.

Performance Indicator

Resources Distribution Formula – The weighted average distance from target for all Area Health Services

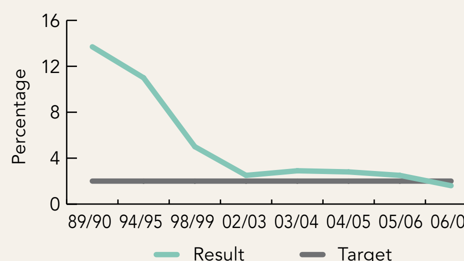
Desired outcome

Meet the health needs of populations in the various geographic areas of the State on an equitable basis.

Context

Funding to NSW Area Health Services is guided by a resource distribution formula, which aims to provide an indication of equitable shares of resources taking account of local population needs. The current policy is to ensure the allocation to all Area Health Services is within two per cent of their resource distribution formula target. Factors used in estimating local need include age, sex, mortality and socio-economic indicators.

Resources Distribution Formula – The weighted average distance from target for all Area Health Services (%)



Source: Inter-Government and Funding Strategies Branch

Interpretation

In 1989/90, Area Health Services were on average 14 per cent away from their resource distribution formula target. With a greater share of growth funding allocated to historically under-funded population growth areas, the average distance from target for Area Health Services has declined significantly over time and was less than two per cent in 2006/07.

Build a sustainable health workforce

Strategic direction six

Delivery of quality health services depends on having adequate numbers of skilled staff working where they are needed. Addressing the shortfall in the supply of health professionals and ensuring an even distribution of staff around the State is one of our key priorities for the future.

There has been a continued focus on health workforce at a State and national level during the past year with the range of strategies and initiatives already showing positive results.

Since 2003 there have been significant increases in professional staff across the NSW public health system as outlined below. At the same time clinical staff as a proportion of all NSW Health staff has continued to rise from 63.7 per cent in 2003 to 66.4 per cent in 2007.

Professional Staff FTE	June 2003	June 2006	June 2007	% Increase over 2003
Salaried Medical	6,112	6,826	7,318	19.7%
Visiting Medical Officers (2003–06)	4,263	4,700	N/A	N/A
Nursing	32,550	36,920	38,101	17.1%
Allied Health	6,323	7,122	7,387	16.8%
Oral Health	988	1,008	998	1.0%

Further workforce data is included in Appendix 4 – Statistics

Workplace injuries

Workplace injuries, many of which are preventable, result in significant direct and indirect costs to the public health system, injured employees, their families and their co-workers.

Key prevention strategies include consulting with staff, ensuring workplace hazards are identified, assessed and controlled, and providing training. Injury reduction targets, based on those set by the National Occupational Health and Safety (OHS) Improvement Strategy, have been included in Area Health Service performance agreements.

The NSW Health OHS Audit Tool has also been significantly updated to help its workplaces measure their OHS performance and drive improvements in OHS management.

Sick leave

Effective management and monitoring can reduce the amount of sick leave taken by staff. This in turn should reduce the need for, and additional cost of, staff replacement and reduce possible negative effects on service delivery and on other staff, where replacement staff is not readily available.

Sick leave reduction targets, based on whole-of-Government targets set by NSW Premier's Department, have been included in Area Health Service Performance Agreements. NSW Health is providing regular reports on progress against targets. The Department has also issued a sick leave management policy and detailed supporting guidelines to assist area health services to meet these targets.

Recruitment and retention

The 2006/07 financial year saw significant improvements in recruitment processes for junior medical staff. The first online recruitment system for doctors in Australia was also successfully implemented, with over 30,000 applications received.

This work was supported by marketing strategies to promote health careers initiated in local schools, with a DVD entitled Careers in Health and information for career days and work experience programs being developed.

Allied Health ReConnect

NSW Health also piloted Australia's first Allied Health ReConnect program in April 2007 with 22 new registered pharmacists at 17 public hospital pharmacies across the state. To maintain the continuance of these services in hospitals the pre-registration pharmacists training project was implemented. A total of 68 per cent of trainees were retained with the NSW public hospital system after one year. The results indicated that the average vacancy rate for these professionals has now been halved.

Online orientation package

Funding was allocated for the development of an online medical staff orientation package to provide medical officers, including locums, with an introduction to the

Area Health Service and the facility in which they will be working. The e-orientation package will enable locums to become more quickly acquainted with the local environment, reducing delays and improving the quality of care and patient and staff safety.

Nursing education in schools

In 2006/07, the Nursing Vocational Education and Training in Schools Program was expanded with the recruitment of an additional 180 high school students from 30 high schools across Greater Western Sydney.

The Program allows secondary school students to complete units of study in nursing in Years 11 and 12 and gain credit towards a nursing qualification. This program is expected to expand to 1,149 students by 2011 with rollout occurring across NSW.

Online training for cancer nurses

The past year saw the implementation of an online training program at Western Sydney TAFE, allowing nurses working in cancer care to complete an advanced diploma for enrolled nurses in the delivery of dialysis.

Mental health workforce

Funding of more than $1.1 million has been provided to address recruitment and retention of mental health nurses.

Mental Health Connect/Reconnect Program

The Connect/Reconnect Program for registered and enrolled nurses seeking employment in mental health provides four weeks salary replacement and $1,000 preceptor support to employing services. To date, 96 nurses have been employed through this program with 27 working in rural settings.

Psychiatry training

The Rural Psychiatry Project provides support to rural-based psychiatry trainees and has resulted in an increase in the number of rural-based trainees in NSW. In 2006/07, there were nine rural based trainees within NSW and ten sites accredited to provide training.

In addition, the NSW Institute of Medical Education and Training psychiatry training networks are in their second year of operation, with an increase of 38 first year trainees recruited to the networks as of March 2007.

Nursing transition program

The mental health transition program provides three months orientation and foundation learning for nurses new to mental health. The program will be standardised across NSW and will articulate with existing preparation programs where these are available at service level.

NSW Health identified a target of an additional 60 nurse practitioners for mental health between 2006 and 2011. These roles provide an important clinical career path for registered nurses.

A NSW Health working group is preparing the Advanced Diploma in Nursing (Mental Health) for enrolled nurses. This accredited specialist mental health training program will be available for delivery across NSW from 2008.

Ten mental health innovation scholarships valued at $10,000 each were also allocated for projects that demonstrate innovative nurse-led models of practice leading to improvements in patient care.

Aboriginal mental health

The NSW Aboriginal Mental Health Workforce Program commenced in January 2007. The program employs Aboriginal people as full-time, permanent employees of mental health services. Trainees are supported through an integrated system of peer support, on-the-job training and supervision. At completion, the trainees will become qualified Aboriginal mental health professionals, working as part of a mainstream area mental health structure on a permanent basis.

The program has funded ten trainees in 2007, with an additional ten trainees to commence in 2008/09. Area Health Services have also taken the opportunity to convert existing vacant positions into the program, with the result that 18 trainees commenced their first residential at Charles Sturt University in April 2007.

During the first phase of the program, positions have been rolled out in Greater Western, Greater Southern, Hunter New England, North Coast and North Sydney Central Coast Area Health Services and Justice Health.

Staff satisfaction

To promote a workplace free of bullying, the Bullying – Prevention And Management Of Workplace Bullying Guidelines for NSW Health was released in June 2007. Also released in 2007, the Grievance Resolution User Guide for staff and managers outlines a local workplace grievance management system that facilitates prompt, fair and flexible management of all workplace grievances with a focus on effective resolution.

To encourage leadership and management skills in our health staff, a number of programs have been developed and implemented. These include the Leading For Improved Clinical Services Program, targeting staff specialists who are in managerial roles. More than 360 clinicians attended the program – 75 per cent of the target group – and feedback from the program was extremely positive.

Education and training

NSW has been successful in obtaining an additional 110 Commonwealth supported medical places. This represents an increase of over 340 new medical places commencing during 2007/09 in NSW.

Scholarships and clinical placements

In 2006/07, NSW Health provided undergraduate nursing/midwifery scholarships to 46 rural students and 18 Aboriginal and Torres Strait Islander students, funded 552 grants for clinical placements in rural NSW and 170 for metropolitan and offered 102 scholarships for nurses working in rural public health facilities and 232 for enrolled nurses working in rural areas.

NSW Health offered up to 19 postgraduate scholarships to rural allied health clinicians valued at $4,500 for a graduate diploma or graduate certificate and $9,000 for a Masters or PhD.

The Department also provided support for clinical placements for the new medical schools of University of Western Sydney, the Universities of New England/ University of Newcastle joint rural medical program and the University of Notre Dame.

The first medical clinician managers program developed and implemented in association with the Australian Salaried Medical Officers Federation with over 70 per cent of the target group (366 clinicians) completing the program.

Dental workforce

Sixty-eight students have successfully completed the dental assistant traineeship program since its inception in 2003. A further 18 students will finish by December 2007. Sixty per cent of these dental assistants are employed within Sydney West Area Health Service.

The NSW Overseas Trained Dentists Program was also established in February 2007. A total of 10 overseas trained dentists enrolled with the Australian Dental Council will gain supervised clinical experience of up to 12 months in a range of settings before sitting the Australian Dental Council's final clinical examination leading to full registration.

Aboriginal workforce

The Bilateral Agreement, Two Ways Together, and implementation of the Making it our Business policy have assisted in setting the direction to support and encourage our Aboriginal health workforce.

This has included introduction of initiatives to encourage Aboriginal students to enter health degree courses with 18 Aboriginal health worker trainees appointed and Aboriginal health workers and health education officers have been supported to gain entry into Bachelor of Midwifery courses.

Aboriginal Nursing and Midwifery

NSW Health is committed to increasing the number of Aboriginal registered nurses, midwives and enrolled nurses in the NSW public health system.

The Aboriginal Nursing And Midwifery Strategy aims to increase the number of Aboriginal staff providing health care in NSW and currently employs 10 midwifery undergraduate cadets and 28 nursing undergraduate cadets. Two cadets graduated in 2006 and a further nine nursing or midwifery cadets will graduate at the end of 2007.

The Aboriginal and Torres Strait Islander Trainee Enrolled Nurses Program also commenced in April 2007 and 27 of 29 trainees employed in the program have completed the course. A further 50 students are currently undertaking the course.

Rural and remote workforce

To enhance the supply of General Practitioners (GPs) to rural and remote locations, NSW Health funds up to 30 positions annually for rural GPs and GP registrars to upskill in procedural skills across five specialities: anaesthetics, obstetrics, emergency medicine, surgery and mental health.

In 2007, there were 31 new applicants enrolled in the program bringing the total to 149 of full-time, part-time and flexible positions filled by GPs and GP registrars since the commencement of the program.

Area of Need positions

The Area Of Need program is designed to recruit overseas trained doctors into hard to fill positions in NSW, particularly in rural and regional centres.

By April 2007, a total of 258 Area of Need positions were filled across both the public and private sectors in NSW. In addition, 20 nurse practitioners and 16 transitional nurses now work in rural areas in 13 different specialties including emergency care, mental health and women's health as remote generalists.

Opportunities for overseas trained doctors

In collaboration with the Commonwealth Department of Health and Ageing, the NSW Government has developed a graded incentive system for overseas trained doctors who wish to work as GPs in remote locations.

Under the five-year Overseas Trained Doctor Recruitment Scheme, there were 35 GPs enrolled in the scheme (as at 1 May 2007) providing services to remote communities in NSW. Seven GPs have completed the program and are still working in rural and remote areas.

Training in hospitals

Priority filling of traineeship positions in regional hospitals in training networks has been introduced and $2,000 scholarships have been offered for any trainee who completes two full terms in a rural hospital, along with a video-conferencing program to ensure access to education for rural and regional hospital.

By February 2007, the NSW Rural And Regional Anaesthetics Program created twelve additional training positions at Coffs Harbour, Dubbo, Shoalhaven, Wagga Wagga, Port Macquarie, Manning, Orange, Tamworth and Tweed Heads.

In 2007, 36 Rural Allied Health Clinical Placement Grants of up to $650 (up to $1,000 for placements in Broken Hill) were offered to students.

Workforce planning

To improve workforce planning and analysis, NSW Health invests in an annual labour force profile of registered professions and selected non-registered allied health professions. In 2006/07 a new data collection noting area of speciality was introduced.

Data from the profiles and the speciality collection is used to undertake workforce projection modelling and identify areas of workforce shortage in order to determine NSW needs for health professional training places.

Inter-Government partnerships

In 2006/07, NSW Health led work through Council of Australian Governments to establish representation by Health Ministers at an annual Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) meeting on national workforce priorities.

A key objective of this meeting is to improve consultation with the education sector to better align health workforce supply and distribution to meet community need. At the Inaugural MCEETYA Meeting in April 2007, the Council agreed on a number of ways for the education and health sectors to work collaboratively on health workforce issues including examining options in relation to clinical education, designated national priority areas and funding.

Strategic planning

To create better links between Government priorities and workforce planning, the NSW Health Workforce Action Plan translates the seven principles of the National Health Workforce Strategic Framework into a comprehensive range of strategies and actions designed to address state health workforce issues.

With the appointment of directors of workforce development in Area Health Services, Area Workforce Development Plans are being developed to reflect NSW Workforce Action Plan strategies and contribute to achievement of workforce development outcomes.

Nursing and midwifery

Significant increase in the nursing workforce

The results of a range of initiatives funded by the NSW Government show that the total number of nurses and midwives permanently employed in the NSW public health system has been steadily increasing over the last four years. In June 2007 there were 42,184 nurses employed. This is a net increase of 8,180 nurses (24 per cent) from January 2002.

Overseas recruitment

Over 600 overseas qualified registered nurses and midwives were recruited and commenced employment in NSW public hospitals during 2006/07. A further 390 nurses were offered and have accepted employment.

Nurse practitioners

NSW leads Australia with 97 authorised nurse practitioners and two midwife practitioners already appointed. A further 55 nurses are in transitional positions and working towards authorisation by the NSW Nurses and Midwives Board. Recruitment continues for nurse practitioner roles across NSW.

There are now 20 nurse practitioners and a further 16 transitional nurses working in rural and remote areas in 13 different specialties. These roles provide increased access to health care services for the rural population.

Nurses study leave

A total of $6 million was provided for nurses and midwives in 2006/07 to access study leave. This funding allows more nurses and midwives to access further education and to upgrade their skills.

Credentialing of midwives

NSW Health has identified credentialing as a key component of professional governance that optimises quality and safety in maternity care through the provision of a skilled and competent midwifery workforce. At the end of June 2007 a total of 52 midwives working in midwifery led models of care have successfully attained the three-year credential.

Promotional materials

An extensive marketing campaign titled Nursing and Midwifery, No Two Days Are Ever The Same was developed during 2006/07. This material targets school students to choose nursing as their career choice.

Education and skill development

During 2006/07, $12.6 million was spent on initiatives such as support for new general and midwifery graduates and ongoing clinical skill development programs for registered and enrolled nurses. These programs are designed to enhance nurses' clinical skills and support their professional development. The programs encourage nurses to remain working in the public health system in NSW.

Other Highlights

Special needs registrars

Four registrars have been employed at Westmead Centre for Oral Health. The placement will provide the registrars with the additional specialist skills required in areas of oral health. During their training, the registrars will make a valuable contribution throughout the state by providing services for people with special and complex care needs.

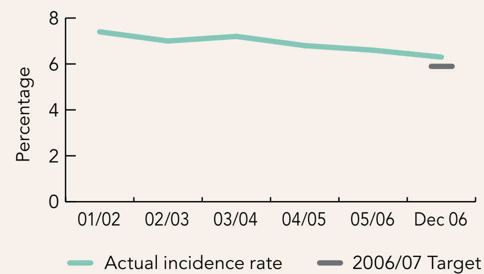
Performance Indicator

Workplace injuries

Desired outcome

Minimising workplace injuries as far as possible.

Workplace injuries (%)



Note: Dec–06 data covers 12 months to December 2006 as at March 2007

Source: Treasury Managed Fund via WorkCover NSW

Interpretation

NSW Health as a whole is performing well against the injury prevention target with an overall 15 per cent reduction in incident rate for the June–December 2006 period. While the injury reduction target for June 2007 is 20 per cent, it should be recognised that the 15 per cent improvement referred to above comes on top of already significant decreases during earlier improvement initiatives between June 1998 and December 2002. During this time, NSW Health achieved an 18 per cent reduction in workplace injuries and a 15 per cent reduction in claims costs.

Related programs and policies

The National Occupational Health and Safety (OHS) Improvement Strategy and the NSW Government initiative Working Together: Public Sector OHS and Injury Management Strategy 2005–2008 have set injury reduction targets, which have been included in Area Health Service performance agreements. To support Area Health Services meeting the targets, the NSW Health OHS audit tool has been significantly updated to help its workplaces measure their OHS performance and drive improvements in OHS management. Other related polices that will also be of assistance include workplace health and safety: policy and better practice guide, policy and best practice guidelines for the prevention of manual handling injuries and policy and guidelines for security risk management in health facilities (the Security Manual).

Performance Indicator
Staff turnover

Desired outcome

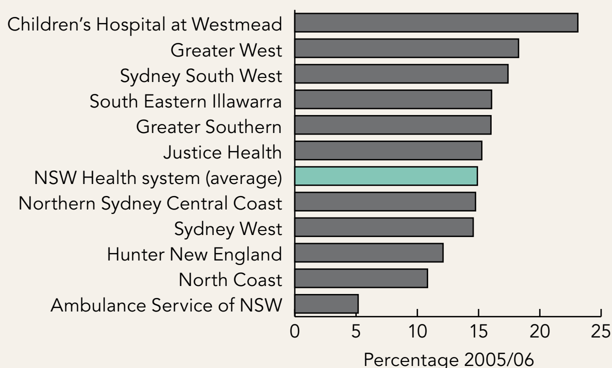
To reduce/maintain turnover rates within acceptable limits to increase staff stability and minimise unnecessary loses.

Context

Human resources represent the largest single cost component for 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 geographically areas attract overseas nurses working on short-term contracts.

Staff Turnover – Non Casual staff separation rate (%)



Source: DOH-HR – Premier's Workforce Profile Data Collection. Excludes Third Schedule Facilities.

Interpretation

In 2006/07, the average staff turn over for non-casual staff employed within the health system was 14.9 per cent. The Ambulance Service of NSW, a statewide service, recorded the lowest turnover rate of 5.2 per cent while The Children's Hospital at Westmead, a single facility, recorded the highest at 23.1 per cent. As discussed above, 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

These include NSW Health's flexible and family-friendly work policies.

Performance Indicator
Clinical staff

Desired outcome

Increased proportion of total salaried staff employed that provide direct services or support the provision of direct care.

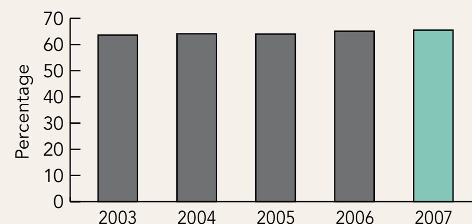
Context

The organisation and delivery of health care is complex and involves a wide range of health professionals, service providers and support staff. Clinical staff comprise of 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 front line care.

Note that the primary function of a small proportion of this group may be in management or administrative, providing support to front line staff.

Clinical staff (ie medical, nursing, allied health professionals, other professionals, oral health practitioners and ambulance clinicians) as a proportion of total staff (%)



Interpretation of NSW Statewide result

From June 2003 to June 2007, the percentage of 'clinical staff', as a proportion of total staff increased from 63.6 per cent to 65.5 per cent. This equates to an additional 7,452 health professionals working in the public health system. From June 2006 to June 2007, the NSW public health system employed an additional 492 medical practitioners, 1,181 nurses and 265 allied health professionals. The increase reflects the ongoing commitment of NSW Health and its Health Services to direct resources to front-line staff to meet strong growth in demand.

Related policies/programs

Continuation of strategies aimed at recruitment and retention of clinical staff within the system and of the Shared Services and Corporate Reforms Strategies.

Be ready for new risks and opportunities

Strategic direction seven

The NSW health system is large and complex and must continually adapt in a dynamic environment to meet the community's changing health needs. The system must be quick to respond to new issues and must be capable of sustaining itself in the face of external pressures.

NSW Health strives for a health system that is alert to the changes in the world around it as well as quick to anticipate and respond to new issues as they emerge.

Ensuring the NSW health system is ready for new risks and opportunities

The NSW health system must regularly review and update its risk management framework, disaster response capability, adequacy of population health surveillance and early warning systems and assess research outputs to ensure they are driven by health priorities and policies to ensure it is able to adjust in vigorous situations and meet communities necessary requirements.

An integrated clinical and corporate risk management process throughout NSW Health will improve the capacity of the NSW health system to:

- Prepare for new and emerging health issues and risks including pandemic influenza.
- Strengthen national and international health surveillance networks to ensure rapid mobilisation in the face of emerging health issues and threats.
- Enhance local and statewide systems to monitor health, health risks in the population and community concerns.
- Expand 'real time' surveillance in emergency departments to monitor for acute health conditions including influenza, injuries and drug and alcohol related conditions.
- Ensure the health system can maintain operations in the event of external emergencies.
- Build the capacity of the NSW health system to prepare for the arrival of new and emerging communities arriving under the Australian humanitarian program.

Influenza pandemic preparedness

NSW Health is at the forefront of planning for infectious diseases emergencies such as pandemic influenza, bioterrorism, severe acute respiratory syndrome (SARS) and other and newly emerging infectious diseases.

The current focus is on preparing for an influenza pandemic, which could occur if the H5N1 avian influenza virus currently circulating on a number of continents mutates into a strain that easily transmits between humans.

The NSW Government devoted considerable resources to programs aimed at safeguarding health staff and the community. In 2006/07, NSW Health allocated $3.5 million to furthering biopreparedness activities with an additional $10 million allocated to enhance the state medical stockpile with personal protective equipment for use by health care workers. This funding is in addition to $4.1 million for biopreparedness projects already allocated in 2005/06 and funding is set to increase by a further $3 million in 2007/08.

Biopreparedness activities include increasing capacity for disease surveillance including resource mapping and electronic stock-take capacity management systems and the establishment of an electronic notification and public health communications systems to enhance public health surveillance and notification of communicable diseases.

Disaster simulation exercises

NSW Health regularly plays a key role in inter-agency disaster preparedness exercises.

Exercise Cumpston

NSW Health participated in the national influenza pandemic exercise, Exercise Cumpston, in October 2006. This exercise simulated the early stages of a possible influenza pandemic and its impact on Australia, testing not only NSW Health's preparedness for such an event but also the overall emergency management arrangements of NSW.

Evaluations of the exercise found that NSW's infectious disease surveillance arrangements are considered comprehensive and timely. In particular, NSW has a robust operational plan for distributing essential medications and medical supplies from central stores to regional areas.

NSW has a well-understood plan for operating emergency screening of potentially infected persons at all public hospitals and clear communication mechanisms for operational decisions made at the strategic level during an influenza pandemic.

Exercise Paton

In November 2006, NSW Health also conducted Exercise Paton, a statewide simulation exercise that tested the response of emergency departments, multipurpose services and public health units in the early stages of an influenza pandemic. Hospital facilities performed well and demonstrated their readiness to identify isolate and treat a person suspected to have pandemic influenza.

The exercise has also informed planning in the areas of public health response and laboratory preparedness for an influenza pandemic.

Bioterrorism exercise

In July 2007, NSW Health hosted a discussion exercise around the release of a bioterrorism agent in the Sydney Central Business District. The exercise helped all agencies better understand the processes and concerns of fellow responding agencies and helped clarify planning arrangements for APEC 2007 Leaders' Week.

Public health plans for major public gatherings

NSW Health regularly revises public health plans for large public gatherings. In 2006/07, regular contingency planning meetings were held for events such as APEC 2007 and World Youth Day 2008.

Communicable disease surveillance and initiatives

During 2006/07, NSW Health provided training workshops and seminars in disease control for NSW public health officers.

Work was also underway to further developed systems for electronic laboratory notification of diseases and for the redevelopment of the notifiable diseases database.

Lane Cove Tunnel health investigation

Through NSW Health's association with the Collaborative Research Centre for Asthma and Airways, the first phase of the Lane Cove Tunnel health investigation was completed by the Woolcock Institute of Medical Research. The study aims to determine any impact of air quality changes on respiratory health in the community living around this new development and is the first of its kind in Australia. The Chief Health Officer has convened an expert steering group to oversee the investigation.

Phase one of the study collected baseline health information on more than 3,000 residents in four zones around the tunnel development and monitored local air quality in 38 locations. These observations will be repeated in 2007/08 and if required, in 2008/09.

NSW Health drinking water monitoring program

The NSW Health Water Unit and public health units continue to provide expert advice to water utilities across NSW. In the last year, NSW Health laboratories tested more than 20,000 drinking water samples from local water utilities through the NSW Health Drinking Water Monitoring program.

Private Water Supply Guidelines have also been published to assist premises that do not receive town water (such as caravan parks, school camps, and tourist attractions) to provide water that is safe to use.

Expanding deceased organ donation practice

The Health Research and Ethics Branch developed and released practice guidelines on Organ Donation After Cardiac Death. These guidelines will enhance opportunities for individuals to donate organs after their death. They provide clear and detailed advice on a number of significant clinical, ethical and legal issues regarding deceased donation practice.

Ethics review

During 2006 the Health Research and Ethics Branch finalised the implementation of a system of streamlined ethical review of multi-centre research.

The health of the people of NSW – Report of the Chief Health Officer

The 2006 report – The health of the people of New South Wales – Report of the Chief Health Officer – presented trends in key health indicators demonstrating the social determinants of health and highlighting emerging health issues.

In 2006, the report included for the first time:

- Maps of population and health outcomes by local government area
- Projections for hospitalisations and deaths from selected conditions
- The inclusion of indicators by NSW Divisions of General Practice and considerable enhancements to chapters on Aboriginal health and diabetes.

This report is essential to NSW Health's ability to plan for emerging health issues.

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Performance against 2006/07 Budget Allocation

NSW Health is the major provider of health services to the NSW public and comprises 28 per cent of NSW General Government Sector expenditures as compared to 24 per cent a decade ago.

The Operating Statement identifies that total expenses for 2006/07 amounted to $12.04 billion which is a 6.8 per cent increase over 2005/06. An average of $32.99 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 2007, this net cost was $10.35 billion compared with $9.79 billion in 2005/06.

The NSW Government increased its funding for operating and capital needs to the NSW Department of Health from the Consolidated Fund by $480 million or 4.9 per cent to $10.187 billion in 2006/07.

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:

- $7.39 billion for salaries and employee related expenses ($6.96 billion in 2005/06)
- $82 million for food ($81 million in 2005/06)
- $1.06 billion for drugs, medical and surgical supplies ($918 million in 2005/06)
- $78 million for fuel, light and power ($72 million in 2005/06)
- $468 million for visiting medical staff ($441 million in 2005/06).

The financial statements identify that, whilst $418 million was charged for depreciation and amortisation on Property, Plant and Equipment and Intangibles, an amount of $550 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 $3.486 billion or over 50 per cent to $10.45 billion. The most significant movement has been the increase in Property, Plant & Equipment and Intangible Assets of $2.837 billion or 45.4 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 $449 million since 30 June 2001 to $907 million flowing from factors such as increased monies held as restricted assets (eg donations) of $307 million, increased Salaries and Wages accruals of $93 million and increased superannuation liability of $32 million. The cash/other financial asset movement in 2006/07 was $47 million.

Total Liabilities since June 2001 have increased by some $1.284 billion or 75 per cent to $3 billion. This generally comprises:

- an increase in Payables of $402 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
- an increase in Employee entitlements or Provisions of $955 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
- a reduction in Borrowings ($69 million) due to the finalisation of the Port Macquarie agreement since June 2001.

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.

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 2006/07, all eleven major Health Services monitored achieved the 45 day requirement at 30 June 2007. The Department continues to work with Health Services to effect improvements in creditor payment and management.

Performance at balance date in the past three years against Trade Creditor benchmarks reported by health services is:

	30 June 2005	30 June 2006	30 June 2007
Value of General Accounts not paid within 45 days, $M	13.2	1.3	0
Number of Health Services reporting General Creditors > 45 days	1	1	0

2006/07 Major Funding Initiatives

The 2006/07 State Expenditure Budget was $11.688 billion, ie a 7.6 per cent increase over the initial budget for 2005/06.

The 2006/07 health budget was directed towards addressing a number of demand pressures including a growing and ageing population, advances in health technology, increasing consumer expectations and increasing rates of obesity, diabetes and other lifestyle related illnesses.

Key features of the 2006/07 recurrent expenditure on healthcare in NSW included:

- better integration of healthcare services including establishment of after-hours GP clinics at Nepean, Albury and Liverpool Hospitals and continuation of the successful after-hours GP clinic at Campbelltown Hospital
- better access to care, reflected in improvements in triage performance for patients requiring care in emergency departments and declines in waiting lists for elective surgery
- enhanced mental health services including more mental health beds at Dubbo, Broken Hill and Justice Health; expansion of the Housing Accommodation Support Initiative (HASI) to 850 places; and establishment of specialist amphetamine treatment services at Newcastle and St Vincent's Hospitals
- increases in the nursing workforce to 42,184 as at June 2007, an increase of 24 per cent or 8,180 since January 2002
- better access to renal services through upgrading of facilities, an increase in number of dialysis chairs, recruitment and up-skilling of staff and allocation of more than $5 million to establish six new in-centre of satellite renal dialysis services at Northern Beaches, Royal Prince Alfred Hospital, Fairfield, Sutherland, Bega and Taree and to expand community and outreach capacity to provide support for patients on home haemodialysis
- access to cardiac services in rural areas through establishment of specialist services for the diagnosis and treatment of heart conditions, with a third rural public Cardiac Catheterisation Laboratory opened in Coffs Harbour in September 2006.

The financial year 2006/07 was the third 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 improvements to community mental health services. In 2006/07 major new mental health initiatives totalled $38 million ($300 million over five years) and included:

- $1.5 million ($13.5 million over five years) to Non Government Organisations to support families and carers.
- $5 million ($58 million over five years) to expand supported accommodation under the Housing and Accommodation Support Initiative.
- $6.8 million ($51.4 million over five years) for out of hours emergency and acute community responses.
- $2.7 million ($26.3 million over five years) from Statewide 24 hour mental health support by telephone.

An additional $16 million was also provided to the Brain and Mind Research Institute.

Initial cash allocations in 2006/07 to health services were increased by over $770 million or on average by 9.4 per cent compared to 2005/06 as follows:

Health Service	2006/07 $M	2005/06 $M	Increase	
			$M	%
Sydney South West Area Health Service	1,721.9	1,572.1	149.8	9.5
South Eastern Sydney Illawarra Area Health Service	1,628.1	1,494.6	133.5	8.9
Sydney West Area Health Service	1,215.6	1,117.4	98.2	8.8
Northern Sydney Central Coast Area Health Service	1,160.7	1,068.3	92.4	8.6
Hunter New England Area Health Service	1,064.0	968.2	95.8	9.9
North Coast Area Health Service	627.1	565.6	61.5	10.9
Greater Southern Area Health Service	514.6	467.9	46.7	10.0
Greater Western Area Health Service	457.2	418.0	39.2	9.4
The Children's Hospital at Westmead	197.6	175.1	22.5	12.8
Ambulance Service	295.6	274.3	21.3	7.8
Justice Health	83.9	72.0	11.9	16.5
Total	8,966.3	8,193.5	772.8	9.4

Note: These figures reflect initial Net Cash Allocations for 2005/06 and 2006/07.

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 2006/07 annual financial statements of each Health Service before Parliament as a second volume to this report.

Key indicators and comparatives at a Consolidated NSW Health level are:

NSW Health Key Financial Indicators

	2006/07 $M	2005/06 $M	Increase on previous Year $M	Increase on previous Year %
Expenses	12,040	11,270	+770	+6.8
Revenue	1,702	1,505	+197	+13.1
Net Cost of Service	10,352	9,789	+563	+5.8
Recurrent Appropriation	9,801	9,226	+575	+6.2
Capital Appropriation	386	481	(95)	(19.8)
Net Assets	7,441	7,184	+257	+3.6
Total Assets	10,449	10,020	+429	+4.3
Total Liabilities	3,008	2,836	+172	+6.1

Source: Audited Financial Statements

2006/07 Total Expenses Comparisons

Expenses Include	2006/07 $M	2005/06 $M	2004/05 $M	2003/04 $M	2002/03 $M
Salaries and employee related expenses	7,391	6,961	6,381	5,893	5,339
Food	82	81	75	76	73
Drugs, medical and surgical supplies	1,061	918	842	766	699
Fuel, light and power	78	72	64	61	59
Visiting medical staff	468	441	402	381	361

Source: Audited Financial Statements

Movement in Key Financial Indicators Over the Last 6 Years

	June 2007 $M	June 2006 $M	June 2005 $M	June 2004 $M	June 2003 $M	June 2002 $M
Assets						
Property, Plant & Equipment & Intangibles	9,083	8,729	8,408	7,426	6,926	6,612
Inventories	115	108	72	66	68	64
Cash & Investments	907	860	868	683	666	504
Receivables	317	295	192	162	165	183
Other	27	28	52	42	35	40
Total	10,449	10,020	9,592	8,380	7,860	7,403
Liabilities						
Payables	751	711	690	543	525	470
Provisions	2,179	2,002	1,700	1,507	1,391	1,181
Interest Bearing Liabilities	36	48	82	109	105	105
Other	42	75	64	65	77	75
Total	3,008	2,836	2,536	2,224	2,098	1,831
Equity	7,441	7,184	7,056	6,156	5,762	5,572

Source: Audited Financial Statements

2007/08 and Forward Years

The 2007/08 Expense budget of $12.5 billion represents an increase of $831 million or 7.1 per cent over that provided in 2006/07.

Key Initiatives for 2007/08

In 2007/08, work will escalate to align resources to NSW Health's seven strategic directions. This will involve improving hospital productivity, reviewing and reforming services in light of current evidence and best practice, greater investment in early intervention and prevention activities and increasing the emphasis on healthcare at home.

NSW Health has redirected $70 million in savings in 2006/07 and thereafter to increase a range of frontline services including joint replacement, neurology, surgery, chronic disease, cardiology and gastroscopy, by reducing over 1,000 administrative positions.

The establishment of HealthSupport as a single statewide coordinator of linen services, food services, procurement, payroll and accounts management is expected to deliver further efficiency savings for redirection to frontline health services.

In per capita terms, health expenditure in the 2007/08 Budget equates to approximately $1,800 for every person in New South Wales.

Key features of the 2007/08 recurrent expenditure budget for NSW Health include:

- $54 million for 70 acute hospital beds, including 30 at Tweed Hospital, 360 community based bed equivalents for transitional aged care, building on the 1,226 bed and bed equivalents announced in the past two years to deliver more elective surgery, faster emergency care and treatment in the home.
- $6 million in 2007/08 for four intensive care beds, a paediatric intensive care bed and three neonatal intensive care cots.
- A commitment of $14.2 million over four years to establish the NSW Statewide Eyesight Pre-Schooler Screening program.
- A contribution of $6.5 million over four years to support a national campaign promoting the importance of physical activity and healthy diet in reducing chronic disease.
- The opening of After Hours General Practice Services at Shoalhaven, Dubbo, Broken Hill and Ryde Hospitals.
- The development of an integrated and sustainable primary health care sector through the Health One NSW initiative. The Mt Druitt service opened in early 2007 with planning well advanced for services at Corowa, Cootamundra, Molong, Rylestone and Manilla.
- As agreed through the Council of Australian Governments, NSW is committing significant resources during 2007/08 to progress a range of initiatives including the National Health Call Centre Network ($25.6 million over four years), the Electronic Health Record ($21.7 million over four years) and the Australian Better Health Initiative with $83.7 million to be provided by NSW over four years.
- Advancement of various mental health initiatives including an additional $5 million per year for the Mental Health Housing and Accommodation Support Initiative, $5.3 million for rollout of the Mental Health Telephone Access Line, $2 million to support front line mental health non-government organisations and $3 million annually for the Recovery and Resource Services Program.
- Provision of a further $18.5 million to continue to address elective surgery waiting lists.
- An additional $8 million for oral health, including $4 million to reduce waiting times for children.
- The provision of $18 million over four years for the Healthy At Home Program.
- The allocation of an additional $3 million to support patients with renal conditions.
- Providing $35.8 million over four years for a range of nurse initiatives including scholarships for enrolled nurses and registered nurses, professional development opportunities for nurse unit managers, the establishment of 30 nurse practitioner positions, an increase of 80 clinical nurse educator positions, rural midwifery training and ongoing roll out of 10 hour night shifts. NSW Health will also spend $46.5 million for ongoing initiatives to expand nurse numbers and enhance their clinical expertise.
- Progressive statewide implementation of the Electronic Medical Record to manage patients more effectively and safely in the hospital environment.

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

The Department of Health and controlled entities

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Department of Health (the Department), and the Department and controlled entities (the consolidated entity), which comprises the balance sheet as at 30 June 2007, and the operating statement, statement of recognised income and expense, cash flow statement, program statement - expenses and revenues, and summary of compliance with financial directives for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated entity comprises the Department and the entities it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Department and the consolidated entity as at 30 June 2007, and of their financial performance and their cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

Director- General's Responsibility for the Financial Report

The Director-General is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director-General, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does ***not*** *provide assurance:*

- about the future viability of the Department or consolidated entity,
- 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.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A 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.

Peter Achterstraat
Auditor-General

SYDNEY
30 November 2007

Certification of Accounts

NSW Department of Health

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 2007 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

Debora Picone
Director-General

29 November 2007

Operating statement

NSW Department of Health

for the year ended 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $000
			Expenses excluding losses				
			Operating Expenses				
113,447	111,307	107,026	– Employee Related	3	7,391,428	7,125,434	6,961,015
433,964	422,335	368,935	– Other Operating Expenses	4	3,368,073	3,429,864	3,124,195
4,821	4,821	17,343	Depreciation and Amortisation	5	418,171	418,033	411,447
9,873,606	9,877,396	9,329,889	Grants and Subsidies	6	855,764	708,568	768,725
4,041	4,041	1,649	Finance Costs	7	6,870	5,892	4,890
10,429,879	10,419,900	9,824,842	Total Expenses excluding losses		12,040,306	11,687,791	11,270,272
			Revenue				
145,499	150,069	150,069	Sale of Goods and Services	8	1,189,251	1,089,789	1,086,264
9,403	11,364	11,364	Investment Income	9	71,517	71,803	62,136
68,686	35,945	35,945	Grants and Contributions	10	330,445	208,139	261,213
6,454	14,035	14,035	Other Revenue	11	110,532	80,224	95,581
230,042	211,413	211,413	Total Revenue		1,701,745	1,449,955	1,505,194
(38)	-----	(94)	Gain/(Loss) on Disposal	12	10,318	-----	(4,526)
(85)	-----	(1,202)	Other Gains/(Losses)	13	(23,303)	(15,643)	(18,963)
10,199,960	10,208,487	9,614,725	Net Cost of Services	37	10,351,546	10,253,479	9,788,567
			Government Contributions				
9,800,594	9,821,729	9,226,042	Recurrent Appropriation	15	9,800,594	9,821,729	9,226,042
385,735	385,735	481,079	Capital Appropriation	15	385,735	385,685	481,079
38,386	-----	3,024	Asset Sale Proceeds transferred to Parent/Crown		-----	(9,000)	-----
5,393	5,428	6,454	Acceptance by the Crown Entity of Employee Benefits	16	147,061	126,562	150,477
10,230,108	10,212,892	9,716,599	Total Government Contributions		10,333,390	10,324,976	9,857,598
30,148	4,405	101,874	RESULT FOR THE YEAR	32	(18,156)	71,497	69,031

The accompanying notes form part of these Financial Statements

Statement of recognised income and expense

NSW Department of Health

for the year ended 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $000
38,727	-----	-----	Net increase/(decrease) in Property, Plant and Equipment Asset Reserve	32	272,060	-----	214,574
-----	-----	-----	Available for Sale Financial Assets transferred to Result for the Year on Disposal		(50)	-----	(784)
38,727	-----	-----	TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	32	272,010	-----	213,790
30,148	4,405	101,874	Result for the Year		(18,156)	71,497	69,031
68,875	4,405	101,874	TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	32	253,854	71,497	282,821
			EFFECT OF CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF ERRORS:				
-----	-----	-----	Total Equity at the beginning of the financial year		-----	-----	7,056,126
-----	-----	-----	Changes in Accounting Policy – Accumulated Funds	32,45	-----	-----	(1,271)
-----	-----	20,518	Correction of Errors – Accumulated Funds	32,44	-----	-----	(121,671)
-----	-----	-----	Correction of Errors – Reserves	32,44	-----	-----	(27,084)
-----	-----	20,518	RESTATED TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR		-----	-----	6,906,100
-----	-----	97,703	Result for the year as reported in the 2006 financial report		-----	-----	63,193
-----	-----	4,171	Correction of Errors	32	-----	-----	5,838
-----	-----	101,874	RESTATED RESULT FOR THE YEAR		-----	-----	69,031

The accompanying notes form part of these Financial Statements

Balance sheet

NSW Department of Health

as at 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $000
			ASSETS				
			Current Assets				
183,720	167,257	131,796	Cash and Cash Equivalents	18	736,919	647,041	626,839
46,188	56,313	56,313	Receivables	19	310,405	279,249	289,048
38,775	-----	31,529	Inventories	20	114,668	108,892	107,888
-----	-----	-----	Financial Assets at fair value	21	129,012	144,336	144,336
31,896	31,896	41,648	Other Financial Assets	22	2,161	54,064	54,064
-----	-----	-----	Non Current Assets Held for Sale	24	14,123	19,343	15,943
300,579	255,466	261,286	Total Current Assets		1,307,288	1,252,925	1,238,118
			Non-Current Assets				
-----	-----	-----	Receivables	19	6,132	6,064	6,064
2,086	2,086	2,661	Financial Assets at fair value	21	39,233	35,269	35,269
34,081	34,081	46,748	Other Financial Assets	22	-----	-----	-----
			Property, Plant and Equipment				
136,255	101,152	101,152	– Land and Buildings	25	7,978,749	7,710,844	7,640,420
8,452	5,684	10,505	– Plant and Equipment	25	724,072	745,674	713,057
-----	-----	-----	– Infrastructure Systems	25	316,505	322,072	322,072
144,707	106,836	111,657	Total Property, Plant and Equipment		9,019,326	8,778,590	8,675,549
3,679	4,056	4,056	Intangible Assets	26	63,578	54,286	53,286
-----	-----	-----	Other	23	13,210	11,548	11,548
184,553	147,059	165,122	Total Non-Current Assets		9,141,479	8,885,757	8,781,716
485,132	402,525	426,408	Total Assets		10,448,767	10,138,682	10,019,834
			LIABILITIES				
			Current Liabilities				
121,143	97,973	102,144	Payables	28	750,671	708,289	711,272
-----	-----	-----	Borrowings	29	5,750	14,606	13,258
13,901	14,876	14,304	Provisions	30	2,073,809	1,910,142	1,905,168
-----	24,683	24,683	Other	31	10,522	42,462	42,462
135,044	137,532	141,131	Total Current Liabilities		2,840,752	2,675,499	2,672,160
			Non-Current Liabilities				
-----	-----	-----	Borrowings	29	30,693	29,264	34,629
-----	-----	-----	Provisions	30	104,995	146,973	96,839
2,558	2,796	2,796	Other	31	31,698	32,021	32,778
2,558	2,796	2,796	Total Non-Current Liabilities		167,386	208,258	164,246
137,602	140,328	143,927	Total Liabilities		3,008,138	2,883,757	2,836,406
347,530	262,197	282,481	Net Assets		7,440,629	7,254,925	7,183,428
			EQUITY				
98,459	59,732	59,732	Reserves	32	1,632,356	1,360,017	1,360,017
249,071	202,465	222,749	Accumulated Funds		5,807,531	5,893,837	5,822,340
-----	-----	-----	Amounts Recognised in Equity Relating to Assets Held for Sale	24	742	1,071	1,071
347,530	262,197	282,481	Total Equity		7,440,629	7,254,925	7,183,428

The accompanying notes form part of these Financial Statements

Cash flow statement

NSW Department of Health

for the year ended 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $000
			CASH FLOWS FROM OPERATING ACTIVITIES				
			Payments				
(107,969)	(110,735)	(99,546)	Employee Related		(7,009,062)	(6,932,071)	(6,650,146)
(9,871,592)	(9,877,396)	(9,381,631)	Grants and Subsidies		(855,764)	(685,568)	(768,725)
(4,041)	(4,041)	(1,649)	Finance Costs		(6,870)	(5,892)	(4,890)
(569,683)	(419,666)	(498,373)	Other		(3,999,972)	(4,046,095)	(3,648,199)
(10,553,285)	(10,411,838)	(9,981,199)	Total Payments		(11,871,668)	(11,669,626)	(11,071,960)
			Receipts				
160,829	150,069	135,481	Sale of Goods and Services		1,168,316	1,083,326	1,047,309
11,178	11,364	8,409	Interest Received		73,450	71,803	59,033
188,124	49,980	147,623	Other		999,069	865,776	858,863
360,131	211,413	291,513	Total Receipts		2,240,835	2,020,905	1,965,205
			CASH FLOWS FROM GOVERNMENT				
9,800,594	9,821,729	9,226,042	Recurrent Appropriation		9,800,594	9,821,729	9,226,042
385,735	385,735	481,079	Capital Appropriation		385,735	385,685	481,079
38,386	-----	3,024	Asset Sale Proceeds transferred to Parent		-----	(9,000)	-----
-----	5,428	-----	Cash Reimbursements from the Crown Entity		-----	-----	-----
10,224,715	10,212,892	9,710,145	NET CASH FLOWS FROM GOVERNMENT		10,186,329	10,198,414	9,707,121
31,561	12,467	20,459	NET CASH FLOWS FROM OPERATING ACTIVITIES	37	555,496	549,693	600,366
			CASH FLOWS FROM INVESTING ACTIVITIES				
77	-----	54	Proceeds from Sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		64,567	47,620	15,641
44,689	-----	23,283	Proceeds from Sale of Investments		77,541	-----	74,686
(2,708)	-----	(3,714)	Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(561,802)	(553,094)	(576,853)
(21,695)	-----	(48,397)	Purchases of Investments		(14,278)	-----	(32,540)
-----	-----	-----	Other		-----	(20,000)	-----
20,363	-----	(28,774)	NET CASH FLOWS FROM INVESTING ACTIVITIES		(433,972)	(525,474)	(519,066)
			CASH FLOWS FROM FINANCING ACTIVITIES				
-----	22,994	-----	Proceeds from Borrowings and Advances		2,646	-----	25,136
-----	-----	(33,600)	Repayment of Borrowings and Advances		(5,240)	(4,017)	(60,102)
-----	22,994	(33,600)	NET CASH FLOWS FROM FINANCING ACTIVITIES		(2,594)	(4,017)	(34,966)
51,924	35,461	(41,915)	NET INCREASE/(DECREASE) IN CASH		118,930	20,202	46,334
131,796	131,796	173,711	Opening Cash and Cash Equivalents		617,989	617,989	577,851
-----	-----	-----	Cash transferred in/(out) as a result of administrative restructuring	43	-----	-----	(6,196)
183,720	167,257	131,796	CLOSING CASH AND CASH EQUIVALENTS	18	736,919	638,191	617,989

The accompanying notes form part of these Financial Statements

Program statement – expenses and revenues

NSW Department of Health

for the year ended 30 June 2007

Supplementary Financial Statement

EXPENSES AND REVENUES	Program 1.1 * Primary & Community Based Services		Program 1.2 * Aboriginal Health Services		Program 1.3 * Outpatient Services		Program 2.1 * Emergency Services		Program 2.2 * Overnight Acute Inpatient Services		Program 2.3 * Same Day Acute Inpatient Services		Program 3.1 * Mental Health Services		Program 4.1 * Rehabilitation & Extended Care Services		Program 5.1 * Population Health Services		Program 6.1 * Teaching & Research		Not Attributable		Total	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
Expenses excluding losses																								
Operating Expenses																								
Employee Related	573,279	561,046	23,919	21,772	732,253	676,620	876,626	820,142	2,953,389	2,760,102	403,833	368,135	670,842	639,819	612,149	598,574	172,853	160,334	372,285	354,471	-----	-----	7,391,428	6,961,015
Other Operating Expenses	189,039	179,915	14,205	11,391	396,287	372,587	304,202	279,852	1,477,707	1,431,582	267,731	237,129	193,465	172,133	228,274	202,292	174,915	145,561	122,248	91,753	-----	-----	3,368,073	3,124,195
Depreciation & Amortisation	27,172	27,085	1,022	812	49,165	49,752	48,623	45,312	183,116	180,812	28,393	26,821	27,449	27,437	33,138	32,913	6,754	7,093	13,339	13,410	-----	-----	418,171	411,447
Grants and Subsidies	106,259	98,780	13,987	13,343	89,001	77,896	26,840	27,214	274,406	177,406	16,817	14,738	72,508	71,894	154,893	141,548	48,035	50,974	53,018	94,932	-----	-----	855,764	768,725
Finance Costs	511	-----	5	-----	443	-----	319	-----	4,262	4,391	588	-----	176	499	498	-----	24	-----	44	-----	-----	-----	6,870	4,890
Total Expenses excluding losses	896,260	866,826	53,138	47,318	1,267,149	1,176,855	1,256,610	1,172,520	4,892,880	4,554,293	717,362	646,823	964,440	911,782	1,028,952	975,327	402,581	363,962	560,934	554,566	-----	-----	12,040,306	11,270,272
Revenue																								
Sale of Goods & Services	26,431	21,943	3,655	2,945	84,067	72,849	98,760	84,530	576,303	570,001	65,560	51,543	54,347	43,048	190,584	157,474	14,302	16,600	75,242	65,331	-----	-----	1,189,251	1,086,264
Investment Income	4,577	3,952	134	136	6,053	3,931	3,631	3,211	24,857	24,804	4,730	3,052	2,629	2,125	6,832	5,538	2,332	1,938	15,742	13,449	-----	-----	71,517	62,136
Grants and Contributions	36,167	32,297	6,699	1,234	14,756	8,827	7,123	10,582	60,231	49,697	13,938	6,385	10,003	8,081	56,799	38,313	25,843	21,798	98,886	83,999	-----	-----	330,445	261,213
Other Revenue	14,696	7,084	401	505	7,435	6,746	11,793	13,422	29,129	30,339	5,488	5,064	4,192	3,210	10,646	10,087	8,502	4,141	18,250	14,983	-----	-----	110,532	95,581
Total Revenue	81,871	65,276	10,889	4,820	112,311	92,353	121,307	111,745	690,520	674,841	89,716	66,044	71,171	56,464	264,861	211,412	50,979	44,477	208,120	177,762	-----	-----	1,701,745	1,505,194
Gain/(Loss) on Disposal	620	(829)	35	3	869	(1,508)	1,003	153	4,225	(3,080)	799	162	684	541	1,133	76	118	6	832	(50)	-----	-----	10,318	(4,526)
Other Gains/(Losses)	(313)	233	(14)	(8)	(522)	(256)	(13,206)	(9,810)	(7,163)	(9,589)	(931)	(391)	(124)	(365)	(651)	(225)	(99)	270	(280)	1,178	-----	-----	(23,303)	(18,963)
Net Cost of Services	814,082	802,146	42,228	42,503	1,154,491	1,086,266	1,147,506	1,070,432	4,205,298	3,892,121	627,778	581,008	892,709	855,142	763,609	764,064	351,583	319,209	352,262	375,676	-----	-----	10,351,546	9,788,567
Government Contributions **																					10,333,390	9,857,598	10,333,390	9,857,598
RESULT FOR THE YEAR																							(18,156)	69,031
Administered Revenues Consolidated Fund – Taxes, Fees and Fines																					640	614	640	614
Total Administered Revenues																					640	614	640	614

* The name and purpose of each program is summarised in Note 17. The program statement uses statistical data to 31 December 2006 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

NSW Department of Health

Supplementary Financial Statements

	2007				2006			
	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	9,821,729	9,770,508	385,685	385,685	9,102,306	9,091,835	455,503	455,503
Additional Appropriations	-----	-----			16,433	12,543		
S24 PF&AA – Transfers of functions between departments	-----	-----			7,984	7,984		
	9,821,729	9,770,508	385,685	385,685	9,126,723	9,112,362	455,503	455,503
Other Appropriations/ Expenditure								
Treasurer's Advance	26,010	26,010	50	50	5,000	5,000	33,282	25,576
Section 22 – expenditure for certain works and services	-----	-----	-----	-----	83,339	83,339	-----	-----
Transfers to/from another agency (S27 of the Appropriation Act)	4,076	4,076	-----	-----	25,341	25,341	6,186	-----
	30,086	30,086	50	50	113,680	113,680	39,468	25,576
Total Appropriations Expenditure/Net Claim on Consolidated Fund (includes transfer payments)	9,851,815	9,800,594	385,735	385,735	9,240,403	9,226,042	494,971	481,079
Amount drawn down against Appropriation		9,800,594		385,735		9,226,042		481,079
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".

Notes to and forming part of the Financial Statements

NSW Department of Health

for the year ended 30 June 2007

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, Health Technology, HealthSupport and the NSW Institute of Medical Education and Training). All of these entities are reporting entities that produce financial statements in their own right.

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 29 November 2007.

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. Comparative figures are, where appropriate, reclassified to give meaningful comparison with the current year.

AASB-2007.04, Amendments to Australians Accounting Standards arising from ED151 and other amendments, has application for accounting periods commencing on or after 1 July 2007. The standard is not being early adopted in 2006/07 and the new options available in the standard will not be applied.

AASB123, Borrowing Costs, has application in reporting years beginning on or after 1 January 2009. The Standard, which requires capitalisation of Borrowing Costs has not been adopted in 2006/07 nor is adoption expected prior to 2009/10.

AASB101, Presentation of Financial Statements, has reduced the disclosure requirements for various reporting entities. However, in not for profit entities such as the Department there is no change required.

AASB7 Financial Instruments: Disclosures, locates all disclosure requirements for financial instruments within the one standard. The Standard has application for annual reporting periods beginning on or after 1 January 2007. The Standard will not be early adopted and has no differential impact.

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". On costs of 21.7 per cent are applied to the value of leave payable at 30 June 2007 inclusive of the 4 per cent award increase payable from 1 July 2007, such on costs being consistent with actuarial assessment.

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.

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.

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

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 8.1 per cent inclusive of the 4 per cent payable from 1 July 2007 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 T07/04. The parent entity's liability for Long Service Leave is assumed by the Crown Entity.

The Department's liability 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 Benefits". 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 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.

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.

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.

(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)).

(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 $10,000 and above are capitalised. Prior to 1 July 2006 assets were recognised based on a value of $5,000 or above.

"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 – Costing more than or equal to $200,000	 10.0% 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 (TPP07-1). 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 and Buildings and Infrastructure at least every three 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 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 re-valued (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 & 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.

(s) Financial Instruments

Financial instruments give rise to positions that are a financial asset of either the NSW Department of Health or its counterparty and a financial liability (or equity instrument) of the other party. For the Department 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 4.5 per cent and 6.3 per cent as compared to 5.0 per cent and 5.8 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.

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', in accordance with AASB 139.

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 Services' key management personnel.

Terms and Conditions – Treasury Corporation Hour Glass Investment Deposits attracted interest rates of 4.9 per cent to 8.4 per cent in the year ended 30 June 2007. This compares with interest rates of 5.6 per cent to 15.9 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 5.0 per cent to 6.5 per cent as compared to 5.2 per cent to 6.0 per cent in the previous year. Fixed-term deposits have a maturity of up to 5 years and effective interest rates of 6.1 per cent to 6.3 per cent as compared to 5.6 per cent to 5.7 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.

Terms and Conditions – Bank Overdraft interest is charged at bank benchmark rates. Interest bearing loans are payable at quarterly intervals.

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 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 NSW 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 was 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) of $2.076 million 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.

HealthSupport was established under S126B of the Health Service Act 1997 as a division of HAC on 1 November 2005. Because of the limited extent of its operation in 2005/06 Treasury provided approval to commence reporting of HealthSupport in the 2006/07 year. During the year, the Parent transferred Linen Service property of $1.750 million to HealthSupport. Further, with the transfer of responsibility for the operation of linen services from Health Services to HealthSupport, transfers of $58.881 million occurred.

However all 2006/07 equity transfers were intra Health only and there has been no change in equity at a consolidated level.

(w) Emerging Assets

NSW Health's emerging interest in car parks at Sydney Hospital, Randwick Hospital and St George Hospital has been valued in accordance with "Accounting for Privately Financed Projects" (TPP06-8). Bowral Private Hospital, Bowral Private Medical Imaging and the Bankstown Medical General Practitioner Service have been similarly assessed. This policy required the Health Services to initially determine the estimated written down replacement cost by reference to the project's historical cost escalated by a construction index and the system's estimated working life. The estimated written down replacement cost was then allocated on a systematic basis over the concession period using the annuity method and the Government Bond rate at commencement of the concession period. The adoption of this policy paper represents a change in accounting policy and the financial impact thereof is disclosed in note 23.

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		3. Employee Related Expenses		
		Employee related expenses comprise the following specific items:		
86,158	79,413	Salaries and Wages	5,885,799	5,475,223
7,794	8,135	Superannuation – defined benefit plans	144,080	146,381
3,892	3,574	Superannuation – defined contributions	450,381	410,813
3,257	4,207	Long Service Leave	194,184	198,598
5,192	5,370	Recreation Leave	584,464	565,521
1,350	1,184	Workers Compensation Insurance	126,048	156,932
5,804	5,143	Payroll Tax and Fringe Benefits Tax	6,472	7,547
113,447	107,026		7,391,428	6,961,015
		The following additional information is provided:		
-----	-----	Employee Related Expenses capitalised – Land and Buildings	2,257	1,857
-----	-----	Employee Related Expenses capitalised – Plant and Equipment	1,052	4,092
-----	-----		3,309	5,949
		4. Other Operating Expenses		
-----	-----	Blood and Blood Products	70,348	57,309
66	15	Domestic Supplies and Services	82,133	101,777
-----	-----	Drug Supplies	421,775	393,738
-----	-----	Food Supplies	81,562	80,999
360	363	Fuel, Light and Power	78,266	72,482
82,623	59,085	General Expenses (b)	205,301	210,813
10,927	16,924	Information Management Expenses	113,050	81,450
209,969	203,263	Insurance	219,577	212,276
6,581	6,840	Interstate Patient Outflows, NSW	98,284	122,953
90,301	49,630	Medical and Surgical Supplies	639,676	524,128
		Maintenance (c)		
		Maintenance Contracts	82,438	86,307
-----	-----	New/Replacement Equipment under capitalisation threshold	118,422	68,844
-----	-----	Repairs	69,178	79,040
792	792	Maintenance/Non Contract	37,837	37,561
-----	-----	Other Maintenance	14,215	10,286
-----	-----	Operating Lease Rental Expense – minimum		
455	751	lease payments	42,074	46,613
2,307	2,184	Postal and Telephone Costs	50,340	43,568
3,102	2,505	Printing and Stationery	42,727	41,107
		Rates and Charges	11,691	9,602
6,066	6,080	Rental	33,905	31,027
-----	-----	Special Service Departments	188,887	189,999
17,283	17,465	Staff Related Costs	46,139	43,919
-----	-----	Sundry Operating Expenses (a)	98,580	88,299
3,132	3,038	Travel Related Costs	54,081	48,705
-----	-----	Visiting Medical Officers	467,587	441,393
433,964	368,935		3,368,073	3,124,195
		(a) Sundry Operating Expenses comprise:		
-----	-----	Aircraft Expenses (Ambulance)	38,523	33,353
-----	-----	Contract for Patient Services	50,909	47,187
-----	-----	Isolated Patient Travel and Accommodation Assistance Scheme	9,148	7,759
-----	-----		98,580	88,299

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		4. Other Operating Expenses (continued)		
		(b) General Expenses include:		
1,848	1,219	Advertising	10,983	9,217
346	330	Books, Magazines and Journals	8,285	8,497
		Consultancies		
1,361	2,177	– Operating Activities	8,937	9,144
1,034	1,154	– Capital Works	1,853	1,606
442	222	Courier and Freight	11,905	10,384
274	242	Auditors Remuneration – Audit of financial reports	2,640	2,693
1,806	1,881	Legal Services	10,698	9,245
228	419	Motor Vehicle Operating Lease Expense – minimum lease payments	63,913	56,532
-----	-----	Membership/Professional Fees	4,665	4,578
-----	-----	Payroll Services	304	287
-----	-----	Translator Services	2,435	2,273
-----	-----	Quality Assurance/Accreditation	1,561	1,413
-----	-----	Data Recording and Storage	1,721	2,060
		(c) Reconciliation Total Maintenance		
792	792	Maintenance expense – contracted labour and other (non employee related), included in Note 4 above	322,090	282,038
-----	-----	Employee related/Personnel Services maintenance expense included in Note 3	70,933	70,081
792	792	Total maintenance expenses included in Notes 3 and 4	393,023	352,119
		5. Depreciation and Amortisation		
1,874	1,321	Depreciation – Buildings	260,243	243,455
1,656	3,028	Depreciation – Plant and Equipment	134,049	129,194
-----	-----	Depreciation – Infrastructure Systems	11,686	21,605
-----	-----	Amortisation – Leased Buildings	1,844	1,889
1,291	12,994	Amortisation – Intangibles	10,349	15,304
4,821	17,343		418,171	411,447
		6. Grants and Subsidies		
9,169	14,284	Payments to the National Blood Authority and the Red Cross Blood Transfusion Service net of payments recognised in Note 4	9,169	14,284
-----	-----	Operating Payments to Other Affiliated Health Organisations	485,694	459,353
-----	-----	Capital Payments to Affiliated Health Organisations	7,356	26,970
		Grants:		
113,198	83,283	– Cancer Institute NSW	113,198	83,283
5,060	22,829	– External Research	23,315	22,829
1,959	2,056	– NSW Institute of Psychiatry	1,959	2,056
3,646	3,552	– National Drug Strategy	3,646	3,552
45,981	41,139	– Non Government Voluntary Organisations	119,089	111,673
9,650,342	9,143,440	Payments to Controlled Health Entities	-----	-----
44,251	19,306	Other Payments	92,338	44,725
9,873,606	9,329,889		855,764	768,725
		7. Finance Costs		
-----	-----	Finance Lease Interest Charges	2,061	2,310
4,041	1,649	Other Interest Charges	4,809	2,580
4,041	1,649		6,870	4,890

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		8. Sale of Goods and Services		
		(a) Sale of Goods comprise the following:		
-----	-----	Sale of Prosthesis	34,027	26,883
-----	-----	Cafeteria/Kiosk	18,153	18,323
-----	-----	Linen Service Revenues – Non Health Services	13,129	10,077
-----	-----	Meals on Wheels	2,984	2,947
-----	-----	Pharmacy Sales	4,877	4,992
		(b) Rendering of Services comprise the following:		
-----	-----	Patient Fees	341,876	315,924
-----	-----	Staff-Meals and Accommodation	10,780	10,755
		Infrastructure Fees		
-----	-----	– Monthly Facility Charge	166,891	150,691
-----	-----	– Annual Charge	44,222	34,735
52,833	62,736	Department of Veterans' Affairs Agreement Funding	315,974	312,689
-----	-----	Ambulance Non Hospital User Charges	57,129	37,325
-----	-----	Use of Ambulance Facilities	2,504	1,920
28,529	28,500	Motor Accident Authority Third Party Receipts	28,529	28,500
-----	-----	Car Parking	19,561	16,597
-----	-----	Child Care Fees	7,072	6,925
-----	-----	Clinical Services	15,678	15,393
-----	-----	Commercial Activities	5,312	6,485
-----	-----	Fees for Medical Records	1,907	1,729
-----	-----	Services Provided to Non NSW Health Organisations	15,680	17,003
-----	-----	PADP Patient Copayments	631	560
2,672	986	Personnel Services – Institute of Psychiatry	2,672	986
4,710	4,992	Personnel Services – Health Professional Registration Boards	4,710	4,992
2,493	18,347	Patient Inflows from Interstate	2,493	614
4	1,321	Computer Support Charges – Health Services	-----	-----
54,258	33,187	Other	72,460	59,219
145,499	150,069		1,189,251	1,086,264
		9. Investment Income		
9,136	11,186	Interest	59,096	50,674
-----	-----	Lease and Rental Income	11,515	11,234
267	178	Other	906	228
9,403	11,364		71,517	62,136
		10. Grants and Contributions		
-----	-----	Clinical Drug Trials	16,434	11,767
18,317	6,931	Commonwealth Government grants	91,949	72,821
23,050	22,020	Health Super Growth	23,050	22,020
-----	-----	Industry Contributions/Donations	70,721	68,873
6,500	-----	Grants from Cancer Institute of NSW/Mammography grants	65,092	19,820
-----	-----	Research grants	28,906	32,601
-----	-----	University Commission grants	475	222
20,819	6,994	Other grants	33,818	33,089
68,686	35,945		330,445	261,213
		11. Other Revenue		
		Other Revenue comprises the following:		
-----	-----	Commissions	2,671	2,518
-----	-----	Conference and Training Fees	3,939	2,332
246	-----	Treasury Managed Fund Hindsight Adjustment	58,390	36,243
-----	-----	Sale of Merchandise, Old Wares and Books	1,586	1,176
-----	-----	Rights to Receive Fixed Assets	1,551	1,469
6,208	14,035	Sundry Revenue	42,395	51,843
6,454	14,035		110,532	95,581

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		12. Gain/(Loss) on Disposal		
1,369	1,302	Property, Plant and Equipment	122,586	282,639
(1,254)	(1,154)	Less Accumulated Depreciation	(80,613)	(270,219)
115	148	Written Down Value	41,973	12,420
(77)	(54)	Less Proceeds from Disposal	(46,573)	(6,236)
(38)	(94)	Gain/(Loss) on Disposal of Property Plant and Equipment	4,600	(6,184)
44,689	23,283	Financial Assets at Fair Value	77,541	74,684
(44,689)	(23,283)	Less Proceeds from Disposal	(77,541)	(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	13,423	7,630
-----	-----	Less Proceeds from Disposal	(19,141)	(9,405)
-----	-----	Gain/(Loss) on Disposal of Assets Held for Sale	5,718	1,775
(38)	(94)	Total Gain/(Loss) on Disposal	10,318	(4,526)
		13. Other Gains/(Losses)		
-----	(1,200)	Financial instruments at fair value revaluation increment/(decrement)	-----	3,180
(85)	(2)	Impairment of Receivables	(23,303)	(22,143)
(85)	(1,202)		(23,303)	(18,963)

14. Conditions on Contributions-Consolidated

	Purchase of Assets $000	Health Promotion, Education and Research $000	Other $000	Total $000
Contributions recognised as revenues during current year for which expenditure in manner specified had not occurred as at balance date	11,272	93,222	63,637	168,131
Contributions recognised in previous years which were not expended in the current financial year	53,705	215,048	183,414	452,167
Total amount of unexpended contributions as at balance date	64,977	308,270	247,051	620,298

Comment on restricted assets appears in Note 27.

	PARENT AND CONSOLIDATED 2007 $000	PARENT AND CONSOLIDATED 2006 $000
15. Appropriations		
Recurrent appropriations		
Total recurrent drawdowns from Treasury (per Summary of Compliance)	9,800,594	9,226,042
Total	9,800,594	9,226,042
Comprising:		
Recurrent appropriations (per Operating Statement)	9,800,594	9,226,042
Total	9,800,594	9,226,042
Capital appropriations		
Total capital drawdowns from Treasury (per Summary of Compliance)	385,735	481,079
Total	385,735	481,079
Comprising:		
Capital appropriations (per Operating Statement)	385,735	481,079
Total	385,735	481,079

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		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:		
2,412	2,366	Superannuation	144,080	146,389
2,836	3,946	Long Service Leave	2,836	3,946
145	142	Payroll Tax	145	142
5,393	6,454		147,061	150,477

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 lifestyle.

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, wellbeing 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 wellbeing 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 wellbeing of the people of New South Wales.

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		18. Current Assets – Cash and Cash Equivalents		
183,720	131,796	Cash at bank and on hand	486,319	369,980
-----	-----	Short Term Deposits	250,600	256,859
183,720	131,796		736,919	626,839
		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:		
183,720	131,796	Cash and Cash Equivalents (per Balance Sheet)	736,919	626,839
-----	-----	Bank Overdraft *	-----	(8,850)
183,720	131,796	Closing Cash and Cash Equivalents (per Cash Flow Statement)	736,919	617,989
		* 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.		
		19. Current/Non Current Receivables		
		Current		
18,466	35,316	(a) Sale of Goods and Services	197,869	177,152
5,128	7,812	Goods and Services Tax	66,712	63,212
903	762	Personnel Services – Institute of Psychiatry	903	762
1,717	2,085	Personnel Services – HPRB	1,717	2,085
183	220	Other Debtors	40,002	45,756
26,397	46,195	Sub Total	307,203	288,967
(177)	(102)	Less Allowance for Impairment	(38,290)	(34,886)
19,968	10,220	Prepayments	41,492	34,967
46,188	56,313		310,405	289,048
		(b) Impairment of Receivables during the year –		
		Current Receivables		
-----	-----	– Sale of Goods and Services	17,159	15,003
10	2	– Other	1,993	8,249
10	2		19,152	23,252
		Non Current		
-----	-----	(a) Sale of Goods and Services	2,724	2,690
-----	-----		2,724	2,690
-----	-----	Less Allowance for Impairment	(1,228)	(722)
-----	-----	Prepayments	4,636	4,096
-----	-----		6,132	6,064
		(b) Impairment of Receivables during the year –		
		Non Current Receivables		
-----	-----	– Sale of Goods and Services	167	656
-----	-----	– Other	76	159
-----	-----		243	815
		Receivables (both Current and Non Current) includes:		
-----	-----	Patient Fees – Compensable	17,156	16,191
-----	-----	Patient Fees – Ineligibles	13,886	14,062
-----	-----	Patient Fees – Other	54,087	50,088
		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 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		20. Inventories		
		Current – Held for Distribution		
-----	-----	Drugs	32,755	31,805
38,775	31,529	Medical and Surgical Supplies	73,439	69,116
-----	-----	Food Supplies	2,244	1,918
-----	-----	Engineering Supplies	617	1,617
-----	-----	Other including Goods in Transit	5,613	3,432
38,775	31,529		114,668	107,888
		21. Current/Non Current Assets – Financial Assets at Fair Value		
		Current		
-----	-----	T Corp Hour Glass Investment Facilities	128,735	144,336
-----	-----	Shares	277	-----
-----	-----		129,012	144,336
		Non Current		
-----	-----	T Corp Hour Glass Investment Facilities	37,147	32,214
2,086	2,661	Shares	2,086	3,055
2,086	2,661		39,233	35,269
		22. Current/Non Current Assets – Other Financial Assets		
		Current		
-----	-----	Other Loans and Deposits	2,161	54,064
31,896	41,648	Advances Receivable – Intra Health	-----	-----
31,896	41,648		2,161	54,064
		Non Current		
34,081	46,748	Advances Receivable – Intra Health	-----	-----
34,081	46,748		-----	-----
		23. Non Current Assets – Other		
		Non Current		
-----	-----	Emerging Rights to Assets (Refer to Note 2 (w) and 45)	13,210	11,548
-----	-----		13,210	11,548
		24. Non Current Assets Held for Sale		
		Assets Held for Sale		
-----	-----	Land and Buildings	13,993	15,943
-----	-----	Infrastructure Systems	130	-----
-----	-----		14,123	15,943
		Amounts recognised in equity relating to assets held for sale		
		Available for sale financial asset revaluation increments/(decrements)		
-----	-----	– Note 32 refers	742	1,071
-----	-----		742	1,071
		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.		

	PARENT	
	2007 $000	2006 $000
25. Property, Plant and Equipment		
Land and Buildings		
Gross Carrying Amount	193,634	133,552
Less Accumulated Depreciation and impairment	(57,379)	(32,400)
Net Carrying Amount at Fair Value	136,255	101,152
Plant and Equipment		
Gross Carrying Amount	29,049	35,753
Less Accumulated Depreciation and impairment	(20,597)	(25,248)
Net Carrying Amount at Fair Value	8,452	10,505
Total Property, Plant and Equipment Net Carrying Amount at Fair Value	144,707	111,657

	Land $000	Buildings $000	Plant and Equipment $000	Total $000
25. Property, Plant and Equipment – Reconciliations				
Year Ended 30 June 2007				
Net Carrying amount at start of year	66,925	34,227	10,505	111,657
Additions	-----	-----	1,794	1,794
Disposals	-----	-----	(115)	(115)
Net revaluation increment less revaluation decrements recognised in reserves	13,542	25,185	-----	38,727
Administrative restructures transfers in/(out)	(1,330)	(420)	(2,076)	(3,826)
Depreciation expense	-----	(1,874)	(1,656)	(3,530)
Net Carrying amount at end of year	79,137	57,118	8,452	144,707
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

All Land and Buildings for the parent entity were valued by the State Valuation Office independently of the Department on 1 July 2006.

Plant and Equipment is predominantly recognised on the basis of depreciated cost.

	CONSOLIDATED	
	2007 $000	2006 $000
25. Property, Plant and Equipment		
Land and Buildings		
Gross Carrying Amount	13,237,535	12,298,928
Less Accumulated Depreciation and impairment	(5,258,786)	(4,658,508)
Net Carrying Amount at Fair Value	7,978,749	7,640,420
Plant and Equipment		
Gross Carrying Amount	1,996,664	1,894,662
Less Accumulated Depreciation and impairment	(1,272,592)	(1,181,605)
Net Carrying Amount at Fair Value	724,072	713,057
Infrastructure Systems		
Gross Carrying Amount	489,532	476,462
Less Accumulated Depreciation and impairment	(173,027)	(154,390)
Net Carrying Amount at Fair Value	316,505	322,072
Total Property, Plant and Equipment Net Carrying Amount at Fair Value	9,019,326	8,675,549

	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 2007						
Net Carrying amount at start of year	1,494,399	6,094,494	51,527	713,057	322,072	8,675,549
Additions	1,341	389,771	2,010	136,561	135	529,818
Recognition of Assets Held for Sale	(8,870)	(2,603)	-----	-----	(130)	(11,603)
Disposals	(13,699)	(16,207)	-----	(10,801)	(1,266)	(41,973)
Net revaluation increment less revaluation decrements recognised in reserves	36,230	231,724	-----	-----	7,403	275,357
Depreciation expense	-----	(260,243)	(1,844)	(134,049)	(11,686)	(407,822)
Reclassifications	713	(19,995)	1	19,304	(23)	-----
Net Carrying amount at end of year	1,510,114	6,416,941	51,694	724,072	316,505	9,019,326
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
Correction of Errors	-----	(51,199)	-----	(1,112)	-----	(52,311)
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	6,094,494	51,527	713,057	322,072	8,675,549

Land and Buildings include land owned by the Health Administration Corporation and administered by either the Department or its controlled entities.

Valuations for each of the Health Services are performed regularly within a three year cycle. Revaluation details are included in the individual entities' financial reports.

Plant and Equipment is predominantly recognised on the basis of depreciated cost.

	PARENT	
	2007 $000	2006 $000
26. Intangible Assets		
Software		
Cost (Gross Carrying Amount)	8,945	8,031
Less Accumulated Amortisation and Impairment	(5,266)	(3,975)
Net Carrying Amount	3,679	4,056
Total Intangible Assets at Net Carrying Amount	3,679	4,056

	SOFTWARE $000
26. Intangibles – Reconciliation	
Year Ended 30 June 2007	
Net Carrying amount at start of year	4,056
Additions (from internal development or acquired separately)	914
Amortisation (recognised in depreciation and amortisation)	(1,291)
Net Carrying amount at end of year	3,679
Year Ended 30 June 2006	
Net Carrying amount at start of year	40,685
Administrative restructures transfers in/(out)	(23,635)
Amortisation (recognised in depreciation and amortisation)	(12,994)
Net Carrying amount at end of year	4,056

	CONSOLIDATION 2007 $000	CONSOLIDATION 2006 $000
26. Intangible Assets		
Software		
Cost (Gross Carrying Amount)	136,914	125,283
Less Accumulated Amortisation and Impairment	(73,336)	(72,849)
Net Carrying Amount	63,578	52,434
Other		
Cost (Gross Carrying Amount)	-----	852
Less Accumulated Amortisation and Impairment	-----	-----
Net Carrying Amount	-----	852
Total Intangible Assets at Net Carrying Amount	63,578	53,286

	CONSOLIDATION Software $000	CONSOLIDATION Other $000	CONSOLIDATION Total $000
26. Intangibles – Reconciliation			
Year Ended 30 June 2007			
Net Carrying amount at start of year	52,434	852	53,286
Additions (from internal development or acquired separately)	20,641	-----	20,641
Amortisation (recognised in depreciation and amortisation)	(10,349)	-----	(10,349)
Reclassifications	852	(852)	-----
Net Carrying amount at end of year	63,578	-----	63,578
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

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $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	278,359	196,348
-----	-----	Perpetually Invested Funds	6,783	6,497
-----	-----	Research Grants	165,599	144,444
-----	-----	Private Practice Funds	117,971	111,037
-----	-----	Other	51,586	68,620
-----	-----		620,298	526,946

Details of Conditions on Contributions appear 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 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		28. Payables		
		Current		
202	199	Accrued Salaries and Wages	163,696	144,903
3,016	2,206	Taxation and Other Payroll Deductions	37,151	29,547
32,168	32,225	Superannuation Guarantee Charge Payables	32,168	32,225
56,178	51,898	Creditors	478,665	453,543
		Other Creditors		
-----	-----	– Capital Works	38,991	51,054
29,579	15,616	– Intra Health Liability	-----	-----
121,143	102,144		750,671	711,272
		29. Current/Non Current Borrowings		
		Current		
-----	-----	Bank Overdraft* – Unsecured	-----	8,850
-----	-----	Treasury Advances Repayable – Secured	3,202	2,288
-----	-----	Finance Leases [See note 33(d)] – Secured	2,548	2,120
-----	-----		5,750	13,258
		Non Current		
-----	-----	Treasury Advances Repayable – Secured	8,795	10,182
-----	-----	Finance Leases [See note 33(d)] – Secured	21,898	24,447
-----	-----		30,693	34,629
		Repayment of Borrowings (excluding Finance Leases)		
-----	-----	Not later than one year	3,202	11,138
-----	-----	Between one and five years	8,795	5,991
-----	-----	Later than five years	-----	4,191
-----	-----	Total Borrowings at face value (excluding Finance Leases)	11,997	21,320
		* 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.		
		30. Current/Non Current Liabilities – Provisions		
		Current Employee Benefits and Related On Costs		
5,807	6,665	Recreation Leave – Short Term Benefit	589,983	593,884
6,444	6,518	Recreation Leave – Long Term Benefit	366,022	278,690
165	269	Long Service Leave – Short Term Benefit	108,005	103,012
1,485	852	Long Service Leave – Long Term Benefit	1,009,145	928,793
-----	-----	Sick Leave – Long Term Benefit	654	789
13,901	14,304	Total current provisions	2,073,809	1,905,168
		Non Current Employee Benefits and Related On Costs		
-----	-----	Long Service Leave – Conditional	104,949	96,839
-----	-----	Sick Leave – Long Term Benefit	46	-----
-----	-----	Total non current provisions	104,995	96,839
		Aggregate Employee Benefits and Related On-costs		
13,901	14,304	Provisions – current	2,073,809	1,905,168
-----	-----	Provisions – non current	104,995	96,839
35,386	34,630	Accrued Salaries and Wages and on costs (refer to Note 28)	233,015	206,675
49,287	48,934		2,411,819	2,208,682

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 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		31. Other Liabilities		
		Current		
-----	24,683	Income in Advance	10,522	42,462
-----	24,683		10,522	42,462
		Non Current		
-----	-----	Income in Advance	31,698	32,778
2,558	2,796	Other	-----	-----
2,558	2,796		31,698	32,778
		Income in advance has been received as a consequence of 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 2007 $000	Accumulated Funds 2006 $000	Asset Revaluation Reserve 2007 $000	Asset Revaluation Reserve 2006 $000	Total Equity 2007 $000	Total Equity 2006 $000
32. Equity						
Balance at the beginning of the Financial Year	222,749	138,583	59,732	58,820	282,481	197,403
AASB 139 first-time adoption	-----	(12,520)	-----	-----	-----	(12,520)
Correction of Errors (Note 44) – Inventories	-----	20,518	-----	-----	-----	20,518
Restated Opening Balance	222,749	146,581	59,732	58,820	282,481	205,401
Changes in Equity – transactions with owners as owners						
Decrease in net assets from administrative restructure	(3,826)	(24,794)	-----	-----	(3,826)	(24,794)
Total	(3,826)	(24,794)	-----	-----	(3,826)	(24,794)
Changes in Equity – other than transactions with owners as owners						
Result for the Year	30,148	97,703	-----	-----	30,148	97,703
Correction of Errors (Note 44)						
– Arbitration on Cross Border Charges	-----	(6,840)	-----	-----	-----	(6,840)
– Inventories	-----	11,011	-----	-----	-----	11,011
Increment on Revaluation of: Land and Buildings	-----	-----	38,727	-----	38,727	-----
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	-----	(912)	-----	912	-----	-----
Total	30,148	100,962	38,727	912	68,875	101,874
Balance at the end of the financial year	249,071	222,749	98,459	59,732	347,530	282,481

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 2005/06 and 2006/07 relates to the transfer of Plant and Equipment and Intangibles to the Health Administration Corporation

CONSOLIDATED	Accumulated Funds		Asset Revaluation Reserve		Non Current Assets Held for Sale Reserves		Total Equity	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
32. Equity								
Balance at the beginning of the Financial Year	5,822,340	5,863,880	1,360,017	1,190,391	1,071	1,855	7,183,428	7,056,126
Changes in Accounting Policy (Note 45)								
– Sydney South West privately financed projects	-----	(10,582)	-----	-----	-----	-----	-----	(10,582)
Correction of Errors (Note 44)								
– Annual leave Oncost	-----	(110,310)	-----	-----	-----	-----	-----	(110,310)
– South Eastern Sydney Illawarra carparks	-----	(14,804)	-----	(27,084)	-----	-----	-----	(41,888)
– Health Professional Registrations Board	-----	(7,764)	-----	-----	-----	-----	-----	(7,764)
– Inventories	-----	20,518	-----	-----	-----	-----	-----	20,518
Restated Opening Balance	5,822,340	5,740,938	1,360,017	1,163,307	1,071	1,855	7,183,428	6,906,100
Changes in Equity – transactions with owners as owners								
Decrease in net assets from administrative restructure (Note 43)	-----	(6,277)	-----	-----	-----	-----	-----	(6,277)
Total	-----	(6,277)	-----	-----	-----	-----	-----	(6,277)
Changes in Equity – other than transactions with owners as owners								
Result for the Year	(18,156)	63,193	-----	-----	-----	-----	(18,156)	63,193
Correction of Errors (Note 44)								
– Annual leave Oncost	-----	(14,802)	-----	-----	-----	-----	-----	(14,802)
– South Eastern Sydney Illawarra carparks	-----	1,469	-----	-----	-----	-----	-----	1,469
– Arbitration on cross border charges	-----	(6,840)	-----	-----	-----	-----	-----	(6,840)
– Inventories	-----	11,011	-----	-----	-----	-----	-----	11,011
– Sydney West grants	-----	15,000	-----	-----	-----	-----	-----	15,000
Increment on Revaluation of:								
– Land and Buildings	-----	-----	267,954	206,135	-----	-----	267,954	206,135
– Infrastructure Systems	-----	-----	7,403	8,439	-----	-----	7,403	8,439
Transfer to Net Expenditure/ Revenue for the Year on disposal of available for sale financial assets	50	784	-----	-----	(50)	(784)	-----	-----
Available for sale reserves transferred to Asset revaluation reserve	-----	-----	279	-----	(279)	-----	-----	-----
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	3,297	17,864	(3,297)	(17,864)	-----	-----	-----	-----
Total	(14,809)	87,679	272,339	196,710	(329)	(784)	257,201	283,605
Balance at the end of the financial year	5,807,531	5,822,340	1,632,356	1,360,017	742	1,071	7,440,629	7,183,428

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).

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		33. Commitments for Expenditure		
		(a) Capital Commitments		
		Aggregate capital expenditure for the acquisition of land and buildings, plant and equipment, infrastructure and intangible assets contracted for at balance date and not provided for:		
-----	-----	Not later than one year	336,651	288,642
-----	-----	Later than one year and not later than five years	283,192	329,347
-----	-----	Later than five years	570,893	115,122
-----	-----	Total Capital Expenditure Commitments (including GST)	1,190,736	733,111

The Government is committed to capital expenditures as follows in accordance with the Department's Asset Acquisition Program:

	2007 $000	2006 $000
Not later than one year	642,976	633,094
Later than one year and not later than five years	2,113,899	1,433,431
Later than five years	506,401	801,856
Total Capital Program	3,263,276	2,868,381

However, Contractual Commitments are confined to the values reported above for 2007 ($1.191 million) and 2006 ($733 million).

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		(b) Other Expenditure Commitments		
		Aggregate other expenditure contracted for at balance date and not provided for:		
13,274	10,161	Not later than one year	151,872	23,410
1,431	2,593	Later than one year and not later than five years	444,750	129,179
-----	-----	Later than five years	1,094,328	781,243
14,705	12,754	Total Other Expenditure Commitments (including GST)	1,690,950	933,832
		(c) Operating Lease Commitments		
		Commitments in relation to non cancellable operating leases are payable as follows:		
7,938	8,322	Not later than one year	107,767	100,534
7,646	15,560	Later than one year and not later than five years	168,279	199,807
-----	-----	Later than five years	102,947	52,069
15,584	23,882	Total Operating Lease Commitments (including GST)	378,993	352,410
		The operating leases include motor vehicles arranged through a lease facility negotiated by NSW 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.		
		(d) Finance Lease Commitments (including GST)		
		Minimum lease payment commitments in relation to finance leases payable as follows:		
-----	-----	Not later than one year	4,649	4,600
-----	-----	Later than one year and not later than five years	17,919	19,143
-----	-----	Later than five years	12,370	15,796
-----	-----	Minimum Lease Payments	34,938	39,539
-----	-----	Less: Future Financing Charges	(7,316)	(9,378)
-----	-----	Less: GST Component	(3,176)	(3,594)
-----	-----	Present Value of Minimum Lease Payments	24,446	26,567
-----	-----	Current (Note 29)	2,548	2,120
-----	-----	Non-Current (No 29)	21,898	24,447
-----	-----		24,446	26,567
		The present value of finance lease commitments is as follows:		
-----	-----	Not later than one year	2,548	2,120
-----	-----	Later than one year and not later than five years	13,347	13,782
-----	-----	Later than five years	8,551	10,665
-----	-----		24,446	26,567

33. Commitments for Expenditure (cont)

(e) Contingent Asset related to Commitments for Expenditure

The total "Expenditure Commitments" above includes input tax credits of $2.754 million in relation to the Parent Entity and $288.373 million in relation to NSW Health that are expected to be recoverable from the Australian Taxation Office. The comparatives for 2005/06 are $3.990 million and $187.173 million respectively.

(f) Calvary Mater Newcastle Hospital Public, Private 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, refurbishment of existing buildings, 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 Calvary Mater Newcastle and will recognise the transfer as a grant expense of $107 million. The recognition is based on the fact that services will be delivered by Little Company of Mary Health Care 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 $39 million. 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.

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	2007	2006
Not later than one year	-----	-----
Later than one year and not later than five years	26,156	20,202
Later than five years	97,230	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."		
Not later than one year	8,426	-----
Later than one year and not later than five years	113,460	90,344
Later than five years	748,034	779,576

(g) Long Bay Forensic and Prison Hospitals PPP

In 2006/07 a private sector company, PPP Solutions (Long Bay) Pty Limited, was engaged to finance, design, construct and maintain the Long Bay Forensic and Prison Hospitals at Long Bay under a Project Deed. The development is a joint project between the NSW Department of Health and the Department of Corrective Services. In addition to the hospital facilities, the project includes a new Operations Building, a new Pharmacy Building for Justice Health and a new Gatehouse for the NSW Department of Corrective Services. The new development will be completed in 2009.

When construction is completed, Justice Health, a statutory health corporation, will operate and recognise the new Hospital, the Operations Building and the Pharmacy Building as an asset of $86.1 million. The basis for the accounting treatment is that services will be delivered by Justice Health for the duration of the term until July 2034.

In addition, Justice Health will recognise the liability to PPP Solutions, payable over the period to 2034 for the construction of the new facilities.

An estimate of the commitment inclusive of Goods and Services Tax which has been recognised in Notes 33 a) and 33 b) is as follows:

Nominal $'000	2006/07	2005/06
(a) Capital Commitments – New Forensic Hospital and Operations Building		
Not later than one year	-----	-----
Later than one year and not later than five years	38,820	-----
Later than five years	239,715	-----
(b) Other Expenditure Commitments – Provision of facilities management and other non-clinical services to the new facilities		
Not later than one year	-----	-----
Later than one year and not later than five years	29,804	-----
Later than five years	312,253	-----

The expenditure commitments include Goods & Services Tax. Related input tax credits of $56 million (2006: nil) are expected to be recoverable from the Australian Taxation Office.

34. Trust Funds

The NSW Department of Health's controlled entities hold Trust Fund monies of $37.0 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	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
Cash Balance at the beginning of the financial year	3,873	3,508	20,876	17,304	16,862	21,835	41,611	42,647
Receipts	5,476	4,471	96,802	44,025	177,982	124,886	280,260	173,382
Expenditure	(5,043)	(4,106)	(97,881)	(40,453)	(181,958)	(129,859)	(284,882)	(174,418)
Cash Balance at the end of the financial year	4,306	3,873	19,797	20,876	12,886	16,862	36,989	41,611

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 2000/2001 fund year and an interim adjustment for the 2002/03 fund year were not calculated until 2006/07. As a result, the 2001/02 final and 2003/04 interim hindsight calculations will be paid in 2007/08.

(c) Affiliated Health 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, Novacare Project Partnerships for financing, design, construction and commissioning of a range of health facilities.

The liability to pay Novacare 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

Four legal matters are currently on foot, which carry a potential total liability of $590,000 (inclusive of costs).

(f) Claim by Lessee of Certain Property

The 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.

It is considered that the likelihood of success of the claim is minimal and accordingly no provision in relation to this matter has been reflected in the financial statements.

As part of the original agreement for construction of the private hospital, the lessee constructed a private car park on the land leased from SSWAHS. The lease was cancelled in March 2000 and, after an interlocutory hearing, SSWAHS was granted the right to operate the car park from 26 June 2000. In doing so, SSWAHS is entitled to collect parking fees and pay costs associated with operating the car park, retaining any excess in trust pending resolution of matters referred to above. At year end this excess amounted to $2,787,189. The car park has not been recognised as an asset in the financial statements as ownership has not been transferred.

(g) Forensic Hospital – Long Bay, Public Private Partnership

The liability to pay PPP Solutions for the development of the Long Bay Forensic Hospital is based on a financing arrangement involving floating interest rate bank debt. An interest rate adjustment will be made in accordance with interest rate movements over the project term. The estimated value of the contingent liability is unable to be fully determined because of uncertain future events.

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	45	6	…..	39
Appeals (In House)	18,067	1,169	2,363	14,535
Fetes	263	82	…..	181
Raffles	138	71	2	65
Functions	3,201	382	2	2,817
	21,714	1,710	2,367	17,637
Percentage of Income	100%	7.9%	10.9%	81.2%

* 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	5,457
Research	4,743
Other Expenses	47
Held in Special Purpose and Trust Fund Pending Purchase	7,390
	17,637

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		37. Reconciliation of Net Cash Flows from Operating Activities to Net Cost of Services		
31,561	20,459	Net Cash Used on Operating Activities	555,496	600,366
(4,821)	(17,343)	Depreciation	(418,171)	(411,447)
(85)	(2)	Allowance for Impairment	(23,303)	1,924
(5,393)	(6,454)	Acceptance by the Government of Employee Benefits and Other Liabilities	(147,061)	(150,477)
403	(2,950)	(Increase)/Decrease in Provisions	(176,797)	(191,655)
2,899	33,542	Increase/(Decrease) in Prepayments and Other Assets	58,863	78,174
(918)	69,463	(Increase)/Decrease in Creditors	(25,282)	(14,035)
(38)	(94)	Net Gain/(Loss) on Sale of Property, Plant and Equipment	10,318	(4,528)
-----	-----	Net Gain/(Loss) on Disposal of Financial Assets	-----	2
(9,800,594)	(9,226,042)	Recurrent Appropriation	(9,800,594)	(9,226,042)
(385,735)	(481,079)	Capital Appropriation	(385,735)	(481,079)
(37,239)	(4,225)	Other	720	10,230
(10,199,960)	(9,614,725)	Net Cost of Services	(10,351,546)	(9,788,567)
		38. Non Cash Financing and Investing Activities		
-----	(1,200)	Financial instruments at fair value revaluation increment/(decrement)	-----	3,180
-----	-----	Assets Received by Donation	720	7,050
-----	(1,200)		720	10,230

39. 2006/07 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
- Pink Ladies/Hospital Auxiliaries
- Patient Support Groups
- Community Organisations
- Counselling, Health Education, Transport, Home Help and Patient Activities
- Patient and Family Support
- Patient Services, Fund Raising
- Practical Support to Patients and Relatives

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 $10.352 billion was at variance with the budget by $98 million. The following variations were not recognised in the budget:

	$M
Superannuation costs for defined contribution schemes.	20
Increase in Recreation Leave Provisions due to salary increase of 4 per cent from July 2007 in accordance with Australian Accounting Standard measurement criteria	37
Expensing of Capital Projects that do not satisfy criteria for recognition as assets	59
Westmead Millennium Institute revenues which were not anticipated	(15)
Expenses/Revenues incurred and recognised	(3)
	98

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	98
Additional recurrent appropriation	21
Asset Sale Proceeds Transferred to the Crown	(9)
Crown acceptance of employee liabilities	(20)
	90

Assets and Liabilities

Net assets increased by $186 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 and a variation in asset sales	246
Increase in Leave Provisions due mainly to awards and actuarial assessment of accumulated leave entitlements	(122)
Increase in Receivables	31
Increase in Current Payables	(42)
Increase in Cash/Other Financial Assets	27
Increase in Inventories	7
Decrease in Borrowings	7
Decrease in Other Liabilities	32
	186

Cash Flow

Cash Flows from Operating Activities

- Payments – 2006/07 total payments exceeded the budget by $202 million which reflects $59 million for expensing of items funded from a capital source that do not satisfy the recognition of asset criteria and other variations dominated by the increase in grant payments of $147 million.

  The increased payments were sourced from increased Revenue/Cash at Bank or through the increase in Accounts Payable ($42 million).

- Receipts – 2006/07 total revenue receipts were $220 million more than budget estimates due principally to the increased revenues of $252 million reported in the Operating Statement adjusted for the effects of increased receivables.

Cash Flows from Government

The movement of $12 million in Cash Flows from Government results from reductions in funding, eg on protected allocations such as Awards.

CONSOLIDATED

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: 1 year or less		Over 1 to 5 years		More than 5 years		Non-interest bearing		Total carrying amount as per the Balance Sheet	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
Financial Assets												
Cash	556,770	542,974	179,530	83,125	-----	-----	-----	-----	619	740	736,919	626,839
Receivables	-----	54,387	-----	-----	-----	-----	-----	-----	270,409	201,662	270,409	256,049
Shares	2,363	3,055	-----	-----	-----	-----	-----	-----	-----	-----	2,363	3,055
Other Loans and Deposits – T Corp	165,882	176,550	-----	-----	-----	-----	-----	-----	-----	-----	165,882	176,550
Other Loans and Deposits – Other	-----	7,359	1,763	46,705	398	-----	-----	-----	-----	-----	2,161	54,064
Total Financial Assets	725,015	784,325	181,293	129,830	398	-----	-----	-----	271,028	202,402	1,177,734	1,116,557
Financial Liabilities												
Borrowings – Bank Overdraft	-----	8,850	-----	-----	-----	-----	-----	-----	-----	-----	-----	8,850
Borrowings – Other	7,276	35,801	-----	3,236	-----	-----	14,198	-----	14,969	-----	36,443	39,037
Accounts Payable	-----	-----	-----	-----	-----	-----	-----	-----	750,671	711,272	750,671	711,272
Total Financial Liabilities	7,276	44,651	-----	3,236	-----	-----	14,198	-----	765,640	711,272	787,114	759,159

(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 Balance Sheet.
Credit Risk by classification of counterparty.

	Governments		Banks		Patients		Other		Total	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
42. Financial Instruments										
Financial Assets										
Cash	136,722	189,354	416,156	289,383	-----	-----	184,041	148,102	736,919	626,839
Receivables	61,864	79,973	68	19	75,970	57,381	132,507	118,676	270,409	256,049
Shares	277	3,055	-----	-----	-----	-----	2,086	-----	2,363	3,055
Other Loans and Deposits	168,043	176,550	-----	-----	-----	-----	-----	54,064	168,043	230,614
Total Financial Assets	366,906	448,932	416,224	289,402	75,970	57,381	318,634	320,842	1,177,734	1,116,557

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 $13.886 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 NSW in 2005/06. Details of the equity transfers at a consolidated level are as follows:

	2007 $000	2006 $000
Assets		
Cash	…..	(6,792)
Property, Plant and Equipment		
- Plant and Equipment	…..	(81)
Liabilities		
Provisions	…..	596
Net Assets/Equity	…..	(6,277)

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.

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 HealthTechnology unit.

In 2006/07 the Parent effected transfers to HealthTechnology (computer assets $2.076 million) and HealthSupport (Linen Service property $1.750 million). Further, with the transfer of responsibility for the operation of linen services from Health Services to HealthSupport transfers of $58.881 million occurred.

However all 2006/07 equity transfers were intra Health only and there has been no change in equity at a consolidated level.

44. Prior Period Errors

The Department of Health identified the following prior period errors during the year. All comparative balances impacted by these prior period errors have been restated to include the effect of the errors.

(1) As a result of an actuarial review commissioned by the Department in 2006/07, it was determined that annual leave liability was understated in previous years due to non-inclusion of on costs payable upon settlement of the liability.

The effects of this error were that opening equity as at 1 July 2005 was overstated by $110.310 million, liabilities as at 30 June 2006 were understated by $125.112 million and the result for the 2006 financial year was overstated by $14.802 million.

(2) The consolidated financial report for 2006 included transactions and balances of various Health Professional Registration Boards which were excluded from the Parent Entity on the basis that the Department does not exercise control over the Boards.

The net effects of this error were that equity at 1 July 2005 and 30 June 2006 were overstated by $7.764 million. Revenues and expenditures for the year ended 30 June 2006 were both overstated by $6.484 million.

(3) In prior years, the South Eastern Sydney Illawarra Area Health Service incorrectly recognised as assets car parks that the Health Service will acquire under privately financed projects. The Health Service does not obtain control or ownership of these car parks until the end of the contract term.

The effects of this error were that, at 1 July 2005, property, plant and equipment were overstated by $51.199 million, asset revaluation reserves were overstated by $27.084 million, accumulated funds were overstated by $14.804 million and 'right to receive' assets were understated by $9.311 million. In addition, at 30 June 2006, property plant and equipment were overstated by $51.199 million, asset revaluation reserves were overstated by $27.084 million, accumulated funds were overstated by $13.335 million and the right to receive assets were understated by $10.780 million. The result for the year ended 2006 was understated by $1.469 million.

(4) In the 2006 financial year, Sydney West Area Health Service incorrectly deferred the recognition of a $15 million grant from the Commonwealth. This grant should have been recognised as revenue in that year.

The effects of this error were that liabilities were overstated by $15.0 million as at 30 June 2006, and revenue and the result for the year then ended were understated by the same amount.

(5) At 30 June 2006, NSW Department of Health understated its liability to ACT Health arising from ACT Health's treatment of NSW public health patients. This liability was the subject of arbitration and, in September 2007, the arbitrators ruled in favour of ACT Health.

The effects of this ruling were that the Department's liabilities as at 30 June 2006, and its expenses for the year then ended, were understated by $6.840 million. The result for the 2006 year was overstated by the same amount.

(6) In previous years, the parent entity incorrectly expensed immunisation stocks at the time of purchase. This was inconsistent with the group's accounting policy.

The effects of this error were that equity and inventories as at 1 July 2005 were understated by $20.518. In addition, inventory at 30 June 2006 was understated by $31.529 million and expenditure for the year ended 30 June 2006 was overstated by $11.011 million. The 2006 result was understated by $11.011.

45. Other Changes in Accounting Policy

In June 2006 NSW Treasury issued an accounting policy on the measurement of emerging assets "Accounting for Privately Financed Projects" – TPP 06-08. TPP 06-08 mandates the use of the HOTARAC approach for the valuation of emerging assets for public sector entities. From the commencement of the Privately Financed Projects (PFP'S), the Sydney South West Area Health Service used the TERV approach to value the emerging assets arising.

The adoption of the HOTARAC approach results in the financial report providing more reliable and more relevant information about the effects of the transactions on the entity's financial position and financial performance.

In accordance with TPP 06-08, where the fair value of the right to receive infrastructure increases or decreases, the movement is to be recognised as a revaluation in accordance with Accounting Standard AASB 116 Property, Plant and Equipment as if the right were an item of property to which the standard applied.

The revised policy had the effect of overstating Accumulated Funds and Other Non-Current Assets by $10.582 million as at 30 June 2005.

46. After Balance Date Events

The Department of Health has sought court consideration of the trust arrangements pertaining to Graythwaite Hospital.

The court requested that interested parties submit "cy pres" schemes for consideration and the Department duly sought applications by way of newspaper advertisement.

The court will consider submissions lodged including that offered by the Department and determine the best use of the site, commensurate with the conditions initially attached to the site by the donor.

The outcome of the decision is unknown and may affect the carrying value of the asset within the Department's accounting records.

END OF AUDITED FINANCIAL STATEMENTS

Independent Audit Report

Health Administration Corporation

for the year ended 30 June 2007

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

HEALTH ADMINISTRATION CORPORATION AND ITS CONTROLLED ENTITY

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Health Administration Corporation (the Corporation) and the Corporation and its controlled entity (the consolidated entity), which comprises the balance sheet as at 30 June 2007, and the operating statement, statement of recognised income and expense and cash flow statement for the year then ended, program statement - expenses and revenues, and a summary of significant accounting policies and other explanatory notes. The consolidated entity comprises the Corporation and the entity it controlled at the year's end or from time to time during the financial year.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Corporation and the consolidated entity as at 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

The Director- General's Responsibility for the Financial Report

The Director-General of the Department of Health is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director-General, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does not provide assurance:

- about the future viability of the Corporation or consolidated entity,
- 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.

Independence

In conducting these audits, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A 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.

J Kheir B Ec FCPA
Director, Financial Audit Services

3 December 2007
SYDNEY

Certification of Accounts

Health Administration Corporation

for the year ended 30 June 2007

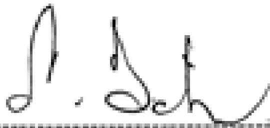
CERTIFICATE OF ACCOUNTS

Pursuant to Section 45(F) of the Public Finance and Audit Act 1983 (the Act), we state that:

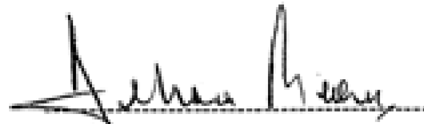
(i) The attached financial statements of the Health Administration Corporation for the year ended 30 June 2007 have been prepared in accordance with the requirements of applicable Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards (AEIFRS), 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 parent 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



Debora Picone
Director-General

29 November 2007

Operating statement

Health Administration Corporation

for the year ended 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $000
			Expenses excluding losses				
			Operating Expenses				
-----	-----	5,093	Employee Related	3	371,866	377,042	93,197
371,866	377,042	88,104	Personnel Services	4	-----	-----	-----
192,429	185,027	77,364	Other Operating Expenses	5	192,429	185,027	77,364
35,920	35,598	5,201	Depreciation and Amortisation	2(h), 6	35,920	35,598	5,201
856	476	1,135	Grants and Subsidies	7	856	476	1,135
121	-----	6	Finance Costs	8	121	-----	6
601,192	598,143	176,903	Total Expenses excluding losses		601,192	598,143	176,903
			Revenue				
230,434	218,907	53,963	Sale of Goods and Services	9	230,434	218,907	53,963
2,019	1,739	735	Investment Income	10	2,019	1,739	735
11,817	(265)	7,196	Grants and Contributions	11	1,331	(265)	4,394
9,028	10,178	2,576	Other Revenue	12	9,028	10,178	2,576
253,298	230,559	64,470	Total Revenue		242,812	230,559	61,668
(3,357)	(3,110)	259	Gain/(Loss) on Disposal	13	(3,357)	(3,110)	259
(12,777)	(9,435)	(2,948)	Other gains/(losses)	14	(12,777)	(9,435)	(2,948)
364,028	380,129	115,122	Net Cost of Services		374,514	380,129	117,924
			Government Contributions				
315,896	315,895	93,824	NSW Department of Health Recurrent Allocations	2(d)	315,896	315,895	93,824
62,313	64,996	55,703	NSW Department of Health Capital Allocations	2(d)	62,313	64,996	55,703
-----	77	(125)	Asset Sale Proceeds transferred to the NSW Department of Health		-----	77	(125)
-----	10,661	46	Acceptance by the Crown Entity of employee benefits	2(a)	10,486	10,661	2,848
378,209	391,629	149,448	Total Government Contributions		388,695	391,629	152,250
14,181	11,500	34,326	RESULT FOR THE YEAR	29	14,181	11,500	34,326

The accompanying notes form part of these Financial Statements

Statement of recognised income and expense

Health Administration Corporation

for the year ended 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $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
14,181	11,500	34,326	Result for the Year	29	14,181	11,500	34,326
14,181	11,500	75,622	TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR		14,181	11,500	75,622
			EFFECT OF CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF ERRORS:				
-----	-----	34,795	Result for the year as reported in the 2006 financial report		-----	-----	34,795
-----	-----	(469)	Correction of Errors	36	-----	-----	(469)
-----	-----	34,326	RESTATED RESULT FOR THE YEAR		-----	-----	34,326

The accompanying notes form part of these Financial Statements

Balance sheet

Health Administration Corporation

as at 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $000
			ASSETS				
			Current Assets				
29,457	25,665	16,745	Cash and Cash Equivalents	17	29,457	25,665	16,745
54,858	40,408	39,543	Receivables	18	54,858	40,408	39,543
1,798	2,377	1,881	Inventories	19	1,798	2,377	1,881
2,426	1,616	1,616	Non Current Assets Held for Sale	20	2,426	1,616	1,616
1,763	-----	-----	Other Financial Assets	21	1,763	-----	-----
90,302	70,066	59,785	Total Current Assets		90,302	70,066	59,785
			Non-Current Assets				
652	-----	488	Receivables	18	652	-----	488
6,173	6,096	-----	Other Financial Assets	21	6,173	6,096	-----
			Property, Plant and Equipment				
183,363	166,519	162,538	– Land and Buildings	22	183,363	166,519	162,538
109,974	124,912	63,818	– Plant and Equipment	22	109,974	124,912	63,818
96	95	-----	– Infrastructure System	22	96	95	-----
293,433	291,526	226,356	Total Property, Plant and Equipment		293,433	291,526	226,356
51,619	46,080	46,080	Intangible Assets	23	51,619	46,080	46,080
351,877	343,702	272,924	Total Non-Current Assets		351,877	343,702	272,924
442,179	413,768	332,709	Total Assets		442,179	413,768	332,709
			LIABILITIES				
			Current Liabilities				
57,769	40,459	42,745	Payables	25	57,769	40,459	42,745
3,420	965	16,711	Borrowings	26	3,420	965	16,711
121,468	111,154	96,415	Provisions	27	121,468	111,154	96,415
2,424	1,164	968	Other	28	2,424	1,164	968
185,081	153,742	156,839	Total Current Liabilities		185,081	153,742	156,839
			Non-Current Liabilities				
3,762	2,517	2,516	Provisions	27	3,762	2,517	2,516
3,093	3,997	-----	Borrowings	26	3,093	3,997	-----
6,855	6,514	2,516	Total Non-Current Liabilities		6,855	6,514	2,516
191,936	160,256	159,355	Total Liabilities		191,936	160,256	159,355
250,243	253,512	173,354	Net Assets		250,243	253,512	173,354
			EQUITY				
41,296	97,728	41,296	Reserves	29	41,296	97,728	41,296
208,947	155,784	132,058	Accumulated Funds	29	208,947	155,784	132,058
250,243	253,512	173,354	Total Equity		250,243	253,512	173,354

The accompanying notes form part of these Financial Statements

Cash flow statement

Health Administration Corporation

for the year ended 30 June 2007

PARENT Actual 2007 $000	PARENT Budget 2007 $000	PARENT Actual 2006 $000		Notes	CONSOLIDATED Actual 2007 $000	CONSOLIDATED Budget 2007 $000	CONSOLIDATED Actual 2006 $000
			CASH FLOWS FROM OPERATING ACTIVITIES				
			Payments				
-----	(365,338)	1,532	Employee Related		(343,676)	(365,338)	(86,103)
(908)	(404)	(701)	Grants and Subsidies		(908)	(404)	(1,135)
(121)	(73)	(6)	Finance Costs		(121)	(73)	(6)
(539,304)	(181,729)	(158,383)	Other		(195,628)	(181,729)	(70,314)
(540,333)	(547,544)	(157,558)	Total Payments		(540,333)	(547,544)	(157,558)
			Receipts				
222,383	220,302	46,998	Sale of Goods and Services		222,383	220,302	46,998
2,058	1,426	736	Interest Received		2,058	1,426	736
15,434	10,225	7,239	Other		15,434	10,225	7,239
239,875	231,953	54,973	Total Receipts		239,875	231,953	54,973
			CASH FLOWS FROM GOVERNMENT				
315,896	315,895	89,707	NSW Department of Health Recurrent Allocations		315,896	315,895	89,707
55,084	65,496	55,703	NSW Department of Health Capital Allocations		55,084	65,496	55,703
-----	-----	(125)	Asset Sale Proceeds transferred to the NSW Department of Health		-----	-----	(125)
370,980	381,391	145,285	Net Cash Flows from Government		370,980	381,391	145,285
70,522	65,800	42,700	NET CASH FLOWS FROM OPERATING ACTIVITIES	32	70,522	65,800	42,700
			CASH FLOWS FROM INVESTING ACTIVITIES				
503	-----	2,541	Proceeds from Sale of Land and Buildings, Plant and Equipment and Infrastructure Systems		503	-----	2,541
1,930	-----	-----	Proceeds from Sale of Investments		1,930	-----	-----
(50,831)	(42,132)	(30,941)	Purchases of Land and Buildings, Plant and Equipment and Infrastructure Systems		(50,831)	(42,132)	(30,941)
(1,930)	-----	-----	Purchase of Investments		(1,930)	-----	-----
-----	-----	(21,187)	Purchases of Intangibles		-----	-----	(21,187)
4,175	-----	-----	Other		4,175	-----	-----
(46,153)	(42,132)	(49,587)	NET CASH FLOWS FROM INVESTING ACTIVITIES		(46,153)	(42,132)	(49,587)
			CASH FLOWS FROM FINANCING ACTIVITIES				
2,386	2,087	16,555	Proceeds from Borrowings and Advances		2,386	2,087	16,555
(13,887)	(16,679)	(1,411)	Repayment of Borrowings and Advances		(13,887)	(16,679)	(1,411)
(11,501)	(14,592)	15,144	NET CASH FLOWS FROM FINANCING ACTIVITIES		(11,501)	(14,592)	15,144
12,868	9,076	8,257	NET INCREASE/(DECREASE) IN CASH		12,868	9,076	8,257
16,589	16,589	803	Opening Cash and Cash Equivalents		16,589	16,589	803
-----	-----	7,529	Cash Transferred in/(out) as a result of administrative restructuring		-----	-----	7,529
29,457	25,665	16,589	CLOSING CASH AND CASH EQUIVALENTS	17	29,457	25,665	16,589

The accompanying notes form part of these Financial Statements

Program statement – expenses and revenues

Health Administration Corporation

for the year ended 30 June 2007

CORPORATION'S EXPENSES AND REVENUES	Program 1.1 *		Program 1.2 *		Program 1.3 *		Program 2.1 *		Program 2.2 *		Program 2.3 *		Program 3.1 *		Program 4.1 *		Program 5.1		Program *6.1 *		NOT ATTRIBUTABLE		Total	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
Expenses excluding losses																								
Operating Expenses																								
Employee Related	1,172	463	42	21	6,813	537	314,283	85,118	25,258	2,123	3,414	294	7,140	655	5,780	484	356	114	7,608	3,388			371,866	93,197
Other Operating Expenses	2,822	2,788	183	164	7,908	4,563	127,205	38,685	35,058	17,447	5,667	3,431	4,690	2,584	3,828	2,886	949	1,649	4,119	3,167			192,429	77,364
Depreciation and Amortisation	845	58	34	2	2,965	128	17,395	4,243	9,469	449	1,450	66	1,309	74	1,663	85	219	14	571	82			35,920	5,201
Grants and Subsidies	-----	-----	-----	-----	-----	-----	380	97	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	476	1,038			856	1,135
Finance Costs	-----	-----	-----	-----	-----	-----	2	6	103	-----	16	-----	-----	-----	-----	-----	-----	-----	-----	-----			121	6
Total Expenses excluding losses	4,839	3,309	259	187	17,686	5,228	459,265	128,149	69,888	20,019	10,547	3,791	13,139	3,313	11,271	3,455	1,524	1,777	12,774	7,675			601,192	176,903
Revenue																								
Sale of Goods & Services	3,099	795	202	55	13,449	1,891	129,486	27,624	53,878	13,954	8,060	1,425	10,276	1,151	9,105	3,838	1,042	356	1,837	2,874			230,434	53,963
Investment Income	22	22	1	-----	85	30	1,250	376	345	111	52	16	64	14	56	31	7	9	137	126			2,019	735
Grants and Contributions	3	-----	-----	-----	49	-----	957	4,361	186	-----	26	-----	42	-----	39	-----	1	-----	28	33			1,331	4,394
Other Revenue	1	70	-----	4	133	128	8,017	1,473	568	340	67	66	121	47	112	141	-----	68	9	239			9,028	2,576
Total Revenue	3,125	887	203	59	13,716	2,049	139,710	33,834	54,977	14,405	8,205	1,507	10,503	1,212	9,312	4,010	1,050	433	2,011	3,272			242,812	61,668
Gain/(Loss) on Disposal	(86)	-----	(5)	-----	(446)	-----	(29)	259	(1,763)	-----	(260)	-----	(351)	-----	(314)	-----	(29)	-----	(74)	-----			(3,357)	259
Other Gains/(Losses)	-----	-----	-----	-----	-----	-----	(12,777)	(2,948)	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	(12,777)	(2,948)
Net Cost of Services	1,800	2,422	61	128	4,416	3,179	332,361	97,004	16,674	5,614	2,602	2,284	2,987	2,101	2,273	(555)	503	1,344	10,837	4,403	-----	-----	374,514	117,924
Government Contributions **																					388,695	152,250	388,695	152,250
Result for the Year																							14,181	34,326

* The name and purpose of each program is summarised in Note 16. The program statement utilises statistical data to 31 December 2006 to allocate current year's financial information to each program.

** Appropriations are made on an agency basis and not to individual program.

Notes to and forming part of the Financial Statements

Health Administration Corporation

for the year ended 30 June 2007

1. The Health Administration Corporation (HAC) Reporting Entity

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.

Both Health Technology and the NSW 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. The unit "HealthSupport" was established on 1 November 2005 to provide Health Services with financial, payroll, linen, food and other health support services. Because of the limited extent of its operation in 2005/06 Treasury provided approval for HAC to commence reporting of HealthSupport in the 2006/07 year.

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 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.

Period of Operation

The 2005/06 values in the financial statements comprise twelve months figures for HealthTechnology, ten months figures for the NSW Institute of Medical Education and Training and three and a half months for the Ambulance Service of NSW. There are no comparatives for 2005/06 for HealthSupport, as the limited costs for that year were included in the parent statement of NSW Department of Health.

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 29 November 2007.

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.

Comparative figures are, where appropriate reclasified to give a meaningful comparison with the current year.

AASB-2007.04, Amendments to Australian Accounting Standards arising from ED151 and other amendments, has application for accounting periods commencing on or after 1 July 2007. The standard is not being early adopted in 2006/07 and the new options available in the standard will not be applied.

AASB123, Borrowing Costs, has application in reporting years beginning on or after 1 January 2009. The Standard, which requires capitalisation of Borrowing Costs has not been adopted in 2006/07 nor is adoption expected prior to 2009/10.

AASB101, Presentation of Financial Statements, has reduced the disclosure requirements for various reporting entities. However, in not for profit entities such as Health Services there is no change required.

AASB7, Financial Instruments Disclosures locates all disclosure requirements for financial instruments within the one standard. The Standard has application for annual reporting periods beginning on or after 1 January 2007. The Standard will not be early adopted and has no differential impact.

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". On costs of 21.7 per cent are applied to the value of leave payable at 30 June 2007 inclusive of the 4 per cent award increase payable from 1 July 2007, such on costs being consistent with actuarial assessment.

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 8.1 per cent inclusive of the 4 per cent payable from 1 July 2007 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.

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 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 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 HAC'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.

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. (See Note 2(r)).

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, ie 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 (other than HealthTechnology, HealthSupport, the Institute of

Medical Education and Training and the Ambulance Service of NSW) are deemed to be controlled by the Health Service and are reflected as such in their financial statements.

(g) Plant and Equipment and Intangibles

Individual items of property, plant and equipment and intangibles are capitalised where their cost is $10,000 or above. Prior to 1 July 2006 assets were recognised based on a value of $5,000 or above.

(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 – Costing more than or equal to $200,000	 10.0% 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%
Ambulance Vehicles	11.75%
Trucks and Vans	20.0%

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 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.

HAC revalues Land and Buildings at minimum every three 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 Ambulance Service of NSW was completed on 31 May 2006 and was based on an independent assessment.

Non-specialised 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.

(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

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 Held for Distribution

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.

2006/07 Equity Transfer

The responsibility for the operation of Linen Services transferred to HealthSupport in 2006/07. This resulted in net assets of $60.631 million being transferred from the Health Services and the Department of Health to HAC, under Section 126B of the Health Services Act. Information Technology assets of $2.077 million were

also transferred from the Department in respect of services now provided by HealthTechnology.

2005/06 Equity Transfer
The establishment of HealthTechnology resulted in net assets and equity totalling $24.894 million being transferred from the Department of Health to HAC. The establishment of the Institute of Medical Education and Training also resulted in the transfer of $0.471 million from Northern Sydney Central Coast Area Health Service.

In addition, with the repeal of the Ambulance Service Act with effect from 17 March 2006 net assets of $78.212 million transferred to HAC from the former Ambulance Service of NSW.

(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.

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 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 5.43 per cent to 6.05 per cent as compared to 5.23 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. This includes various amounts owing to HAC by Health Services following the transfer of responsibility for the operation of linen services. Recovery will be affected in accordance with agreed terms for each Health Service and are due for repayment by 30 June 2014.

Trade and Other Payables
Accounting Policies – These amounts represent liabilities for goods and services provided to HAC. 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
Bank Overdrafts are carried at the principal amount. Other loans are measured at amortised cost. Interest is charged as an expense as it accrues. Finance Lease Liability is accounted for in accordance with AASB117, “Leases”.

Terms and Conditions – Bank Overdraft interest is charged at the bank’s benchmark rate.

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.

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		3. Employee Related		
		Employee related expenses comprise the following:		
-----	3,776	Salaries and Wages	288,393	70,630
-----	39	Superannuation [see note 2(a)] – defined benefit plans	10,486	2,841
-----	391	Superannuation [see note 2(a)] – defined contributions	17,192	4,105
-----	440	Long Service Leave [see note 2(a)]	10,640	2,795
-----	441	Annual Leave [see note 2(a)]	32,819	8,699
-----	-----	Redundancies	10	12
-----	-----	Workers Compensation Insurance	12,171	3,502
-----	6	Fringe Benefits Tax	155	613
-----	5,093		371,866	93,197
		The following additional information is provided:		
-----	4,049	Employee Related Expenses capitalised – Plant and Equipment	6,022	4,049
		4. Personnel Services		
		Personnel Services comprise the purchase of the following:		
288,393	66,854	Salaries and Wages	-----	-----
10,486	2,802	Superannuation [see note 2(a)] – defined benefit plans	-----	-----
17,192	3,714	Superannuation [see note 2(a)] – defined contributions	-----	-----
10,640	2,355	Long Service Leave [see note 2(a)]	-----	-----
32,819	8,258	Annual Leave [see note 2(a)]	-----	-----
10	12	Redundancies	-----	-----
12,171	3,502	Workers Compensation Insurance	-----	-----
155	607	Fringe Benefits Tax	-----	-----
371,866	88,104		-----	-----
		5. Other Operating Expenses		
6,715	704	Domestic Supplies and Services	6,715	704
646	15	Food Supplies	646	15
3,540	355	Fuel, Light and Power	3,540	355
47,429	15,607	General Expenses (See (a) below)	47,429	15,607
43,520	23,701	Information Management Expenses	43,520	23,701
2,182	804	Insurance	2,182	804
		Maintenance (See (b) below)		
4,712	13,156	– Maintenance Contracts	4,712	13,156
6,829	3,261	– New/Replacement Equipment under Capitalisation threshold	6,829	3,261
12,947	3,748	– Repairs	12,947	3,748
116	1	– Maintenance/Non Contract	116	1
1,387	55	– Other	1,387	55
7,361	1,964	Medical and Surgical Supplies	7,361	1,964
7,585	1,756	Postal and Telephone Costs	7,585	1,756
1,368	546	Printing and Stationery	1,368	546
1,287	1	Rates and Charges	1,287	1
3,517	1,759	Rental	3,517	1,759
1,148	346	Staff Related Costs	1,148	346
38,523	9,059	Ambulance Aircraft Expenses	38,523	9,059
1,565	526	Travel Related Costs	1,565	526
52	-----	Special Service Departments	52	-----
192,429	77,364		192,429	77,364

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		(a) General Expenses include:		
322	141	Advertising	322	141
-----	151	Catering Costs	-----	151
-----	1,055	Contractors	-----	1,055
-----	169	Debt Collection	-----	169
-----	1,542	Fuel and Oil	-----	1,542
-----	1,943	Interstate Transport Refunds	-----	1,943
385	15	Books, Magazines and Journals	385	15
638	112	Legal Expenses	638	112
-----	467	Officers Uniforms	-----	467
1,205	607	Consultancies, Operating Activities	1,205	607
844	4	Courier and Freight	844	4
216	50	Auditor's Remuneration – Audit of financial reports	216	50
-----	106	Legal Services	-----	106
30	3	Membership/Professional Fees	30	3
19,986	5,157	Motor Vehicle Operating Lease Expense – minimum lease payments	19,986	5,157
252	280	Other Operating Lease Expense – minimum lease payments	252	280
-----	673	Relocation Costs	-----	673
8,235	186	Vehicle Registration/other Motor vehicle expenses	8,235	186
69	1	Payroll Services	69	1
154	16	Data Recording and Storage	154	16
15,093	2,929	Miscellaneous Expenses	15,093	2,929
47,429	15,607		47,429	15,607
		(b) Reconciliation Total Maintenance		
25,991	20,221	Maintenance expense – contracted labour and other (non employee related), included in Note 5	25,991	20,221
6,022	1,243	Employee related/Personnel Services maintenance expense included in Notes 3 and 4	6,022	1,243
32,013	21,464	Total maintenance expenses included in Notes 3, 4 and 5	32,013	21,464
		6. Depreciation and Amortisation		
6,749	1,693	Depreciation – Buildings	6,749	1,693
20,884	3,508	Depreciation – Plant and Equipment	20,884	3,508
8,287	-----	Amortisation – Intangible Assets	8,287	-----
35,920	5,201		35,920	5,201
		7. Grants and Subsidies		
569	97	Non Government Voluntary Organisations	569	97
287	1,038	Other	287	1,038
856	1,135		856	1,135
		8. Finance Costs		
121	6	Interest	121	6
121	6		121	6
		9. Sale of Goods and Services		
234	63	Fees for Medical Records	234	63
115,202	25,233	Patient Transport Fees	115,202	25,233
2,040	558	Use of Ambulance Facilities	2,040	558
161	39	Salary Packaging Fee	161	39
51,266	27,303	Shared Corporate Services	51,266	27,303
60,889	767	Other – Linen Service Revenues	60,889	767
642	-----	Other	642	-----
230,434	53,963		230,434	53,963

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		10. Investment Income		
1,409	583	Interest	1,409	583
610	152	Lease and Rental Income	610	152
2,019	735		2,019	735
		11. Grants and Contributions		
1,226	4,394	Industry Contributions/Donations	1,226	4,394
10,591	2,802	Other Grants	105	-----
11,817	7,196		1,331	4,394
		12. Other Revenue		
		Other Revenue comprises the following:		
219	35	Bad Debts recovered	219	35
51	65	Conference and Training Fees	51	65
10	-----	Sale of Merchandise	10	-----
6,844	-----	Treasury Managed Fund Hindsight Adjustment	6,844	-----
1,904	2,476	Other	1,904	2,476
9,028	2,576		9,028	2,576
		13. Gain/(Loss) on Disposal of Non Current Assets		
24,970	9,822	Property Plant and Equipment	24,970	9,822
(20,745)	(7,698)	Less Accumulated Depreciation	(20,745)	(7,698)
4,225	2,124	Written Down Value	4,225	2,124
(503)	(2,222)	Less Proceeds from Disposal	(503)	(2,222)
(3,722)	98	Gain/(Loss) on Disposal of Property Plant and Equipment	(3,722)	98
273	158	Assets Held for Sale	273	158
(638)	(319)	Less Proceeds from Disposal	(638)	(319)
365	161	Gain/(Loss) on Disposal of Assets Held for Sale	365	161
(3,357)	259	Total Gain/(Loss) on Disposal	(3,357)	259
		14. Other Gains/(Losses)		
(12,777)	(2,948)	Impairment of Receivables	(12,777)	(2,948)
(12,777)	(2,948)		(12,777)	(2,948)

	PARENT AND CONSOLIDATED 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	2	422	424
Contributions recognised in previous years which were not expended in the current financial year	242	1,574	1,816
Total amount of unexpended contributions as at balance date	244	1,996	2,240

Comment on restricted assets appears in Note 24.

16 Programs/Activities of the Health Administration Corporation

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, wellbeing 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
Objective To improve or maintain the wellbeing 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 wellbeing of the people of New South Wales.

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		17. Current Assets – Cash and Cash Equivalents		
12,455	8,341	Cash at bank and on hand	12,455	8,341
17,002	8,404	Short Term Deposits	17,002	8,404
29,457	16,745		29,457	16,745
		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:		
29,457	16,745	Cash and cash equivalents (per Balance Sheet)	29,457	16,745
-----	(156)	Bank overdraft *	-----	(156)
29,457	16,589	Closing Cash and Cash Equivalents (per Cash Flow Statement)	29,457	16,589
		* HAC divisions are not allowed to operate bank overdraft facilities. The amounts disclosed as "bank overdrafts" meet Australian Accounting Standards reporting requirements, however the relevant controlled divisions of HAC are in effect utilising and operating commercially available banking facility arrangements to their best advantage. The total of these facilities is a credit balance which is inclusive of cash at bank and investments.		
		18. Current/Non Current Receivables		
		Current		
12,952	167	(a) Sale of Goods and Services	12,952	167
24,963	17,749	Patient Transport fee	24,963	17,749
377	1,883	Leave Mobility	377	1,883
7,002	2,181	Goods and Services Tax	7,002	2,181
7,229	4,391	NSW Department of Health	7,229	4,391
3,167	2,971	Other Debtors	3,167	2,971
8,558	12,544	Intra Health	8,558	12,544
64,248	41,886	Sub Total	64,248	41,886
(15,629)	(11,842)	Less Allowance for impairment	(15,629)	(11,842)
48,619	30,044	Sub Total	48,619	30,044
6,239	9,499	Prepayments	6,239	9,499
54,858	39,543		54,858	39,543
		(b) Impairment of Receivables during the year		
8,990	2,771	– Current receivables, Sale of Good and Services	8,990	2,771
8,990	2,771		8,990	2,771
		Non Current		
652	488	Prepayments	652	488
652	488		652	488
		19. Inventories		
		Current – at cost		
-----	614	Uniform	-----	614
-----	285	Fuel and Oil	-----	285
627	621	Medical and Surgical Supplies	627	621
1,171	361	Motor Vehicle Parts and Other	1,171	361
1,798	1,881		1,798	1,881
		20. Non Current Assets Held for Sale		
2,426	1,616	Assets Held for Sale Land and Buildings	2,426	1,616
2,426	1,616		2,426	1,616
		21. Current/Non Current Assets – Other Financial Assets		
		Current		
1,763	-----	Advances Receivable – Intra Health	1,763	-----
		Non Current		
6,173	-----	Advances Receivable – Intra Health	6,173	-----

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		22. Property, Plant and Equipment		
		Land and Buildings		
337,349	287,202	Gross Carrying Amount	337,349	287,202
(153,986)	(124,664)	Less Accumulated depreciation and impairment	(153,986)	(124,664)
183,363	162,538	Net Carrying Amount at Fair Value	183,363	162,538
		Plant and Equipment		
210,604	112,303	Gross Carrying Amount	210,604	112,303
(100,630)	(48,485)	Less Accumulated depreciation and impairment	(100,630)	(48,485)
109,974	63,818	Net Carrying Amount at Fair Value	109,974	63,818
		Infrastructure Systems		
180	-----	Gross Carrying Amount	180	-----
(84)	-----	Less Accumulated depreciation and impairment	(84)	-----
96	-----	Net Carrying Amount at Fair Value	96	-----
293,433	226,356	Total Property, Plant and Equipment Net Carrying Amount at Fair Value	293,433	226,356

	PARENT AND CONSOLIDATED				
	Land $000	Buildings $000	Plant and Equipment $000	Infrastructure Systems $000	Total $000
22. Property, Plant and Equipment Reconciliations					
2007					
Carrying amount at start of year	60,072	102,466	63,818	-----	226,356
Additions	493	4,114	32,254	-----	36,861
Asset Held for Sale	(524)	(559)	-----	-----	(1,083)
Disposals	(419)	-----	(3,806)	-----	(4,225)
Administrative restructures – transfers in (out)	7,185	19,049	36,827	96	63,157
Reclassifications	522	(2,287)	1,765	-----	-----
Depreciation expense	-----	(6,749)	(20,884)	-----	(27,633)
Net Carrying amount at end of year	67,329	116,034	109,974	96	293,433
2006					
Carrying amount at start of year	-----	-----	6	-----	6
Additions	-----	4,654	25,998	-----	30,652
Disposals	(840)	(4,125)	(4,857)	-----	(9,822)
Administrative restructures – transfers in (out)	51,301	68,754	41,672	-----	161,727
Adjustment of depreciation concerning disposals	-----	3,191	4,507	-----	7,698
Net revaluation increment less revaluation decrements recognised in reserves	9,611	31,685	-----	-----	41,296
Depreciation expense	-----	(1,693)	(3,508)	-----	(5,201)
Net Carrying amount at end of year	60,072	102,466	63,818	-----	226,356

Land and Buildings for the Ambulance Service of NSW were revalued by the NSW Department of Commerce, Property Valuation Services as at 31 May 2006.

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		23. Intangible Assets		
		Software		
84,626	70,799	Gross Carrying Amount	84,626	70,799
(33,007)	(24,719)	Less Accumulated Amortisation and Impairment	(33,007)	(24,719)
51,619	46,080	Total Intangible Assets	51,619	46,080

	PARENT AND CONSOLIDATED Software $000	PARENT AND CONSOLIDATED Total $000
23. Intangibles – Reconciliation		
2007		
Net Carrying amount at start of year	46,080	46,080
Additions (from internal development or acquired separately)	13,826	13,826
Amortisation (recognised in depreciation and amortisation)	(8,287)	(8,287)
Net Carrying amount at end of year	51,619	51,619
2006		
Net Carrying amount at start of year	-----	-----
Additions (from internal development or acquired separately)	22,445	22,445
Transfers from Department of Health Parent Entity	23,635	23,635
Net Carrying amount at end of year	46,080	46,080

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		24. Restricted Assets		
		Category		
2,240	2,277	Specific Purposes	2,240	2,277
2,240	2,277		2,240	2,277
		The assets are only available for application in accordance with the terms and conditions of the donor restrictions.		
		25. Payables		
		Current		
-----	-----	Accrued Salaries and Wages	5,797	3,230
-----	-----	Payroll Deductions	5,274	6,333
34,712	29,994	Creditors	34,712	29,994
-----	196	Refundable Deposits	-----	196
		Other Creditors		
1,119	1,199	– Capital Works	1,119	1,199
1,565	1,793	– Intra Health Liability	1,565	1,793
9,302	-----	– Other	9,302	-----
11,071	9,563	Personnel Service Liability	-----	-----
57,769	42,745		57,769	42,745

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		26. Current/Non Current Borrowings		
		Current		
-----	156	Bank Overdraft	-----	156
3,420	16,555	Loans and Deposits – NSW Department of Health	3,420	16,555
3,420	16,711		3,420	16,711
		Non Current		
3,093	-----	Loans and Deposits – NSW Department of Health	3,093	-----
3,093	-----		3,093	-----
		Repayment of Borrowings (excluding Finance Leases)		
3,420	16,711	Not later than one year	3,420	16,711
3,093	-----	Between one and five years	3,093	-----
6,513	16,711	Total Borrowings at face value (excluding Finance Leases)	6,513	16,711
		27. Provisions		
		Current Employee benefits and related on-costs		
-----	-----	Employee Annual Leave – Short Term Benefit	27,331	28,210
-----	-----	Employee Annual Leave – Long Term Benefit	25,990	12,699
-----	-----	Employee Long Service Leave – Short Term Benefit	6,887	4,272
-----	-----	Employee Long Service Leave – Long Term Benefit	61,260	51,234
121,468	96,415	Provision for Personnel Services Liability	-----	-----
121,468	96,415	Total Current Provisions	121,468	96,415
		Non Current Employee benefits and related on-costs		
-----	-----	Employee Long Service Leave – Conditional	3,716	2,395
-----	-----	Sick Leave	46	121
3,762	2,516	Provision for Personnel Services Liability	-----	-----
3,762	2,516	Total Non Current Provisions	3,762	2,516
		Aggregate Employee Benefits and Related On-costs		
121,468	96,415	Provisions – current	121,468	96,415
3,762	2,516	Provisions – non-current	3,762	2,516
-----	-----	Accrued Salaries and Wages and on costs (Note 25)	11,071	9,563
11,071	9,563	Accrued Liability – Purchase of Personnel Services (Note 25)	-----	-----
136,301	108,494		136,301	108,494
		As indicated in Note 2 a) (i) and (ii) 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		
2,424	968	Income in Advance	2,424	968
2,424	968		2,424	968

	Note	Accumulated Funds 2007 $000	Accumulated Funds 2006 $000	Asset Revaluation Reserve 2007 $000	Asset Revaluation Reserve 2006 $000	Total Equity 2007 $000	Total Equity 2006 $000
		PARENT AND CONSOLIDATED					
29. Equity							
Balance at the beginning of the financial reporting period		132,058	(364)	41,296	-----	173,354	(364)
Changes in equity – transactions with owners as owners							
Increase in Net Assets from Administrative Restructure		62,708	103,577	-----	-----	62,708	103,577
Correction of Errors	36	-----	(5,481)	-----	-----	-----	(5,481)
Total		194,766	97,732	41,296	-----	236,062	97,732
Changes in equity – other than transactions with owners as owners							
Result for the year		14,181	34,795	-----	-----	14,181	34,795
Correction of Errors	36	-----	(469)	-----	-----	-----	(469)
Increment/(Decrement) on Revaluation of: Land and Buildings	22	-----	-----	-----	41,296	-----	41,296
Total		14,181	34,326	-----	41,296	14,181	75,622
Balance at the end of the financial reporting period		208,947	132,058	41,296	41,296	250,243	173,354

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).

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
		30. Commitments for Expenditure		
		(a) Capital Commitments		
		Aggregate capital expenditure for the acquisition of land and buildings, plant and equipment, infrastructure and intangible assets contracted for at balance date and not provided for:		
834	327	Not later than one year	834	327
834	327	Total Capital Expenditure Commitments (including GST)	834	327
		(b) Other Expenditure Commitments		
		Aggregate other expenditure contracted for at balance date but not provided for in the accounts:		
27,511	3,396	Not later than one year	27,511	3,396
71,760	-----	Later than one year and not later than five years	71,760	-----
33,810	-----	Later than five years	33,810	-----
133,081	3,396	Total Other Expenditure Commitments (including GST)	133,081	3,396
		Other Expenditure Commitments principally relate to contracts for the provision of ambulance transports and information technology supplies.		
		(c) Operating Lease Commitments		
		Commitments in relation to non-cancellable operating leases are payable as follows:		
24,947	18,375	Not later than one year	24,947	18,375
52,345	38,543	Later than one year and not later than five years	52,345	38,543
241	1,383	Later than five years	241	1,383
77,533	58,301	Total Operating Lease Commitments (including GST)	77,533	58,301
		The above leases predominantly relate to motor vehicles and premises of the Ambulance Service of NSW.		
		(d) Contingent Asset related to Commitments for Expenditure		
		The Total " Expenditure Commitments" above includes input tax credits of $19.223 million for 2006/07 in relation to both Parent and Consolidated entities that are expected to be recoverable from the Australian Taxation Office. The comparatives for 2005/06 are $5.639 million for both the Parent and Consolidated entities.		

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000

31. Contingent Liabilities

(a) Claims on Managed Fund

Since 1 July 1989, the Ambulance Service of NSW (established as a division of HAC with effect from 17 March 2006) has been a member of the NSW Treasury Managed Fund. Other divisions of HAC are also covered from the time of their inception. The Fund will pay to or on behalf of 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 2000/01 fund year and an interim adjustment for the 2002/03 fund year were not calculated until 2006/07. As a result, the 2001/02 final and 2003/04 interim hindsight calculations applicable to the Ambulance Service of NSW will be paid in 2007/08.

32. Reconciliation Of Net Cost Of Services To Net Cash Flows from Operating Activities

PARENT 2007 $000	PARENT 2006 $000		CONSOLIDATED 2007 $000	CONSOLIDATED 2006 $000
70,522	42,700	Net Cash Flows from Operating Activities	70,522	42,700
(35,920)	(5,201)	Depreciation	(35,920)	(5,201)
(12,777)	(2,948)	Impairment of Receivables	(12,777)	(2,948)
-----	(46)	Acceptance by the Crown Entity of Employee Superannuation Benefits	(10,486)	(2,848)
(26,299)	(7,754)	(Increase)/Decrease in Provisions	(26,299)	(7,754)
(83)	236	Increase/(Decrease) in Inventories	(83)	236
34,521	3,302	Increase/(Decrease) in Receivables	34,521	3,302
(3,095)	19,046	Increase/(Decrease) in Prepayments and Other Assets	(3,095)	19,046
(16,560)	(19,431)	(Increase)/Decrease in Creditors	(16,560)	(19,431)
(315,896)	(89,707)	NSW Department of Health Recurrent Allocations	(315,896)	(89,707)
(55,084)	(55,703)	NSW Department of Health Capital Allocations	(55,084)	(55,703)
-----	125	Asset Sale Proceeds transferred to the NSW Department of Health	-----	125
(3,357)	259	Net Gain/(Loss) on Disposal of Non-Current Assets	(3,357)	259
(364,028)	(115,122)	Net Cost of Services	(374,514)	(117,924)

33. Unclaimed Moneys

Consolidated
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 – Parent and Consolidated

Parent and Consolidated

Net Cost of Services
The actual Net Cost of Services was lower than budget by $5.6 million, this was primarily due to increased Sale of Goods and Services.

Result for the Year
The result for the year was favourable by $2.7 million again reflecting the increased Sale of Goods and Services and a reduction in Capital drawdowns.

Assets and Liabilities
The variation from Budget is only $3.3 million for Net Assets

Cash Flows
Cash increased above budget by $3.8 million reflecting a combination of Net Cash Flows from Operating Activities ($4.7 million), decreased cash from Investing Activities $4.0 million and reduced inflows from Financing Activities ($3.1 million).

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 financial assets and liabilities both recognised and unrecognised, at the Balance Sheet date are as follows: (Interest rate risks and effective interest rates are disclosed in Note 2(s).

PARENT AND CONSOLIDATED			Fixed interest rate maturing in:								Total carrying amount as	
Financial instruments	Floating interest rate		1 year or less		Over 1 to 5 years		More than 5 years		Non-interest bearing		per the Balance Sheet	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
35. Financial Instruments												
(a) Interest Rate Risk												
Financial Assets												
Cash	14,962	13,076	14,440	3,620	-----	-----	-----	-----	55	49	29,457	16,745
Receivables	-----	-----	-----	-----	-----	-----	-----	-----	48,619	30,044	48,619	30,044
Other Loans and Deposits – Other	-----	-----	1,763	-----	5,667	-----	506	-----	-----	-----	7,936	-----
Total Financial Assets	14,962	13,076	16,203	3,620	5,667	-----	506	-----	48,674	30,093	86,012	46,789
Financial Liabilities												
Borrowing – Bank Overdraft	-----	156	-----	-----	-----	-----	-----	-----	-----	-----	-----	156
Borrowing – Other	6,513	-----	-----	-----	-----	-----	-----	-----	-----	16,555	6,513	16,555
Payables	-----	-----	-----	-----	-----	-----	-----	-----	57,769	42,745	57,769	42,745
Other	-----	-----	-----	-----	-----	-----	-----	-----	2,424	968	2,424	968
Total Financial Liabilities	6,513	156	-----	-----	-----	-----	-----	-----	60,193	60,268	66,706	60,424

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 Balance Sheet.

Credit Risk by classification of counterparty.

CONSOLIDATED	Governments		Banks		Patients		Other		Total	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
35. Financial Instruments										
(b) Credit Risk										
Financial Assets										
Cash	2,932	5,254	26,523	11,488	-----	-----	2	3	29,457	16,745
Receivables	36,390	20,963	-----	-----	9,334	5,907	2,895	3,174	48,619	30,044
Other Loans and Deposits	7,936	-----	-----	-----	-----	-----	-----	-----	7,936	-----
Total Financial Assets	47,258	26,217	26,523	11,488	9,334	5,907	2,897	3,177	86,012	46,789

c) Derivative Financial Instruments

The Health Administration Corporation holds no Derivative Financial Instruments.

36. Prior Period Errors

In 2006/07 the Department of Health determined the need to make allowance for on costs which need to be paid on the settlement of annual leave liability. This resulted in the application of an on cost of 21.7 per cent as reported in Note 2(a).

The provisions of AASB 119, Employee Benefits and Treasury's Financial Reporting Code for Budget Dependent General Government Sector agencies, as pre-existing in 2005/06, recognised the need to include such on costs and therefore the on costs now recognised have been brought to account as "Prior Period Errors". The 2005/06 result was $5.950 million of which $5.481 million related to balances transferred in for the Ambulance Service of NSW at 17 March 2006. $0.469 million relates to the period 17 March 2006 to 30 June 2006 with expenses and revenues being restated accordingly.

37. After Balance Date Events

The Health Infrastructure Office was established with effect from 1 July 2007 as an administrative unit within the Public Health System Support Division of the Health Administrative Corporation and is to be responsible for a broad range of asset services in connection with public health organisations, eg the management and co-ordination of Government approved capital works projects.

END OF AUDITED FINANCIAL STATEMENTS

Independent Audit Report

Health Administration Corporation Special Purpose Service Entity

for the year ended 30 June 2007

GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

HEALTH ADMINISTRATION CORPORATION SPECIAL PURPOSE SERVICE ENTITY

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Health Administration Corporation Special Purpose Service Entity (the Entity), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Entity as of 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 45E of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

Director-General's Responsibility for the Financial Report

The Director-General of the Department of Health is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Director-General, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

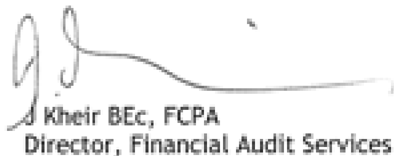
My opinion does *not* provide assurance:

- about the future viability of the Entity,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A 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.



J Kheir BEc, FCPA
Director, Financial Audit Services

3 December 2007
SYDNEY

Certification of Accounts

Health Administration Corporation Special Purpose Service Entity

for the year ended 30 June 2007

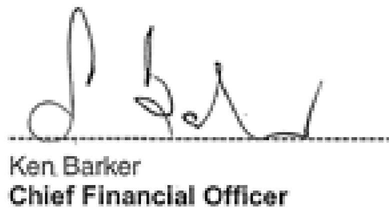
CERTIFICATE OF ACCOUNTS

Pursuant to Section 45(F) of the Public Finance and Audit Act 1983 (the Act), we state that:

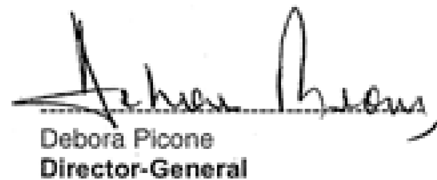
(i) The attached financial statements of the Health Administration Corporation (HAC) Special Purpose Service Entity for the year ended 30 June 2007 have been prepared in accordance with the requirements of applicable Australian Accounting Standards, the requirements of the Public Finance and Audit Act 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 HAC Special Purpose Service Entity.

(iii) There are no circumstances which would render any particulars in the accounts to be misleading or inaccurate.



Ken Barker
Chief Financial Officer



Debora Picone
Director-General

29 November 2007

Income statement

Health Administration Corporation Special Purpose Service Entity

for the year ended 30 June 2007

	2007 $000	2006 $000
INCOME		
Personnel Services	361,380	85,302
Acceptance by the Crown Entity of Employee Superannuation Benefits	10,486	2,802
Total income 371,866	88,104	
EXPENSES		
Salaries and Wages	288,393	66,854
Superannuation – Defined Benefit Plans	10,486	2,802
Superannuation – Defined Contributions	17,192	3,714
Long Service Leave	10,640	2,355
Annual Leave	32,819	8,258
Redundancy	10	12
Workers Compensation Insurance	12,171	3,502
Fringe Benefits Tax	155	607
Total Expenses	371,866	88,104
RESULT FOR THE YEAR -----	-----	

The accompanying notes form part of these Financial Statements

Statement of recognised income and expenses

Health Administration Corporation Special Purpose Service Entity

for the year ended 30 June 2007

	2007 $000	2006 $000
Opening Equity	-----	-----
Result for the Year	-----	-----
TOTAL INCOME AND EXPENSE RECOGNISED FOR THE YEAR	-----	-----

The accompanying notes form part of these Financial Statements

Balance sheet

Health Administration Corporation Special Purpose Service Entity

as at 30 June 2007

	Notes	2007 $000	2006 $000
ASSETS			
Current Assets			
Receivables	2	132,539	105,978
Total Current Assets		132,539	105,978
Non-Current Assets			
Receivables	2	3,763	2,516
Total Non-Current Assets		3,763	2,516
Total Assets	136,302	108,494	
LIABILITIES			
Current Liabilities			
Payables	3	11,071	9,563
Provisions	4	121,468	96,415
Total Current Liabilities		132,539	105,978
Non-Current Liabilities			
Provisions	4	3,763	2,516
Total Non-Current Liabilities		3,763	2,516
Total Liabilities		136,302	108,494
Net Assets		-----	-----
EQUITY			
Accumulated funds		-----	-----
Total Equity	-----	-----	

The accompanying notes form part of these Financial Statements

Cash flow statement

Health Administration Corporation Special Purpose Service Entity

for the year ended 30 June 2007

	2007 $000	2006 $000
NET CASH FLOWS FROM OPERATING ACTIVITIES	-----	-----
NET INCREASE/(DECREASE) IN CASH	-----	-----
Opening Cash and Cash Equivalents	-----	-----
CLOSING CASH AND CASH EQUIVALENTS	-----	-----

The Special Purpose Service Entity does not hold any cash or cash equivalent assets and therefore there are nil cash flows.

The accompanying notes form part of these Financial Statements

Notes to and forming part of the Financial Statements

Health Administration Corporation Special Purpose Service Entity

for the year ended 30 June 2007

1. Summary of Significant Accounting Policies

(a) Reporting Entity

The Health Administration Corporation (HAC) Special Purpose Service Entity is a Division 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 Ambulance Service of NSW, HealthTechnology, the NSW Institute of Medical Education and Training and HealthSupport. 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 which at that time included the Ambulance Service of NSW, HealthTechnology and the NSW Institute of Medical Education and Training. The HealthSupport unit was established on 1 November 2005 to provide Health Services with financial, payroll, linen, food and other services. Because of the limited extent of its operation in 2005/06 Treasury provided approval for HAC to commence reporting of HealthSupport in the 2006/07 year.

The financial report was authorised for issue by the Chief Executive on 29 November 2007.

(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.

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

Comparative information for the previous year is from 17 March 2006 to 30 June 2006.

(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 Service 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" 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". On costs of 21.7 per cent are applied to the value of leave payable at 30 June 2007 inclusive of the 4 per cent award increase payable from 1 July 2007, such on costs being consistent with actuarial assessment.

Long Service Leave provisions are measured on a short hand basis at an escalated rate of 8.1 per cent inclusive of the 4 per cent payable from 1 July 2007 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

"AASB-2007.04, Amendments to Australians Accounting Standards arising from ED151 and other amendments, has application for accounting periods commencing on or after 1 July 2007. The standard is not being early adopted in 2006/07 and the new options available in the standard will not be applied.

AASB123, Borrowing Costs, has application in reporting years beginning on or after 1 January 2009. The Standard, which requires capitalisation of Borrowing Costs has not been adopted in 2006/07 nor is adoption expected prior to 2009/10.

AASB101, Presentation of Financial Statements, has reduced the disclosure requirements for various reporting entities. However, In not for profit entities such as the HAC Special Purpose Service Entity there is no change required.

AASB7 Financial Instruments: Disclosures locates all disclosure requirements for financial instruments within the one standard. The Standard has application for annual reporting periods beginning on or after 1 January 2007. The Standard will not be early adopted and has no differential impact."

	2007 $000	2006 $000
2. Current/Non Current Receivables		
Current		
Accrued Income – Personnel Services Provided	132,539	105,978
Total Current Receivable 132,539	105,978	
Non Current		
Accrued Income Personnel Services Provided	3,763	2,516
Total Non Current Receivable 3,763	2,516	
3. Payables		
Current		
Accrued Salary and Wages	5,797	3,230
Payroll Deductions	5,274	6,333
Total Current Payables	11,071	9,563
4. Provisions		
Current Employee benefits and related on-costs		
Employee Annual Leave – Short-Term Benefit	27,331	28,210
Employee Annual Leave – Long-Term Benefit	25,990	12,699
Employee Long Service Leave – Short-Term Benefit	6,887	4,272
Employee Long Service Leave – Long-Term Benefit	61,260	51,234
Total Current Provisions 121,468	96,415	
Non Current Employee benefits and related on-costs		
Employee Long Service Leave – Conditional	3,717	2,395
Employee Sick Leave	46	121
Total Non Current Provisions 3,763	2,516	
Aggregate Employee Benefits and Related On-costs		
Provisions – current	121,468	96,415
Provisions – non-current	3,763	2,516
Accrued Liability, Purchase of Personnel Services (Note 3)	11,071	9,563
	136,302	108,494

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:

Floating interest rate			Fixed interest rate maturing in:								Total carrying amount as	
	1 year or less		Over 1 to 5 years		More than 5 years		Non-interest bearing		per the Balance Sheet			
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
5. Financial Instruments												
(a) Interest Rate Risk												
Financial Assets												
Receivables	-----	-----	-----	-----	-----	-----	-----	-----	136,302	108,494	136,302	108,494
Total Financial Assets	-----	-----	-----	-----	-----	-----	-----	-----	136,302	108,494	136,302	108,494
Financial Liabilities												
Payables	-----	-----	-----	-----	-----	-----	-----	-----	11,071	9,563	11,071	9,563
Total Financial Liabilities	-----	-----	-----	-----	-----	-----	-----	-----	11,071	9,563	11,071	9,563

Weighted average effective interest rate is not applicable for non interest bearing financial instruments.

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.

CONSOLIDATED	Governments		Banks		Patients		Other		Total	
	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000	2007 $000	2006 $000
(b) Credit Risk										
Financial Assets										
Receivables	136,302	108,494	-----	-----	-----	-----	-----	-----	136,302	108,494
Total Financial Assets	136,302	108,494	-----	-----	-----	-----	-----	-----	136,302	108,494

(c) Derivative Financial Instruments

The HAC Special Purpose Entity holds no Derivative Financial Instruments.

6. Prior Period Errors

"In 2006/07 the Department of Health determined the need to make allowance for on costs which need to be paid on the settlement of annual leave liability. This resulted in the application of an on cost of 21.7 per cent as reported in Note 1(h).

The provisions of AASB 119, Employee Benefits and Treasury's Financial Reporting Code for Budget Dependent General Government Sector agencies, as pre-existing in 2005/06, recognised the need to include such on costs and therefore the on costs now recognised have been brought to account as "Prior Period Errors". The increase in the leave provision was fully offset by an increase in Receivables and the adjustment had no effect on Equity."

7. After Balance Date Events

The Health Infrastructure Office was established with effect from 1 July 2007 as an administrative unit within the Public Health System Support Division of the Health Administration Corporation and is to be responsible for a broad range of asset services in connection with public health organisations, eg the management and co-ordination of Government approved Capital Works projects. The range of personnel services provided by the HAC Special Purpose Service Entity will be extended to the Health Infrastructure Office.

END OF AUDITED FINANCIAL STATEMENTS

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Our commitment to service

NSW Health is committed to providing the people of NSW with the best possible healthcare. Our commitment to service explains what you can expect from the NSW public health system as an Australian resident, no matter who you are or where you live in NSW.

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 healthcare 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 100 km (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.

Code of Conduct

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.

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 or 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 healthcare.
- 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.

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 10 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.
  - 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.
- 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 7 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 7 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.

10.0 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.

11.0 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 branch. The complete NSW Health Code of Conduct is available on the NSW Health web site, including Part 2 – Explanatory Information – NSW Health Code of Conduct.

Commitment to women's health

The NSW Women's Health Strategy, funded through the Public Health Outcomes Framework 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 how the diverse roles and backgrounds of women impact on their health outcomes. NSW Health funds, implements and monitors a range of initiatives to improve the health and wellbeing of women in NSW.

Having a baby

The Having a Baby book, a major resource for pregnant women, their families and health professionals, was developed and released in 2007. It provides evidence-based, best practice information about pregnancy, childbirth, the post-natal period, promoting maternal, infant health and wellbeing.

The book is available free of charge to all women booking into a NSW public hospital for birth and has also been translated into five languages.

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 2006/07 NSW Health contributed $650,000 towards the initiative.

Female genital mutilation

In 2006/07 NSW Health allocated $205,500 to the NSW Education Program on Female Genital Mutilation. The program adopts a human rights approach to working with new and existing communities, key stakeholders and service providers to prevent the occurrence of female genital mutilation in NSW and to minimise the harmful effects to women and girls who have experienced female genital mutilation prior to arrival in Australia.

The Program includes 110 members of the medical profession including midwives, radiographers, social workers, counsellors, child protection and refugee health staff who have gained skills and knowledge about working with female genital mutilation affected communities.

The 2007 Zero Tolerance Day provided an opportunity for over 100 women from female genital mutilation practicing communities to come together to discuss ways of preventing the practice from occurring to their children and others within their respective communities.

A regional outreach strategy, between key regional service providers in and around Coffs Harbour, aims to facilitate access to the health system and other services for communities living in the area that are affected by female genital mutilation practices.

The Women's Health and Traditions in a New Society Program

The Women's Health and Traditions in a New Society Program has approximately 100 participants from Sudanese, Somali, Sierra Leonian and Egyptian backgrounds. Seven bi-lingual workers from communities including Iraq, Kenya, Somalia, Liberia and Ethiopia have been trained to conduct the program within their communities.

Other highlights

A variety of projects across NSW Area Health Services achieved significant progress in improving women's health in 2006/07. A number of these projects were supported by Public Health Outcome Funding Agreements administered by NSW Health.

- Following reports of significantly lower breast and cervical screening rates for Macedonian women living in the South Eastern Sydney Illawarra Area Health Service area, a project has been established to raise awareness. The employment of a Macedonian Women's Health project officer has enabled the formation of a Macedonian Advisory Committee overseeing a range of promotional activities. The partnership is showing an increase in the numbers of Macedonian women having pap tests and being encouraged to attend breast screening.

- LOVE BiTES is a school-based early intervention and prevention program in the North Coast Area Health Service, focusing on sexual assault and family violence. LOVE BiTES was awarded a certificate of merit at the Australian Crime Prevention Awards.
- The Aboriginal Women's Outreach Clinic in Eurobodalla, is a formalised collaboration project between the Aboriginal health worker and the women's health nurse reaching out to women living in small and isolated communities. The aim of the clinic is to improve access to health services and to encourage breast and cervical screening rates amongst Aboriginal women. In 2006/07, 36 Aboriginal women accessed the clinic.
- A 17-minute DVD was developed in five community languages to encourage women from these communities to see their GPs as soon as they think they may be pregnant. The project aims to prevent health inequalities between groups of women at entry to antenatal care and to reduce adverse pregnancy-related outcomes.
- The newly established gender research awareness consultation education project is for Greater Southern Area Health Service staff to learn about gender and health outcomes.
- The Malabar Midwifery Link Service is a community based midwifery service in South Eastern Sydney Illawarra Area Health Service. The Aboriginal component of the service has enabled the delivery of outreach midwifery, child health and paediatric clinic at the new La Peruse community health centre, including a dedicated position for a qualified Aboriginal midwife.
- In South Eastern Sydney Illawarra Area Health Service, two cross-cultural workers are working to increase Lebanese and Indonesian women's early access to maternity and early parenting services.
- The 'Invisible Sentence' project is a partnership between hospital social workers, the women's health nurse and the Department of Corrective Services in Greater Southern Area Health Service. It was set up to provide support and information to women with partners in prison.
- South Eastern Sydney Illawarra Area Health Service has established the Bilingual Community Education Program. The Program is an opportunity for women from a range of cultural and linguistically diverse backgrounds to train as bilingual community health educators.
- Botany and East Nowra community development programs focus on building partnership for health between local councils and relevant government and non-government agencies to address broader issues of health in disadvantaged communities. Each program uses a community development model and health promotion strategies to empower women in disadvantaged communities to address issues impacting on their health outcomes.

Future initiatives

- Development of the NSW Health Women's Health Strategic Implementation Plan. The plan will set health priorities for all women in NSW with the aim to reduce health inequities, improve women's wellbeing and health outcomes and encourage the health system to be more responsive to the diverse needs of women.

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 healthcare. 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 HCAC met six times in 2006/07 and focussed on the priorities set by the Minister. The Council discussed and provided advice on the following priority issues during the year:

- Strategic planning initiatives including the NSW State Plan, State Health Plan and futures planning.
- Mental health
- Service delivery models for primary and community healthcare
- Workforce – the role of general practitioners
- Service delivery models for trauma
- The Population Health Priority Taskforce work plan
- Creating better experiences – improving access to quality and safe healthcare
- Prevention and early intervention – population health strategies
- Priorities for the Australian Health Care Agreement
- Aboriginal health.

Health Priority Taskforces

The Health Priority Taskforces provide advice to the Health Care Advisory Council, 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 3 (Significant Committees).

Area Health Advisory Councils

Area Health Advisory Councils 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.

In 2006/07, Area Health Advisory Councils and the Children's Hospital Advisory Council finalised their individual charters as required under the Health Services Act 1997 and published these on the websites of each of the Area Health Services and The Children's Hospital at Westmead.

These Councils also finalised their two-year work plans outlining activities against the performance indicators and these were provided to the Minister.

Area Health Advisory Councils, the Children's Hospital Advisory Council Chairs and Area Health Chief Executives also participated in two forums to discuss common issues and challenges including clinician and consumer engagement and communication pathways

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 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 Health Care Complaints Commission Complaints Resolution Service to help resolve the concern locally.

The Health Care Complaints Commission can be contacted at:

Locked Bag 18
Strawberry Hills NSW 2012
Telephone (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 healthcare 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.

Disability action plan

One in five Australians experiences some type of disability – physical, learning, intellectual or cognitive to name a few. People with a disability are as much a part of NSW Health as of the wider community.

NSW Health aims to create an inclusive workplace and harness the contribution and potential of all people, irrespective of ability. Strategies listed in its Disability Action Plan interrelate with those in the Department's broader Diversity and Equity Plan for the Workplace, and are also available within the Staff Handbook and on the corporate intranet site.

The Disability Action Plan was reviewed in 2006/07 and a revised Disability Action Plan is under development to be aligned with the Department's Corporate Strategic Plan 2006–2010 and an updated workplace Diversity and Equity Plan.

The recruitment process plays a key role in ensuring that NSW Health recruits from the entire talent pool and removes barriers to the recruitment of talented and skilled people with a disability. The current Disability Action Plan has specific strategies to identify positions into which these people may be recruited, and to use a merit-based selection process to do so.

The Department's current learning and development programs, including induction, staff selection techniques and workplace grievance management, have played a lead role in raising disability awareness by relaying information on anti-discrimination concepts and guidelines and fostering an inclusive workplace culture. The coaching and performance system assists managers and employees to identify learning and development needs and opportunities to access by professional development programs.

Learning and development programs planned for the next financial year will integrate information on:

- Diversity in the workplace and employment of people with disability
- Communicating and consulting with people with a disability
- Flexible and accessible services for people with a disability
- Developing information in alternative formats.

People with disabilities and their carers are able to utilise flexible work arrangements through the Department's flexible work hours agreement. The Department also promotes a workplace adjustment process for employees requiring modifications to their workstation or surrounding environment.

The Equity Advisory Committee for the workplace has been sustained for the past seven years, with staff representatives of key groups including those with disability. The Department's Occupational Health & Safety (OH&S) Committee is another forum at which all staff members may raise concerns and/or nominate themselves as OH&S Committee Members.

Members of an informal support network 'DoHAble' (Department of Health Able) have continued to work with representatives of other equity groups to organise lunchtime seminars on disability-related issues.

Equal employment opportunity

NSW Health maintains a firm commitment to equal employment opportunity and recruits and employs staff on the basis of merit and values. This ensures a diverse workforce, as well as a workplace culture where people are treated equally and fairly.

Significant Equal Employment Opportunity (EEO) outcomes for 2006/07 include:

- Progression of strategies in the Department's Diversity and Equity in the Workplace Management Plan, incorporating the EEO Plan; the Disability Action Plan; the Ethnic Affairs Priority Statement and the Aboriginal Workforce Development Plan.
- Maintenance of the Aboriginal Support Network web page, in conjunction with Aboriginal and Torres Strait Islander employees. This site provides details of the Network, its aims, terms of reference and membership, with links to related pages such as the 'Welcome to country protocols' policy and the publication Communicating positively, a guide to appropriate Aboriginal terminology.
- Continuation of a successful Spokeswomen Program to help improve equality in the workplace for women. In addition to International Women's Day celebrations, the program's major activity has been a public seminar series with topics including couple communication and financial planning.
- Journey of Healing activities organised by a Department-wide team, including a traditional smoking ceremony accompanied by songs from the didgeridoo.
- Commemoration of National Reconciliation Week, with a lunchtime film screening of two videos entitled Sorry Proof Country and Special Treatment.
- Commemoration of the 50th Anniversary of NAIDOC (National Aboriginal and Islander Day Observance Committee) Week 2007. This year's NAIDOC theme was '50 Years: Looking Forward, Looking Back'.

Equal Employment Opportunity Management Plan 2007/08

The Department provides an EEO Management Plan to the NSW Department of Premier and Cabinet each year in accordance with Part 9A of the Anti-Discrimination Act 1977. This plan seeks 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 2007/08:

- Provide support to members of the DoHAble network to lead consultations on disability needs and strategies. Disseminate information about the network, its meetings, relevant policies, entitlements, resources, details of seminars and other activities.
- Provide support to members of the Department's gay and lesbian network to raise awareness and provide information on relevant policies, entitlements, resources, details of seminars and other activities and working towards minimising heterosexism in the Department.
- Actively promote direct recruitment of people with a disability and the employment of Aboriginal and Torres 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	2007
Women	50%	59%	59%	59%	60%	63%	62%	62%
Aboriginal people and Torres Strait Islanders	2%	2.1%	1.5%	2%	2%	2.8%	1.6%	1.4%
People whose first language was not English	20%	18%	19%	20%	20%	19%	20%	21%
People with a disability	12%	4%	3%	4%	4%	4%	3%	4%
People with a disability requiring work-related adjustment	7%	1%	1%	1%	1%	0.9%	0.9%	1%

B. Trends in the distribution of EEO groups

EEO group	Benchmark or target	Distribution index						
		2001	2002	2003	2004	2005	2006	2007
Women	100%	91	90	90	95	95	96	95%
Aboriginal people and Torres Strait Islanders	100%	95	94	n/a	n/a	n/a	n/a	n/a
People whose first language was not English	100%	93	89	92	91	90	90	90%
People with a disability	100%	105	102	100	101	98	97	100%
People with a disability requiring work-related adjustment	100%	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Notes:

1 Staff numbers are 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.

4 The Distribution Index is not calculated where EEO group or non-EEO group numbers are less than 20.

Equal Employment Opportunity reporting for HealthSupport and HealthTechnology was not available at the time printing. This information will be available on the NSW Health website www.health.nsw.gov.au

Ethnic affairs priority statement

Achievements

Goal	Health Service	Project/Initiative	Achievements 2006/07
Keep people healthy	NSW Health	Report on adult health by county of birth	The report aims to support the planning, implementation and evaluation of health services and programs targeting people from culturally and linguistically diverse communities.
		Development and distribution of Family Matters booklet	The booklet was widely distributed among ethnic communities and includes information about the risks and impacts of drug and alcohol abuse.
		Resources for culturally and linguistically diverse communities on preventing falls	Resource material was developed to reduce the number of injuries caused by falls within the Polish, Turkish and Korean communities.
	South Eastern Sydney Illawarra Area Health Service	Arabic tobacco project	Development of an Arabic education package raising awareness of tobacco use to Year 5 students.
		St George Macedonian Mental Health Theatre Project	A play called Fear and Shame was written to promote positive messages about mental health in the Macedonian community.
		Parenting in Pacific Island communities	The MANA Parenting Program, based on the Tips for Parenting Skills program, was specifically adapted for use with Pacific Island people.
		Health information sessions for newly arrived refugees in the Illawarra	Twelve information sessions were held for 64 newly-arrived refugees regarding the Australian health system.
	Sydney South West Area Health Service	Healthy Kids mental health promotion initiative.	Audio and print versions of the Healthy Kids: The Parents Guide material was produced.
		Anti-smoking campaign targeting the Chinese community	Award-winning brochure features the internationally known actor Jackie Chan and encourages smokers to give up by providing a number of useful and practical tips.
To provide the healthcare people need	South Eastern Sydney Illawarra Area Health Service	General Practice collaborative care model for refugee families and children	Under the new service model refugees receive a comprehensive health assessment on arrival, full immunisation within 12 months of settlement and ongoing coordinated healthcare.
		Partners in residential care project	The pilot demonstrated practical ways in which relatives and staff can cooperate to provide high quality and culturally appropriate care to reduce the fears experienced by families from culturally and linguistically diverse communities.
		Cardiac story boards developed	The project aims to increase understanding of the patient experience and fosters dialogue between patient and staff.
	North Sydney Central Coast Area Health Service	Early childhood assessments of the needs of Tibetan refugees	A new model for delivering early childhood assessments was introduced for Tibetan refugees in the Dee Why area.

Goal	Health Service	Project/Initiative	Achievements 2006/07
To deliver high quality services	South Eastern Sydney Illawarra Area Health Service	Celebrating diversity conference	A total of 170 delegates attended a conference held to raise awareness among staff about the challenges of providing appropriate healthcare to culturally and linguistically diverse communities communities in the St George area.
		Chinese mental health project at St George and St Vincent's Hospitals	A study was completed regarding the attitudes of people from mainland China to mental illness.
		Diversity health leadership program	A kit was developed to support staff in leadership positions to deal more effectively with cultural diversity.
	North Sydney Central Coast Area Health Service	Enhance the skills of overseas trained doctors	A training program was conducted for 30 overseas trained doctors on sexual and reproductive health, including Pap tests, pelvic examination and breast examinations.
		Campaign to reduce Sexually Transmitted Infection (STIs)	A community awareness campaign was implemented targeting the female sex industry. Including STI educators kits to be used in education sessions with Thai and Chinese sex industry workers.
	Hunter and New England Area Health Service	New refugee health unit established	The unit provides the initial medical assessment for newly arrived refugees as well as immunisations, referrals and follow-up treatment for those who require it.
To manage health services better	Sydney West Area Health Service	Review of the Mental Health Outcome Assessment Tool	The review was conducted to make the tool accurate and appropriate for use with culturally and linguistically diverse communities.
	Hunter and New England Area Health Service	Ward visits in Tamworth Rural Referral Hospital	Printouts are provided to the staff of the Multicultural Health Unit of Tamworth Hospital and patients from culturally and linguistically diverse communities, to help them determine support needs and referral requirements.
		Improve access to interpreter services in hospital emergency departments	This initiative increased the percentage of patients born overseas presenting to emergency departments who requested an interpreter and received one, from 54 per cent to 79.3 per cent.
		Additional dental health service were established	In 2006 additional dental clinics were established and delivered on Saturdays in Armidale, Tamworth and Newcastle specifically targeting refugees with dental problems.

Planned Initiatives

Goal	Health Service	Project/Initiative	Initiative planned for 2007/08
To keep people healthy	NSW Health	Implement culturally and linguistically diverse, HIV/AIDS strategy	HIV/Tuberculosis (TB) workshops will be provided to all HIV/TB services across NSW focusing on people from culturally and linguistically diverse communities. An African Women's Officer and an African Men's Officer will be recruited and used by the NSW Multicultural HIV/AIDS and Hepatitis C Service in 2007/08 to deliver community development projects and programs.
		DVD on Nicotine Replacement Therapy	The DVD Health Smart-Nicotine Replacement Therapy will be translated in seven community languages. The DVD provides information about nicotine dependence and advice on the use of different forms of nicotine replacement therapy.
		Promotion of Family Matters – drug and alcohol material to culturally and linguistically diverse communities	A promotion campaign for the Family Matters booklets will be conducted during February and March 2008. The campaign will include promotional advertising in various languages using newspapers and radio.
	South Eastern Sydney Illawarra Area Health Service and the NSW Service for the Treatment and Rehabilitation of Torture and Trauma Survivors (STARTTS)	African Health Day	The purpose of this event is to raise the awareness of African refugees to the various services available to them and how to utilise these services more effectively.
To provide the healthcare people need	NSW Health	Co-morbidity project targeting culturally and linguistically diverse communities	This new statewide service will provide triage, clinical consultation, assessment and referral services to people from culturally and linguistically diverse communities who are experiencing problems due to their substance abuse and concurrent mental health difficulties.
		New Ethnic Affairs Priority Statement (EAPS) Plan for 2007–2011 developed	The new EAPS plan for 2007–2011 sets out healthcare priorities for NSW Health in relation to multicultural health in accordance with the Department's seven strategic directions.
		NSW Multicultural Mental Health Plan 2007–2011	The new NSW Multicultural Mental Health Plan for 2007–2011 details five key strategies and performance measures that will guide the development and implementation of culturally appropriate mental health services and programs.
	North Sydney Central Coast Area Health Service	Identify the needs of carers from culturally and linguistically diverse communities	Community consultations will be held with key culturally and linguistically diverse community groups residing in the Central Coast area to determine effective methods of identifying the needs of carers, resources that need to be developed and support activities.
		Safe injecting service for culturally and linguistically diverse communities	A safe injecting service, providing clean injecting equipment will be established in an existing service outlet.
	South Eastern Sydney Illawarra Area Health Service	Medication management issues with older persons from culturally and linguistically diverse communities	The findings of research conducted at the Prince of Wales Hospital regarding the management and use of medications by people from culturally and linguistically diverse communities will be implemented.
		Interest in the use of complementary medicines project	A research project will be conducted by the oncology ward at Prince of Wales Hospital to identify the interest of patients from culturally and linguistically diverse communities to the use of complementary health practices in the treatment of cancer.

Goal	Health Service	Project/Initiative	Initiative planned for 2007/08
To deliver high quality services	Ambulance Service	Campaign to be implemented regarding the correct uses of the triple zero emergency number.	A community wide campaign will be conducted in 2007/08 using a range of mainstream and ethnic media outlets to reinforce the correct use of this critical emergency service.
	North Sydney Central Coast Area Health Service	Improve breastfeeding rates among culturally and linguistically diverse communities	Culturally and linguistically diverse communities from Asia and the Middle East will be targeted to increase the current lower rate of breastfeeding among new mothers.
	Greater Western Area Health Service	New information package for rural staff focusing on interpreter services	A new information package will be provided to 108 health facilities. The package will include the new interpreter policy and a pamphlet focusing on using interpreters in rural and remote areas.
	South Eastern Sydney Illawarra Area Health Service	Clinical redesign project for HIV/AIDS and sexual health	The project will be promoting clinical reengineering to optimise the patient service experience and to improve access to priority culturally and linguistically diverse communities outlined in the NSW HIV, Sexually Transmitted Infections (STIs) and Hepatitis C strategies.
		Chinese DVD about cardiac rehabilitation	A DVD will be produced in Chinese to encourage patients to attend cardiac rehabilitation programs. The project will examine the appropriateness and effectiveness of the new material.
To manage health services better	Hunter and New England Area Health Service	Guidelines to be developed regarding 'Brought in Food' for patients	New guidelines will be developed to enable long stay patients to have safe access to food prepared by their families. According to available research this strategy will enhance the rate of patient recovery.
		Support program for international nursing graduates	New protocols and procedures will be developed to allow the Area Health Service to identify all overseas trained nursing graduates commencing employment and to build an appropriate orientation and support program addressing their needs.
	Sydney West Area Health Service	Videoconferencing project	A pilot will be implemented which aims to provide health services across Sydney West Area Health Service with videoconferencing mobiles/portable units. The new units are expected to enhance the effective provision of healthcare interpreter services to clients from culturally and linguistically diverse communities.
		Online booking system for interpreters	A new online booking system for interpreters will be developed to increase efficiency and to reduce errors and delays.
		International Diversity Health Conference	The conference is a partnership with the Diversity Health Institute and will bring to Sydney the international and national leaders in diversity health practices.
	South Eastern Sydney Illawarra Area Health Service	Australian Research Council linkage grant project: Negotiating the challenges of cultural diversity in children's healthcare	This will bring to an end a three-year research project, which has been examining the challenges of providing health services to children from culturally and linguistically diverse communities. The project will provide recommendations about how healthcare for children from culturally and linguistically diverse communities can be improved.

Human resources

The NSW Department of Health requires a workforce that is highly qualified, flexible, innovative and effective.

The Corporate Personnel Services Unit is responsible for developing, implementing and evaluating a broad range of human resource initiatives.

The Unit provides a comprehensive human resource management function for the organisation, including expert advice on organisational design, staffing needs and conditions of employment, and staffing issues such as equity, professional development, performance management, grievance resolution and industrial relations issues. It provides a range of services to management and staff including recruitment, learning and development, salaries, occupational health and safety, workers compensation and rehabilitation, job evaluation and establishment.

Corporate Personnel Services also provided organisational development support including:

- Managing restructuring 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.

Highlights

- Launch of Surviving the Shrinkage program which provided Branch Directors with comprehensive information on a range of human resource management indicators including staffing mix, leave and recruitment and the opportunity to discuss and develop structural, operational and management options.
- Introduction of E-recruitment initiatives designed to result in more efficient ways to recruit within shorter timeframes.
- A Grievance Resolution User Guide was issued in consultation with unions for use throughout NSW Health. The Guide is used in conjunction with the Health System Policy on Grievance Resolution.
- There were six Joint Consultative Committee meetings held. These meetings were a productive forum for consultation between management, staff and unions.
- The salaries unit successfully updated its payroll and human resource technology.
- Systems were updated to better manage the job evaluation process including position history files, position descriptions, evaluation reports and grading approvals.
- An electronic online 'leave system' was developed to enable the application and approval of employee leave requests.
- The OHS MiniKit was developed and implemented. This will ensure that contractors and visitors are aware of their obligations to themselves and NSW Health staff whilst onsite.

Staff training

In 2006/07, 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. Highlights included:

- Approximately 25 course programs were available to employees each quarter.
- Training in the new leave online functionality.
- The addition of a Chairing and Managing Meetings course.
- The addition of a Workplace Grievance Management course for managers and those with a responsibility for staff.

Staff awards

NSW Health has two staff awards to recognise outstanding individual and team performance. The awards are conducted quarterly with the staff member of the year and the team of the year awarded in December.

Individual awards
Kimberlee Isaac
Shared Service Centre

Roger Holt
Inter-Government and Funding Strategies Branch

Philip Johnson
Shared Service Centre

Ann Wilson
Executive Support Unit

Ron O'Neill
Corporate Personnel Services

Team awards
Health Survey Program and Web Publishing Services
Michael Giffin and Martha Herewini

Housing & Accommodation Support Initiative
Robyn Murray, Haley Kennedy, Amelia Tranio and Julie Bryant

Health Services Performance Improvement Branch
Ramsey Awad, Mark Britt, Joanna Burdajewicz, Judith Carll, Karen Clark, Daniel Comerford, James Dunne, Jane Gray, Lesley Innes, Karen James, Celonia Jansen, Angela Littleford, Donald Maclellan, Jo-Anne Milne, Charlotte Milner, Jane Montgomery, Tony O'Connell, Neil Rickwood, Tuly Rosenfeld, Donna Scard, Rima Singh, Robyn Speerin, Lissa Spencer, Joanna Tomlinson, Raj Verma, Helen White, Bronwyn Wilkinson, Judy Willis and Ashley Young.

Legal and and Legislative Services Branch
Leanne O'Shannessy, Iain Martin and Michael Hudson

Public Health Real Time Emergency Department Surveillance Team
David Muscatello, Wei Zheng, Ingrid Evans, Paul Grant and Andrew McNamara

Scholarships

NSW Health introduced the Margaret Samuel Memorial Scholarship for Women in 1997 and the Peter Clark Memorial Scholarship for Men in 2002. The scholarships are designed to assist NSW Health officers to pursue tertiary studies in an area that is relevant to the Department's functions. The 2007 scholarships were awarded to the following staff:

Margaret Samuel Memorial Scholarship
Lisa Eckstein, Health Research and Ethics Branch, Population Health to undertake a Masters of Health Law at the University of Sydney.

Peter Clark Memorial Scholarship
Wilson Yeung, Quality and Safety to continue a Masters of Health Administration at the University of NSW.

Employee relations

NSW Health's Employee Relations Directorate 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

On 9 February 2007, the Industrial Relations Commission of NSW found that elements of work value change and a special case had been made out for medical physicists and granted in full the salary claim sought by the Health Services Union for this classification.

Claims for training, education and study leave and administrative support were refused. The Department appealed this decision with a stay granted and the matter carrying over to the next reporting period.

In February, the Industrial Relations Commission also brought down a decision in relation to its review of continuing education allowances for nurses and midwives, together with a claim by the New South Wales Nurses' Association for increases in the quantum of the allowances and changes to the system warranting payment.

The Commission declined to extend the allowances to non-clinical qualifications, extended payment to the clinical nurse specialist/clinical midwifery specialist classification and increased the quantum of the allowances payable in three branches. Effective from 1 March 2007, 1 December 2007 and 1 September 2008.

Following consultations with the Australian Medical Association (NSW) Ltd arising out of its claim for revised terms and conditions for visiting medical officers, remuneration rates were revised with effect from 1 January 2007.

The ordinary hourly rates and on call rates which public health organisations are authorised to pay to sessional visiting medical officers increased by 13 per cent. Background practice costs were also increased to reflect annual CPI increases. The hourly sessional rate will increase by further amounts of 2.5 per cent each time on 1 January 2008, 1 January 2009 and 1 January 2010.

Memoranda of Understanding

In the reporting period, no Memoranda of Understanding were concluded. Most of the present Memoranda remain in effect until 30 June 2008. The industrial parties continued to progress outstanding allowable matters explicitly identified in the current memorandum.

Statewide Human Resource Policies released in 2006/07

Recruitment and selection – policy and supporting business processes (PD2006_059)

This policy was developed following a review and update of the Department's existing recruitment policy for Area Health Services. It provides detailed information on the steps to be taken to ensure that there is a fair, efficient and effective recruitment process for filling vacancies in NSW Health and includes links to other policy documents relevant to the appointment process.

Managing sick leave: policy, procedures and eligibility (PD2006_063)

This policy was developed following a review of the Department's existing sick leave management policy for Area Health Services. It takes advantage of information gleaned from a review of sick leave history and management practices within nursing and provides detailed guidance on how to effectively manage sickness absences in the best interests of both the individual and the employing health facility.

Guidelines for the prevention and management of workplace bullying (GL2007_011)

These guidelines were developed to support existing NSW Health policies in relation to workplace bullying. The document provides advice on the types of behaviours that may constitute bullying, strategies for preventing bullying using a risk management approach and advice on how to effectively respond to workplace bullying complaints.

Occupational health, safety and injury management (OHS & IM) profile (PD2007_030)

The occupational health, safety and injury management profile was the result of a significant review of the

Department's existing OHS audit tool for health facilities. The review allows for the assessment of both strategic and operational OHS and IM activities and supports benchmarking both within NSW Health and across other government agencies.

NSW Health Code of Conduct

Developed as a comprehensive Code of Conduct for all staff working in any capacity in NSW Health.

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.

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 NSW Department of Health is committed to ensuring the health, welfare and safety of staff and visitors to the workplace.

Highlights

- The OH&S Safety Committee continued to meet on a bi-monthly basis to discuss health and safety matters and opportunities for consultation with staff, managers and union representatives.
- New members of the OH&S Committee obtained certification in OH&S consultation in accordance with the Occupational Health and Safety Regulation 2001.
- The induction program provided staff and managers with important information concerning workplace health and safety initiatives and risk management strategies.
- Over 20 tests and activities were conducted by recovery teams as part of NSW Health's business continuity plan.
- Evacuation procedures were tested on a six-monthly basis. Firewardens received ongoing training on evacuation procedures.

Strategies to improve OH&S include:

- Ongoing consultation and promotion of health and safety practices in the workplace.
- Ongoing commitment to promoting risk management and injury prevention strategies

Workers Compensation

The number of worker compensation claims lodged with the Department's claims manager continued to decline and remained a positive indicator of NSW Health's OH&S performance. The Department continues to demonstrate improvements in managing workers' compensation costs and delivering effective return to work programs.

The Department performed well against targets outlined in the Working Together – The Public Sector OH&S and Injury Management Strategy for 2005–2008 with more than 90 per cent of branch managers participating in OH&S training.

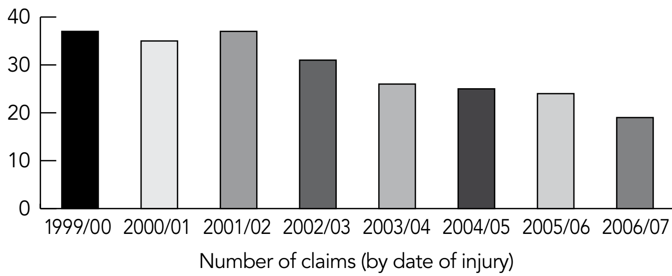
The Department managed 19 new claims during 2006/07. This number was lower than in previous years. Twenty-one claims were lodged however two of these were declined. Slips and trips accounted for most of the claims (eight of the 19).

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 employees with work-related injuries.
- Regular contact with stakeholders during the claim process to aid timely return to work and injury management strategies.
- Regular claims reviews between NSW Health 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.

NSW Department of Health data

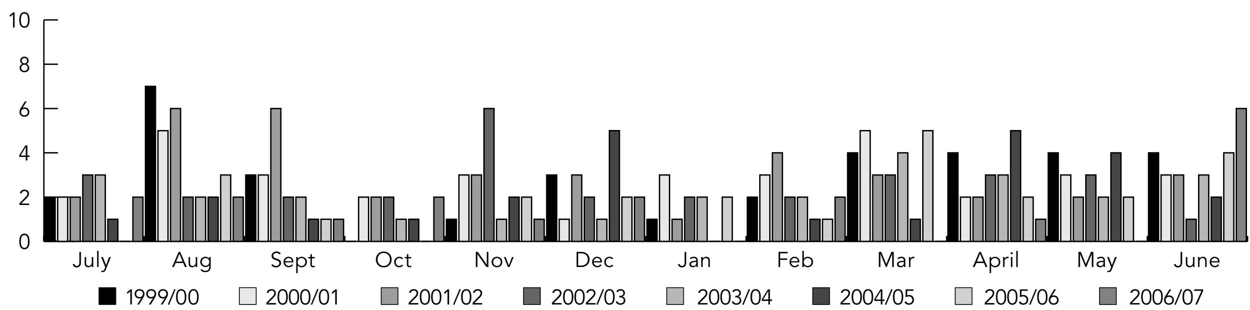
1. Number of new claims each year from 1999/00 to 2006/07 financial years



Year	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Claims	37	32	33	31	26	25	23	19

(Claims data based on accepted claims as at 2006/07 Financial year)

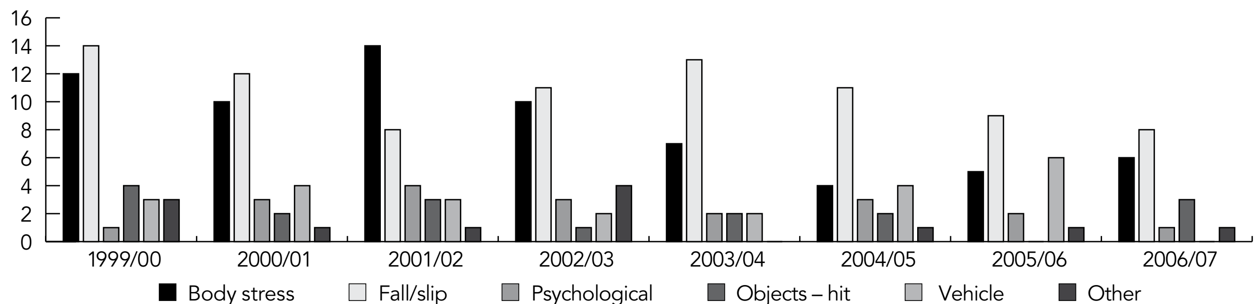
2. Claims each month from 1999/00 to 2006/07 financial years



3. Categories of workers compensation claims each month 2006/07 financial year

Injury/illness	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Total
Body stress				2	1	1		1				1	6
Fall/slip/trip	1	2	1									4	8
Psychological										1			1
Objects – hit	1					1		1					3
Vehicle													0
Other												1	1
Total	2	2	1	2	1	2	0	2	0	1	0	6	19

4. Categories of workers compensation claims from 1999/00 to 2006/07



Year	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Body stress	12	10	14	10	7	4	5	6
Fall/slip	14	12	8	11	13	11	9	8
Psychological	1	3	4	3	2	3	2	1
Objects – hit	4	2	3	1	2	2	0	3
Vehicle	3	4	3	2	2	4	6	0
Other	3	1	1	4	0	1	1	1
Total	37	32	33	31	26	25	23	19

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.

Bles, Anthony – Population Health
Domestic Waste Water Management Systems Committee meeting. Wellington. New Zealand. General Funds

Chant, Kerry – Population Health
17th Meeting of the Food Regulation Standing Committee. Wellington, New Zealand. General Funds

Christensen, Amanda – Population Health
United States and Pacific Islands regional tuberculosis workshop. Honolulu, Hawaii. Sponsorship

Dunn, Tony – Health Systems Performance
2nd Annual private healthcare conference. Dublin, Ireland and meetings in United Kingdom and Germany. Sponsorship

Hyland, Deborah – Health Systems Support
Meetings with Government officials on shared human resources services. Belfast, Dublin and London. General Funds

Jackson, Kate – Strategic Development
Australian and New Zealand School of Government Executive Masters of Public Administration course. Wellington, New Zealand. General Funds

Kehoe, Paul – Population Health
19th World Conference of the International Union of Health Promotion and Education. Vancouver, Canada. General Funds

Kruk, Robyn – Director General
Meeting on regulatory medical services. Beijing, China. Sponsorship

Reforming States Group, western regional meeting. San Diego, USA. Sponsorship

Lagaida, Robert – Health Support
Meeting with Government officials on implementation of shared human resources services. London and Belfast. United Kingdom. General Funds

McAnulty, Jeremy – Population Health
Epidemic Intelligence Service conference. Atlanta USA. General Funds

Madden, Lynne – Population Health
19th world conference for the International Union for Health Promotion and Education. Public health site visits. Vancouver, Canada and Washington, USA. General Funds

McGrath, David – Strategic Development
50th Session of the Commission of Narcotic Drugs. Vienna, Austria. General Funds

McGrath, Katherine – Health Systems Performance
23rd International Society of Quality in Healthcare conference. London, England. General Funds

Discussions with key health organisations on Hospital avoidance, chronic care management, electronic medical records and electronic health. California, Florida and Virginia, USA. General Funds

Matthews, Richard – Strategic Development
Address the New Zealand Ministry of Health, District Health Boards and Department Corrections Offender Related Health Action Group. Strategic planning day. Wellington, New Zealand. Sponsorship

2007 Police Commissioner's conference. Wellington, New Zealand. Sponsorship

Prison drug abuse treatment conference. Taipei, Taiwan. Sponsorship

Murphy, Elizabeth – Strategic Development
National Community Child Health Council meeting. Wellington, New Zealand. General Funds

O'Connell, Tony – Health Systems Performance
Harvard Business School Executive Education program – healthcare delivery achieving organisational excellence. Boston, USA. General Fund

Power, Kaye – Population Health
4th International Water Association leading edge conference. Exhibition on water and waste technologies. Singapore. General Funds

Purcell, Kate – Population Health
Smoke free policy workshop for 2008 Olympics.
Preliminary meetings with World Health Organisation.
QingDao, China. Sponsorship

Sanders, John – Population Health
13th World Conference on Tobacco and Health.
Washington, USA. General Funds

Thackway, Sarah – Population Health
Public Health Conference and visit to local Government, regulatory and protection agencies.
Edinburgh and London, United Kingdom. General Funds

Thoms, Debra – Health Systems Support
Australian and New Zealand Council of Chief Nursing Officers meeting.
6th meeting of Nursing and Midwifery Regulatory Authorities from Western Pacific South East Asian Region, Wellington. New Zealand. General Funds

2007 International Council of Nurses conference.
8th International Regulations Conference.
Yokohama, Japan. General Funds

Verma, Raj – Health Systems Performance
Australian and New Zealand School of Government Executive Masters of Public Administration course.
Wellington, New Zealand. General Funds

Wallace, Leanne – Strategic Development
19th World Conference on Health Conference Promotions and Education. Pre-conference symposium on child and youth development. Vancouver, Canada

Global perspectives on early childhood development.
Washington DC, USA and Montreal, Canada
General Funds

Wolfenden, Kevin – Strategic Development
Study tour of police training and operations in emergency mental health.
Memphis, Chicago and New York, USA. General Funds

Privacy management plan

NSW Health provides ongoing privacy information and support to the NSW public health system through:

- The NSW Health privacy newsletter, which was issued three times in 2006/07.
- A privacy Internet and Intranet website.
- The NSW Health Privacy Contact Officers Network Group, which met twice in 2006/07.

A revised version of the privacy leaflet for patients was made available for health services and is accessible to all patients and clients utilising NSW Health services.

In March 2007, the Department distributed the NSW Health Privacy Report to NSW Health privacy contact officers and chief executives and also published it on the intranet. The Report is a new publication intended to be produced annually and provides an overview of privacy activities in the NSW Health system over the previous year.

The Department's privacy contact officer also made presentations to two health services and internally to Departmental staff.

Internal review

One application for internal review under the Privacy and Personal Information Protection Act 1998 was received by the Department in October 2006 and completed in November 2006. The complaint alleged breach of the terms of the Act in relation to collection, accuracy, use and disclosure by the Department of personal information to the NSW Medical Board in the course of tribunal proceedings. The circumstances surrounding the complaint were investigated and it was found that there was no contravention of the Act. The applicant has not sought to appeal the findings.

Senior executive service

Number of CES/SES positions at each level within the Department of Health

SES Level	As at 30 June 2007	As at 30 June 2006
8	1	1
7	4	4
6	-	-
5	4	4
4	7	5
3	13	14
2	9	8 + 2**
1	3 + 1*	6 + 1**
Total positions	42 + 1*	42 + 3**

Note:

*Limited term project position (Bio-preparedness)

**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 2007	As at 30 June 2006
18	19

Senior executive performance statements

Name	Robyn Kruk, AM
Position title	Director General
Period	1 July 2006 to 4 May 2007
SES level	8
Remuneration	$402,750 per annum
Period in position	5 years

The Minister for Health has expressed satisfaction with Ms Kruk's performance during 2006/07.

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.

Professor Debora Picone has since been appointed to the role of Director General.

Significant achievements

- Significant improvements to key performance indicators measuring hospital and surgical activity and performance, including leadership in the clinical service redesign program.
- Finalisation of the health targets for the NSW State Plan, development and implementation of the NSW State Plan – Towards 2010 and Future Directions for Health in NSW – Towards 2025.
- Provided leadership through the effective financial management of the $11.7 billion NSW Health budget.
- 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.
- Led improvements to emergency and community care provided to those with mental illness including the passage of the new Mental Health Act 2007.
- Ensured 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 the Council of Australian Governments and the Australian Health Ministers' Advisory Council.
- 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 her time as Director General, prior to her appointment as the Director General of the Office of Premier and Cabinet, 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	$348,600
Period in position	3.5 years

The Director General has expressed satisfaction with Dr Matthews' performance throughout 2006/07 in the position of Deputy Director General, Strategic Development. Dr Matthews achieved the performance criteria contained in his performance agreements.

Significant achievements

- Finalisation of: Future Directions for Health in NSW – Towards 2025, Fit for the future; A New Direction for NSW – State Health Plan Towards 2010 and oversaw the finalisation of health service corporate strategic plans.
- Led health reform through the Council of Australian Government's health reform process.
- Successfully implemented the 2003–2008 Australian Health Care Agreement.
- 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 Council on Hearing and Non-Government Organisations Advisory Committee.
- Provided strategic direction to the implementation of the integrated primary health and community care policy, including the establishment of after hours GP clinics and the HealthOne NSW program.
- Continued to drive the implementation of national mental health policy and the NSW mental health policy, Interagency Action Plan on Better Mental Health, New Directions in Mental Health.
- Led the negotiation of the reallocation of funds through the Government's third drug budget.
- Implementation of a joint State and Commonwealth program which operationalised 579 transitional aged care places across NSW.
- Development of the NSW Renal Dialysis Service Plan to 2011.
- Implementation of the Rural Research Capacity Building Program.

Name	Dr Denise Robinson
Position title	Deputy Director General Population Health and Chief Health Officer
SES level	7
Remuneration	$348,600
Period in position	2 years, 4 months

The Director General has expressed satisfaction with Dr Robinson's performance throughout 2006/07 in the positions of Chief Health Officer and Deputy Director General, Public Health. Dr Robinson achieved the performance criteria contained in her performance agreement.

Significant achievements

- Participated in strategic initiatives and policy development within the Australian Health Ministers Advisory Council subcommittees – the Australian Health Protection Committee and the Australian Population Health Development Principal Committee.
- Represented NSW on the National Health and Medical Research Council.
- Contributed to major strategic documents – Fit for the Future, State Health Plan and Healthy People NSW.
- Commenced implementation of the Australian Better Health initiative reforms.
- Participated in the consultative process across adult trauma services in metropolitan Sydney to refine a model to optimise trauma care.
- Supported the Population Health Priority Taskforce and Aboriginal Health Priority Taskforce to develop and progress their two-year work plans.
- Established the Forensic Pathology Coordinating Committee to ensure a consistent and comprehensive provision of coronial services across NSW.
- Progressed the development of a new notifiable disease database and reporting system.
- Completed the implementation of smoke-free enclosed spaces in pubs and clubs and phase four of the smoke-free workplace across the NSW health system.
- Implemented the program on streamlining ethical and scientific review of multi-centre research.
- Supported the development of the Bringing Services Together maternal and infant health programs to improve access for Aboriginal mothers and their babies.
- Met Otitis Media and Housing for Health targets under the Two Ways Together strategy.
- Water fluoridation gazetted by six local Councils to further improve resident access.
- Overseas recruitment of dentists and establishment of a mentorship program for non-registered residents to facilitate early registration and entry to the workforce.
- Introduced the Emergo-train disaster exercise program.

Name	Professor Katherine McGrath
Position title	Deputy Director General Health System Performance
SES level	7
Remuneration	$335,200
Period in position	3.3 years

Professor McGrath achieved the performance criteria contained in her performance agreement.

Significant achievements

- Achieved targets in December 2006 for emergency access.
- Continued to reduce the number of patients waiting beyond target wait for elective surgery.
- Strong leadership in Clinical Service Redesign Program which has been the major factor driving access and quality of service related improvement across the health system.
- Established the Centre for Healthcare Redesign to train Area Health Service staff in the NSW redesign methodology.
- Published the Third Public Incident Report 2006/07.
- Clinical governance processes are embedded in Area Health Services.
- Established systems for cause analysis reports to identify statewide system issues.
- Further improvement in data analysis and reporting. For example, significant outputs of demand analysis, benchmarking and performance.
- Establishment and implementation of business information program.
- Forwarding planning for implementation of a clinical and corporate information communication system.
- Established an information management and technology transformation program aimed at improving performance and capability through the implementation of updated information management and technology processes and staff training.

Name	Robert McGregor, AM
Position title	Deputy Director General, Health System Support
SES level	7
Remuneration	$348,600
Period in position	10 years

Mr McGregor occupied the position of Deputy Director General until 25 April 2007 at which time he was appointed Director General of the Department until 9 July 2007. Mr McGregor completed his contract period and retired on 31 July 2007.

Throughout this period, the Director General expressed satisfaction with Mr McGregor's performance in his position of Deputy Director General, Health System Support.

From 26 April 2007, Ms Karen Crawshaw acted in the position of Deputy Director General, Health System Support.

During 2006/07, 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.

Mr McGregor achieved the performance criteria contained in his performance agreement.

Significant achievements

- Effective management of the health budget including internal financial allocations to Health Services.
- Statewide food and linen services transferred to single businesses managed by HealthSupport.
- Developed new governance arrangements for the management of Health Support services and the delivery of capital works projects to the public health system.
- NSW Health risk management policy and framework developed.
- Developed the State Health Plan and the NSW Health and Health Services strategic plans to 2010.
- Orange Hospital and Royal North Shore Main Hospital projects approved to proceed as public private partnerships.
- Models of care developed for staff mix in nursing and midwifery. The number of enrolled nurses, registered nurses and nurse practitioners in the workforce continued to increase.

Name	Ken Barker
Position title	Chief Financial Officer
SES level	5
Remuneration	$247, 300
Period in position	13 years (20 years in this or similar position)

The Deputy Director General, Health System Support has expressed satisfaction with Mr Barker's performance throughout 2006/07.

Mr Barker achieved the performance criteria contained in his performance agreement.

During 2006/07, Mr Barker provided leadership in the areas of financial management, control and advice on the NSW Health Budget which in 2006/07 had an $11.7 billion expenses budget and $1.45 billion revenue budget.

Significant achievements

- Providing effective financial management and control of the NSW Health Budget with the actual result within tolerances established by Treasury.
- Providing financial management leadership on strategies required of Greater Southern Area Health Service, Northern Sydney and Central Coast Area Health Service, The Children's Hospital at Westmead and St Vincent's Hospital, Darlinghurst to realign expenditure to available funds.
- Liaison with Health Services and strengthening internal controls to improve payment practices to suppliers with no creditors over 45 days as at 30 June 2007.
- Providing leadership to all Heath Services in collating and feedback of episode funding and other benchmark data.
- Providing leadership to reforms of NSW Health pathology services resulting in the establishment of five clusters and a Statewide Pathology Advisory Committee.
- Providing financial leadership and contributed to the 2007/08 health budget deliberations which resulted in the announcement of a number of new initiatives in the 2006/07 State Budget on 19 June 2007. All Health Service allocation letters were issued on 29 June 2007 with a strong focus on financial devolution and accountability to hospital and internal units, with such a process to be completed by Health Services by 31 July 2007.

Name	Karen Crawshaw
Position title	Director Employee Relations, Legal and Legislation/General Counsel
SES level	5
Remuneration	$247,300
Period in position	16 years

Ms Crawshaw has achieved the performance criteria contained in her performance agreement, which focus 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.

The Deputy Director General, Health System Support has expressed satisfaction with Ms Crawshaw's performance throughout this period.

Significant achievements

- Health Legislative Program including passage of the new Mental Health Act 2007, the Health Legislation Amendment (Unregistered Health Practitioners) Act 2006 which introduces regulation of standards for unregistered health practitioners and the Private Health Facilities Act 2007 which overhauls licensing and regulation of private hospitals and other facilities.
- Conduct of the Health Subordinate Legislation Program including introduction of mandatory indemnity cover for a range of registered health professionals, additional to medical practitioners.
- Negotiation and resolution of the Australian Medical Association (NSW) claim for enhanced remuneration and conditions for visiting medical officers. A rural incentive package was developed as part of this resolution.
- Training conducted for environmental health officers in readiness for compliance and enforcement activities under the changes to the Smoke-Free Environment legislation requiring indoors of pubs and clubs to be smoke-free.
- Comprehensive and streamlined allied health employment structure developed for consideration in industrial claim brought by Health Services Union.
- New recruitment policy developed to provide consistent and fair processes across the NSW Health Service.
- Comprehensive revision of leave policies undertaken and provided in an e-compendium for ease of access for staff and management.
- Development of plain English, user-friendly guidelines to support NSW Health's anti-bullying policy.

Name	David Gates
Position title	Director, Asset and Contract Services
SES level	5
Remuneration	$247,300
Period in position	11 years

Significant achievements

- Achieved full expenditure of the 2006/07 asset acquisition program. The Budget Paper 4 capital allocation was $633.1 million.
- Successfully negotiated in excess of $2.4 billion capital funding over the next four years for the NSW Health asset acquisition program.
- Obtained Budget Committee endorsement of the NSW Health Capital Investment Strategic Plan.
- Managed the Health Asset Services Office which operated as an adjunct service within Asset and Contract Services Branch and its transition to the new business unit called Health Infrastructure.
- Directed the design, tender and contract award of approximately $408 million worth of major construction contracts.
- Managed the commencement of the public private partnership projects at Calvary (Mater) Newcastle, Long Bay prison and Forensic Hospitals and the tender call for the next two at Orange/Bathurst and Royal North Shore Hospitals.
- Progressed major strategic procurement projects in relation to pharmaceuticals, electromedical equipment, fleet management, office imaging devices and air travel.

Name	Michael Rillstone
Position title	Chief Information Officer
SES level	5
Remuneration	$240,710
Period in position	16 months

Mr Rillstone achieved the performance criteria contained in his performance agreement.

During 2006/07, Mr Rillstone provided leadership in the areas of information and technology with a focus on strategy, management, governance and advice on of information and technology programs.

Significant achievements

- Leadership in the roll-out of the information management and technology program, which has been the major focus of activity across the state providing new and improved information and technology capability across the health system.
- Supported the National E-Health Transition Authority in their program of work including the Australian Unique Health Identifier.
- Implemented effective governance and leadership forums with Area Health Service chief information officer's, clinicians and directors of corporate Services.
- Established an information management technology transformation program aimed at improving performance and capability through updated processes and staff training.
- Improved monitoring realisation of benefits from investment in information and management technology capability.
- Establishment of a highly skilled information and management technology team, that has significantly contributed to improved advice and management of information technology programs.
- Negotiation of statewide contracts for information and management technology capability that will result in significant savings in maintenance and software costs, with significant activity in electronic medical record, digital imaging and corporate systems such as human resources and payroll.

Significant publications

Books/booklets

- Breastfeeding your Baby
- Having a baby

Brochures/flyers

- Drug Safety – guide to a better night
- Eat Smart
- Having a baby leaflet
- HealthOne NSW services: an opportunity for integrated primary care in NSW
- Household Planning for an Influenza Pandemic
- Information for parents about post-mortem examination of a stillborn baby
- Kids and getting active
- Kids fruit and vegies
- NSW Aboriginal mental health and wellbeing policy 2006–2010 summary
- NSW GP Procedural Training Program
- NSW: National Mental Health Action Plan
- Service plan for Specialist Mental Health Services for older people (SMHSOP) Executive summary
- Quit because you can
- Rainwater Tanks
- Reducing children's television time
- Starting family foods – introducing your baby to solid foods
- State Health Plan summary brochure
- Transport for health: an information guide for patients and their carers
- What does single review of research mean for researchers?
- Workforce Development NSW: A new direction for mental health
- Why does my Baby need a repeat Hearing Screen?
- Why Does My Baby need a Diagnostic Assessment?

Manuals/information kits

- All you need to know about a health pregnancy for a healthy baby, an Aboriginal personal pregnancy handbook
- Area Health Service election toolkit 2007 Aboriginal health worker forum elections
- Bug Breakfast – Delivery manual
- City to Surf 2007 NSW Health Response Strike Team Handbook
- Hearing Loss and Your Baby: The Next Step
- Hospital pharmacy ReConnect pilot program: manual for re-entrants and preceptors
- Ideas for communities to support healthy lifestyles for children
- Ideas for schools to support healthy lifestyles for children
- Ideas for sporting clubs to support healthy lifestyles for children
- Mental Health: Assertive Patient Flow Model of Care
- Mental health reference resource for drug and alcohol workers
- Methadone Maintenance Treatment – Essential Information
- Model of Care: Advance Care Planning – Clinical Services Redesign Program
- Model of Care – Community Acute Post Acute Care (CAPAC) (incorporating Hospitals in the Home and Acute/Post Acute Care and other models)
- Models of Care: ComPacks
- Model of care: rapid evaluation and acute acre for aged care residents (geriatric rapid acute care evaluation)
- Models of Care: Sub Acute Fast Track Elderly (SAFTE) Care
- My First Personal Health Record
- Needle and Syringe Program Learning Topics Toolkit: A Resource for those working in the field
- NSW Messages for a healthy mouth (2nd edition)
- Preventing fall injuries among older people – student course materials
- Rural Health Information Project: Rural Health Classification Systems
- Setting the scene for healthy kids
- Supply Manual for Public Service and Ambulance Service

Fact sheets

- Choosing drinks for children
- Choosing the best way to Quit!
- Choosing the right snacks for your children
- Controlling Chloramines in indoor swimming pools
- Disinfection of swimming pools
- Drug and Alcohol Fact Sheets: Ecstasy, Alcohol, Benzodiazepines, Cocaine, Heroin, Marijuana, Hallucinogens, Speed
- Getting ready to quit
- Meningococcal Disease – Public Health Advice

Policies and guidelines

- Clinical guidelines for nursing and midwifery practice in NSW: identifying and responding to drug and alcohol issues
- Clinical Guidelines for Nursing and Midwifery Practice in NSW: Identifying and Responding to Drug and Alcohol Issues
- Design guidelines for aged care facilities
- Design guidelines: housing for easy living
- Drug and alcohol treatment guidelines for residential settings
- Early childhood oral health guidelines for child health professionals
- Easy Guide to Clinical Incident Management including Root Cause Analysis
- Guidelines for working with people with challenging behaviours in residential aged care facilities – using appropriate interventions and minimising restraint
- HIV/AIDS in NSW Environmental Scan: 2006–2009
- Infection Control Policy
- Integrated Primary and Community Health Policy 2007–2012
- National Clinical Guidelines for the Management of Drug use during pregnancy, birth and the early development years of the newborn
- Needle and Syringe Program Policy and Guidelines for NSW
- New South Wales Opioid Treatment Programs: Clinical Guidelines for Methadone and Buprenorphine Treatment of Opioid Dependence
- NSW Hepatitis C strategy environmental scan 2007–2009
- NSW HIV/AIDS sexually transmissible infections and Hepatitis C strategies
- NSW HIV/AIDS Strategy 2006–2009: Overview and Action Plan
- NSW Planner's Guide to environments for active living
- NSW Police, Health and Office of the Director of Public Prosecutions Guidelines for Responding to Adult Victims of Sexual Assault
- NSW Rural Emergency Clinical Guidelines for Adults (2004)
- NSW Sexually Transmissible Infections Strategy 2006–2009
- NSW Sexually Transmissible Infections Strategy 2006–2009 Environmental Scan
- NSW snakebite and spider bite clinical management guidelines
- NSW Transport for Health Isolated Patients' Travel and Accommodation Assistance Scheme (IPTAAS) – Guidelines for Medical Practitioners and Specialists
- Open Disclosure Guidelines
- Psychostimulant users – clinical guidelines for assessment and management
- Rehabilitation for Chronic Disease
- Service plan for Specialist Mental Health Services for older people (SMHSOP)
- The guide for the management of nicotine dependent inpatients
- Transitional Aged Care

Posters/postcards

- Do you have any questions about a post-mortem examination on a family member who passed away before January 2002?
- 10 tips for safer healthcare
- Live Life Well
- NSW Aboriginal mental health and wellbeing
- NSW GP Procedural Training Program

Reports

- 2002–2005 Report on Adult Health by Country of Birth from NSW Population Health survey
- 2002–2005 Report on Older Peoples Health from the NSW Population Health survey
- 2003–2004 Report on Child Health from the New South Wales Population health survey
- 2005 Report on Adult Health from the New South Wales Population Health Survey
- 2005/06 Annual Report NSW Department of Health
- 2006 Report on Adult Health in New South Wales
- A model of care approach to health workforce planning – March 2005
- A statewide approach to measuring and responding to consumer perceptions and experiences of adult mental health services: A report on Stage One of the development of the MH-CoPES Framework and Questionnaires

- Aboriginal information and support needs assessment for families and cares AFACT (Aboriginal families and carers training) – Stage One
- Aboriginal Mental Health Workers Forum Report
- Australian health workforce advisory committee annual report 2004/05
- Australian Medical Workforce Advisory Committee Annual Report 2004/05
- Better Health Graphs (Volume 1): A report of an experimental study of interventions for improving graphic comprehension
- Better Health Graphs (Volume 2): The literature reviews
- Consultation Paper Review of the forensic provisions of the mental health Act 1990 and the Mental Health (Criminal procedure) Act 1990
- Demand for health services and the health workforce – April 2005
- Evaluating the process and impact of the evidence-based practice train-the-trainer course
- Evaluation Report of the Dissemination of the Local Government Public Health Survey Summary Report
- Health Workforce Planning and Models of Care in Emergency Departments
- Healthy People NSW: Improving the health of the population
- Infrastructure Benchmarks for the Design, Implementation and Evaluation of HIV/AIDS, STI and Hepatitis C Health Promotion Programs
- Integrated Chronic Disease Prevention Media Campaign Pilot – Project Report 2005
- Interagency Action Plan for Better Mental Health – First Yearly Progress Report
- Investigation into the possible health impacts of the M5 East Motorway Stack on the Turrella Community – Reanalysis of the Phase 2 cross sectional survey of symptom prevalence within the Turella Community
- Key recommendations of the NSW Expert Group on Multiple Resistant Organisms
- Leading for Improved Clinical Services – A program for Medical Clinician Managers
- Memorandum of Understanding between NSW Health and Sydney Water Corporation
- MERIT residential treatment guidelines a guide for MERIT teams and residential treatment providers
- Model of Care – Acute Care of the Elderly (ACE)
- Model of Care – Rapid Evaluation and Acute Care for aged care residents (Geriatric Rapid Care Evaluation)
- Mothers and Babies Report 2005
- New South Wales School Students Health Behaviours Survey: 2005 report
- NSW Aboriginal Chronic Care Journal
- NSW Carers Action Plan 2007–2012
- NSW Chronic Care Program Phase Three 2006–2009. NSW Chronic Disease Strategy and Executive Summary
- NSW Community Mental Health Strategy: From prevention and early intervention to recovery
- NSW Drug and Alcohol Plan 2006–2010
- NSW Drug and Alcohol Treatment Services 2004/05: Annual Report on the NSW Minimum Data Set
- NSW State Health Plan
- Patient safety and clinical quality program – third report on incident management in the NSW public health system 2005/06
- Reducing the burden of multiple resistant organism – Proceedings of the MRO Summit convened by NSW Health
- Reshaping Mental Health Services
- Review of the 1999 NSW Carers Statement
- The Australian Allied Health Workforce: an overview of Workforce Planning issues – AHWAC Report 2006.
- The Easy Guide to Clinical Incident Management including Root Cause Analysis
- The Evaluation of Mental Health First Aid in a Rural Area
- The Health of the People of New South Wales – Report of the Chief Health Officer, 2006
- The Management and accommodation of older people with severely and persistently challenging behaviours in NSW
- The NASH project – NSW Health Promotion Demonstration Research Grants Scheme
- The Way Forward – Future Directions in Workforce Development – NSW Aboriginal Health Workers State Conference – Report
- Transport for Health: An information guide for patients and their carers
- Utilisation of In-patient Services by HIV/AIDS patients in NSW hospitals

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Accounts age analysis

Accounts receivable ageing as at 30 June 2007

Category	2006/07		2005/06	
	$000	%	$000	%
< 30 Days	20,401	77	32,559	74
30/60 Days	1,754	7	7,215	16
60/90 Days	24	0	547	1
> 90 Days	4,218	16	3,948	9
TOTAL	26,397	44,269		

In 2006/07, the significant receivable balance in over 90 days is represented by $629k for Department of Veteran Affairs (DVA) revenue payable to the Department. The amount further includes $936k for Aushealth as interest payable to the Department and other sundry debtors at $411k.

In 2005/06, the significant receivable balance in over 90 days is represented by $999k for Aushealth as interest payable to the Department but not yet realised in terms of agreement. The amount further includes $629k for DVA revenue payable to the Department.

Accounts payable ageing as at 30 June 2007

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	58,508	0	0	0	0
December	44,982	0	0	0	0
March	30,114	1	0	0	0
June	98,612	7	19	2	3

Quarter	Total accounts paid on time		Total amount paid
	%	$000	$000
September 2006	99.7	2,779,269	2,815,875
December 2006	99.7	2,535,538	2,548,279
March 2007	99.2	2,573,425	2,586,657
June 2007	99.0	2756,335	2,789,813

Capital works and asset management

Asset and Contract Services Branch

The Asset and Contract Services Branch provides leadership in asset management and procurement policy development.

Major activities and achievements during 2006/07:

- Achieved full expenditure of the 2006/07 asset acquisition program. The Budget Paper 4 capital allocation was $633.1 million.
- Awarded approximately $408 million worth of construction contracts.
- The Health Infrastructure Board was established to manage and oversee the delivery of NSW Health's significant hospital building program.
- Budget Committee approval was obtained for Orange Hospital and the Royal North Shore Hospital projects to proceed as Public Private Partnership projects.
- Planning approval was obtained for 12 major projects under Part 3A provisions of the Environmental Planning and Assessment Act. These included Auburn Hospital redevelopment, Royal North Shore research and education building, Liverpool Hospital redevelopment and Queanbeyan Hospital.
- Completed an asset audit of all key sites measuring condition, compliance and functionality to create consistent base data for statewide asset strategic planning.
- Establishment of health procurement and the development of role delineation with asset and contract services.
- Progressed major strategic procurement projects in relation to pharmaceuticals, electromedical equipment, fleet management, office imaging devices and air travel.
- Worked with the Centre for Health Assets Australasia and other national jurisdictions to launch the Australasian Health Facility Guidelines.

NSW Health land disposals

The total number of properties disposed of during 2006/07 was 27 and their gross sales proceeds totalled $60.58 million.

All properties disposed of in 2006/07 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/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 2006/07, the Department undertook a review of its heritage polices and guidelines and commissioned the Department of Commerce to develop an overarching Heritage Asset Management Strategy for NSW Health. This strategy is currently being finalised.

It will provide a consistency and context for the various heritage management initiatives currently in place and enable them to be more useful tools in carrying out day-to-day asset management in Area Health Services.

An update of Public Health in New South Wales 1788–2005 – A Thematic History by Rosemary Broomham, first published in 1998, was also undertaken. An editorial panel comprising health professionals and historians is reviewing the document. It is anticipated the final draft will be completed late 2007.

Health Asset Services Office

Achievements

- Development and approval of the forward 10 year Capital Investment Strategic Plan with an excess of $2.4 billion in committed funding over the next four years.
- Management of the NSW Health Capital Program with full expenditure of the total allocation of $633.1 million, made up of $484.4 million on major works, $97.5 million on minor works and equipment and $51.2 million on information and communications technology.
- Contract commencement of projects with a total value of $490 million, including a contract value of $408 million for major projects over $10 million each.
- Managed commencement of the two public private partnership projects at the Calvary (Mater) Hospital, Newcastle and the Long Bay Prison and Forensic Hospital. There is a call for tenders on two more projects at Orange/Bathurst and Royal North Shore hospitals.
- Management of the transition to the new health administration corporation business unit for major capital works, titled Health Infrastructure.

Future directions

Health Infrastructure

- Contract commencement of eleven new major projects over $10 million with a total value of $730 million.
- Financial close on the two public private partnership projects at Orange/Bathurst and Royal North Shore hospitals. Investigation planning on two more at Wagga Wagga and Sydney's Northern Beaches.
- Complete the establishment of Health Infrastructure following the inaugural meeting in September 2007, recruitment of a chief executive and a move to new premises in late 2007.
- Consolidate the Health Infrastructure business operations with notification of revised accountabilities, transfer of project allocations and refinement of project planning and procurement processes.
- Progressively expand the scope of infrastructure services delivered to include major projects over $5 million, major property transactions and potentially comprehensive asset management.

Major priorities for 2007/08

- Full expenditure of the 2007/08 asset acquisition program of $714 million.
- Contractually commit to approximately $1.2 billion worth of new infrastructure projects.
- Establishment of the Health Infrastructure Board to oversight the delivery of major health infrastructure projects by the Health Infrastructure Office.
- Implementation of a capital project portfolio management tool to consolidate current systems and enable management through inception, planning and delivery.
- Manage and assist in the development of revised asset strategic plans for all Area Health Services.
- Review the NSW Health process of facility planning.
- Implement a long term contract renewal program to cover State Contract Control Board Contracts.
- Implement capacity to support strategic sourcing analysis of NSW Health goods and services expenditure.

The following table outlining capital works completed during 2006/07 represents NSW Health's assets acquisitions for the year. NSW Health's major assets are listed under each of the profiles of each Area Health Service.

Capital works completed during 2006/07

Project	Total cost $M	Completion date
Ambulance Service		
Computer aided dispatch	2.8	Jun-07
E-Business and Internet booking system	1.9	Jun-07
Port Macquarie land acquisition	0.5	Jun-07
Rural mobile data radio network	1.5	Jul-06
Rural radio network	1.3	Jun-07
Children's Hospital Westmead		
Refurbishment of oncology unit stage 1	1.2	May-07
Greater Southern Area Health Service		
Albury Base Hospital fixed breast screen and assessment site	1.1	Aug-06
Kenmore Hospital redevelopment	5.2	Mar-07
Wagga Wagga Base Hospital redevelopment planning	1.6	Jun-07
Wagga Wagga Base Hospital fixed breast screen and assessment site	1.0	Jun-07
Greater Western Area Health Service		
Broken Hill Hospital special care mental health unit	0.8	Nov-06
Cudal clinic	1.8	Dec-06
Dubbo enhanced oncology facilities	0.7	Jun-07
Mid West transitional care units refurbishments	0.8	Jun-07
Tottenham Hospital redevelopment	4.9	May-07
Tullamore Hospital redevelopment	4.6	Sep-06
Hunter New England Area Health Service		
Belmont Hospital transitional care unit refurbishment	4.8	Sep-06
Cessnock Hospital GP facility	1.1	Sep-06
Guyra Rural Hospital and Health Service	9.4	Aug-06
John Hunter Hospital forensic medicine facility	9.3	Mar-07
Newcastle strategy early works package	10.6	Mar-07
North Coast Area Health Service		
Coffs Harbour Hospital cardiac catheterisation laboratory	3.5	Sep-06
Coffs Harbour radiotherapy services stage 2	20.2	Mar-07
Northern Rivers transitional care facility	5.7	Jan-07
Port Macquarie radiotherapy services stage 2	19.2	May-07

Project	Total cost $M	Completion date
Northern Sydney Central Coast Area Health Service		
Gosford fixed breast screen and assessment site	1.1	Nov-06
Gosford Hospital stage 2 diagnostics/ cardiology	2.3	Apr-07
Gosford Hospital stage 2 paediatrics and perioperative	12.1	Oct-06
Gosford Hospital stage 2 pharmacy	2.3	Apr-07
Hornsby Hospital mental health intensive care unit	6.6	Jun-07
Hornsby Hospital obstetrics, paediatrics and emergency department	20.9	Nov-06
Hornsby Hospital transitional care unit and community health service refurbishment	1.1	Mar-07
Macquarie Hospital communication recovery centre	1.1	Jun-07
Manly Hospital intensive care unit	2.1	May-07
Mona Vale Hospital emergency department	3.8	Jun-07
Mona Vale Hospital renal dialysis service	0.9	Jun-07
Mona Vale Hospital transitional care unit and community health service refurbishment	1.7	Mar-07
Northern Beaches site acquisition – Department of Housing land	8.0	Jun-07
Northern Beaches strategy Mona Vale Hospital early works	8.0	Jun-07
Northern Beaches strategy planning	2.6	Jun-07
Northern Sydney toxicology laboratory	0.8	Jun-07
Purchase of vans for mobile breast screening units	1.0	Sep-06
RNSH high dependency 23 hour care and day surgery facility	6.7	Jun-07
RNSH redevelopment stage 2 pre project works	13.8	Jun-07
Ryde Ambulatory day therapy centre	3.2	Apr-07
Ryde Hospital emergency department upgrade	1.0	May-07
Ryde Hospital perioperative unit	1.1	Apr-07

Project	Total cost $M	Completion date
South Eastern Sydney Illawarra Area Health Service		
Illawarra Area Health Service refurbishment of inpatient/ rehabilitation areas	1.4	Dec-06
Prince of Wales Hospital Edmund Blacket building refurbishment	0.5	Mar-07
Prince of Wales Hospital CT scanner replacement	1.3	Dec-06
Prince of Wales Hospital Parkes building ambulatory aged care unit stage 2	5.1	Dec-06
Sydney Children's Hospital clinical equipment	1.0	Oct-06
SESIAHS ISOFT patient admission system	0.7	Jun-07
St George Hospital ambulatory aged care	2.0	Dec-06
St George Hospital CT scanner replacement	1.4	Mar-07
St George Hospital replace linac	2.6	Nov-06
St George Hospital sterilising unit upgrade	2.6	Aug-06
Sutherland Community Health – Sylvania	5.0	Dec-06
Sydney South West Area Health Service		
Campbelltown Hospital UWS medical school	0.7	Jun-07
Central Sydney RTP community health projects	37.1	Jun-07
Central Sydney RTP RPAH stage 1	294.3	Jun-07
Central Sydney RTP supply service	22.5	Jun-07
Fairfield Hospital satellite dialysis service	1.0	Jun-07
RPAH emergency department EMU/ sub acute renovations	0.5	Jun-07
RPAH linear accelerator	3.1	Jun-07
RPAH radiotherapy CT scanner	0.8	Jun-07
RPAH satellite dialysis service	0.6	Jun-07
RPAH stonework replacement	0.5	Jun-07
Sydney West Area Health Service		
Auburn Hospital interim works	1.5	Apr-07
Blacktown Hospital upgrade	1.9	May-07
Broken Hill fluoroscopy unit	0.6	Jun-06
Electronic Medical Record Patient Administration System peripherals 2006/07 – Westmead	0.5	Jun-07
Local Area Network service upgrade 2006/07 Westmead	0.6	Jun-07
Mineral resources building acquisition and upgrade	4.8	Jun-07
Mt Druitt Hospital rehabilitation therapy hub	3.2	Apr-07
Nepean Hospital chiller upgrade	0.5	May-07
Parramatta linen service ventilation system	0.6	Mar-07
Portland Hospital redevelopment	6.0	Dec-06
SWAHS laboratory peripheral hardware	0.5	Jun-07
SWAHS pathnet backend application server	0.9	Jun-07
Western cluster community health centres telephony systems	0.5	Jun-07
Western Sydney strategy – new infill building – Westmead Hospital	33.6	Jul-06
Westmead Hospital bone marrow ward refurbishment	5.1	Nov-06
Westmead Hospital containment facility	3.3	Nov-06
Westmead Hospital cooling towers	1.1	Apr-07
Westmead Hospital emergency precinct REAT unit	1.7	Dec-06
Westmead Hospital gamma camera SPECT CT	1.3	Jun-07
Westmead Hospital linear accelerator replacement	3.2	May-07
Westmead Hospital Wide Area Network upgrade 2006/07	1.0	May-07
Westmead Local Area Network upgrade	0.5	Jul-06
NSW Health and Statewide programs		
BMA consultancy fees (health support)	1.0	Jan-00
Integrated medical imaging strategy planning	1.7	Jun-07
Total estimated cost works completed	669.6	

Note: includes projects only with an estimated total cost over $0.5 million

Credit card certifications

It is affirmed that for the 2006/07 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 NSW 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.

Non-government organisations funded

Program:

36.1 Ambulatory, primary and (General) community based services
36.1.2 Aboriginal health services

Aboriginal		
Aboriginal Health and Medical Research Council of NSW	$799,300	Peak body advising State and Federal Governments on Aboriginal health matters and provide advocacy and support for Aboriginal community controlled health services.
Aboriginal Medical Service Co-op Ltd	$263,800	Preventative healthcare and drug and alcohol services and family health (maternal health) services for Aboriginal community in the Sydney inner city area.
Aboriginal Medical Service Western Sydney Co-op Ltd	$174,800	Preventative health care and drug and alcohol services for Aboriginal community in the Sydney Western metropolitan area and a deceased person van service.
Albury Wodonga Aboriginal Health Service Inc	$23,815	Two-year Aboriginal health promotion funding for oral health promotion program for Koori school aged children.
Australian College of Health Service Executives	$40,000	Coordination of Aboriginal health management trainees in the ACHSE Management Training Program.
Awabakal Newcastle Aboriginal Co-op Ltd	$292,500	Preventative health care, drug and alcohol, Otitis Media program and family health services for Aboriginal community in the Newcastle area.
Biripi Aboriginal Corporation Medical Centre	$203,800	Preventative health care, drug and alcohol, family health services and vascular health program for the Aboriginal community in the Taree area.
Bourke Aboriginal Health Service Ltd	$63,650	Preventative and primary health care, health screening and education programs, drug and alcohol services for the Aboriginal community in Bourke and surrounding areas.
Bulgarr Ngaru Medical Aboriginal Corporation	$8,905	Aboriginal health promotion – Lets Get Fitical project to support children in understanding the importance of a positive approach to nutrition and physical activity.
Centacare Wilcannia-Forbes	$128,300	Family health services grant for the prevention of violence and supporting positive family relationships in Narromine and Bourke.
Condoblin Aboriginal Health Service	$25,000	Two-year funding for various health promotion programs.
Coomealla Health Aboriginal Corporation	$25,000	Two-year funding for children's nutritional breakfast program.
Cummeragunja Housing and Development Aboriginal Corporation	$111,605	Preventative health services for Aboriginal community in the Cummeragunja, Moama and surrounding areas.
Dharah Gibinj Aboriginal Medical Service Aboriginal Corporation	$106,632	Two-year funding for safe motherhood program, for healthy smiles project and for Otitis Media screening project.
Durri Aboriginal Corporation Medical Service	$235,540	Preventative health, drug and alcohol service and vascular health program (Durri/Galambila) for the Aboriginal communities in the area.
Forster Local Aboriginal Lands Council	$35,000	Family health services for the prevention and management of violence within Aboriginal families.
Gallambilla Aboriginal Corporation C/- Durri ACMS	$33,212	Two-year funding for Spring Into Shape Project.
Goorie Galbans Aboriginal Corporation	$108,300	Family health services to reduce family violence, sexual assault and child abuse.
Grace Cottage Inc	$79,000	Family health services involving individual and group support, educational workshops and training to reduce family violence, sexual assault and child abuse in Dubbo.

Griffith Aboriginal Medical Service	$23,250	Funding to develop awareness and knowledge regarding good nutritional and physical activity practices in a supportive and culturally safe environment.
Illaroo Cooperative Aboriginal Corporation	$45,400	Personal care worker for the Rose Mumbler retirement village.
Illawarra Aboriginal Medical Service	$233,600	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	$125,400	Otitis Media coordinator for Aboriginal communities in the far South Coast region.
MDEA and Nureen Aboriginal Women's Cooperative	$45,600	Counselling and support service for Koori women and children in stress from domestic violence.
Menindee Aboriginal Health Service	$11,950	Two-year funding for taking care of self and family project.
Ngadrri Ngalli (My Mother's Way) Inc	$35,000	Family health services providing emotional and practical support to families with dependent children who are experiencing difficulty in their lives.
Ngaimpe Aboriginal Corporation	$141,900	Residential drug and alcohol treatment centre for men in the Central Coast area and NSW.
Oolong Aboriginal Corporation Inc	$155,700	A residential drug and alcohol treatment and referral service for Aboriginal people.
Orana Haven Aboriginal Corporation (Drug and Alcohol Rehabilitation Centre)	$118,600	Residential drug and alcohol rehabilitation service for Aboriginal and non-Aboriginal people.
Peak Hill Aboriginal Medical Service	$12,442	Two-year funding for Walan Mali Migay (young women) project.
Pius X Aboriginal Corporation	$48,692	Two-year funding for alcohol and drug education and the Community Kitchens Projects.
Regional Social Development Group Inc	$77,600	A family health 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	$390,500	Preventative health care, drug and alcohol, Otitis Media program and coordinator and family health services to develop and implement family health education programs for Aboriginal community in the Riverina region.
South Coast Medical Service Aboriginal Corporation	$156,500	Preventative health care and drug and alcohol services for Aboriginal community in the Nowra area.
Tharawal Aboriginal Corporation	$45,688	Preventative health care and drug and alcohol services for Aboriginal community in the Campbelltown area.
Dubbo Aboriginal Medical Cooperative	$17,677	Anti smoking project – Butt Out for Aboriginal community in the Dubbo area.
Walgett Aboriginal Medical Service Co-op Ltd	$296,385	Preventative health care and drug and alcohol services and family health services for Aboriginal community in Walgett and surrounding areas.
WAMINDA (South Coast Women's Health and Welfare Aboriginal Corp)	$72,300	Family health services 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	$64,300	Residential drug and alcohol counselling, retraining and education programs for Aboriginal people in the Cowra area.
Wellington Aboriginal Corporation Health Service	$85,700	Drug and alcohol services, youth and family health services for the Aboriginal community in Wellington.
Yerin Aboriginal Health Services Inc	$304,500	Health and medical services both at the centre and on an outreach basis, administration support, Otitis Media program and family health services for Aboriginal people in the Wyong area.
Yoorana Gunya Aboriginal Family Violence Healing Centre Aboriginal Corporation	$138,000	Family health services for the Aboriginal community in Forbes and surrounding areas.
TOTAL	$5,359,155	

AIDS		
Aboriginal Health and Medical Research Council of NSW	$699,800	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 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	$148,384	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)	$7,692,896	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; 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	$630,600	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	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Biripi Aboriginal Corporation Medical Centre	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Bourke Aboriginal Health Service Ltd	$26,850	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Bulgarr Ngaru Medical Aboriginal Corporation	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Coomealla Health Aboriginal Corporation	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Aboriginal Medical Service Western Sydney Co-op Ltd	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Diabetes Australia – NSW	$1,632,815	Provision of free needles and syringes to registrants of the National Diabetic Services Scheme resident in NSW.
Durri Aboriginal Corporation Medical Service	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Hepatitis C Council of NSW	$1,232,800	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	$66,244	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
National Centre in HIV Epidemiology and Clinical Research	$388,136	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 Highly Active Anti Retroviral Therapy (HAART) era.
National Centre in HIV Social Research	$654,124	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	$1,309,200	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)	$885,100	Coordination of needle and syringe exchange scheme in retail pharmacies throughout NSW.

Pius X Aboriginal Corporation	$48,726	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
People Living With HIV and AIDS (PLWHA) NSW Inc	$546,800	Statewide community based education, information and referral support services for people living with HIV/AIDS.
South Coast Medical Service Aboriginal Corporation	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Tharawal Aboriginal Corporation	$45,688	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Walgett Aboriginal Medical Service Co-op Ltd	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
Wellington Aboriginal Corporation Health Service	$55,500	Provision of HIV/AIDS, Hepatitis C and sexual health education and prevention programs for local Aboriginal communities.
TOTAL	$16,707,663	
Alternative birthing		
Durri Aboriginal Corporation Medical Service	$163,200	Provision of outreach ante/postnatal services to Aboriginal women in the Kempsey area.
Walgett Aboriginal Medical Service Co-op Ltd	$163,200	Provision of outreach ante/postnatal services to Aboriginal women in the Walgett area.
TOTAL	$326,400	
Carers		
Association of Genetic Support of Australasia (AGSA)	$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 Aged 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	$334,300	Grant for peak body role including health professional training, biennial conference and carer training.
Disability and 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 Ltd	$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 (MDANSW)	$77,800	Care for carers program providing information and support to carers of people with muscular dystrophy and other neuromuscular disorders.
The Cancer Council NSW	$75,900	Support skills for cancer carers providing a statewide education program using facilitator-led online delivery and telegroup support.
The Spastic Centre	$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	$1,170,600	
Community Services		
Association for the Wellbeing of Children in Healthcare	$139,100	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	$185,260	Grant to support the development of the management support unit with the aim of developing management capacity of health funded non-government organisations and to employ a health policy officer to address effective policy development, communication, coordination and advocacy work.
NSW Association for Adolescent Health Inc	$99,000	Peak body committed to working with and advocating for the youth health sector in NSW to promote the health and wellbeing of young people aged 15 to 25 years.
Quality Management Services Inc (QMS)	$596,000	Coordination and implementation of non-government organisations quality improvement program for health non-government organisations funded under the non-government organisation grant program.
United Hospital Auxiliaries of NSW Inc	$154,000	Coordination and central administration of the United Hospital Auxiliaries located in NSW Area Health Services.
TOTAL	$1,173,360	

Drug and alcohol		
Aboriginal Health and Medical Research Council of NSW	$215,000	Grant of $130,000 to continue the policy/project officer position and Aboriginal drug and alcohol network projects and $85,000 to develop a best practice model to better engage Aboriginal offenders in the Merit program.
Aboriginal Medical Service Co-op Ltd	$227,900	Multi purpose drug and alcohol centre.
Drug and Alcohol Multicultural Education Centre (DAMEC)	$264,450	Statewide program targeting health and related professionals to assist them to appropriately service non English speaking customers.
Department of Psychology Macquarie University	$55,100	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.
National Centre in HIV Epidemiology and Clinical Research	$143,600	Project funding for the evaluation of the medically supervised injecting centre trial.
Network of Alcohol and Other Drugs Agencies Inc	$918,109	Peak body for non-government organisations providing alcohol and other drug services.
Oolong Aboriginal Corporation Inc	$260,755	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.
Quality Management Services Inc (QMS)	$197,000	Three year project funding from 2004/05 for the review and accreditation of drug and alcohol non-government organisations providing residential rehabilitation services in NSW.
Uniting Care NSW ACT	$2,663,300	Medically supervised injecting centre trial.
Waverley Action for Youth Services	$56,775	Youth orientated psychostimulant prevention and education initiatives.
TOTAL	$7,884,069	
Health promotion		
National Heart Foundation of Australia (NSW Division)	$361,600	The Hearth Foundation Prevention in Practice Program aims to increase awareness of the benefits of addressing lifestyle risk factors and support effective intervention within general practice.
TOTAL	$361,600	
Innovative services for homeless youth		
CHAIN – Community Health for Adolescents in Need, Inc	$142,900	Preventative, early intervention and primary healthcare 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	$207,850	
Mental health		
Aboriginal Medical Service Co-op Ltd	$302,400	Mental health workers project and mental health youth project for Aboriginal community in the Sydney inner city area.
Association of Relatives and Friends of the Mentally Ill (ARAFMI) NSW Inc	$308,750	Five-year family and carer mental health projects.
Awabakal Newcastle Aboriginal Co-op Ltd	$79,600	Mental health worker project for Aboriginal community in the Newcastle area.
Black Dog Institute	$1,139,700	Programs to advance the understanding, diagnosis and management of mood disorders through research, education, training and population health approaches.
Bulgarr Ngaru Medical Aboriginal Corporation	$81,200	Mental health worker project for Aboriginal community.
Carers NSW Inc	$926,250	Three five-year family and carer mental health projects.
Coomealla Health Aboriginal Corporation	$79,600	Mental health worker project for Aboriginal community.
Cummeragunja Housing and Development Aboriginal Corporation	$79,600	Mental health worker project for Aboriginal community.
Mental Health Coordinating Council NSW	$1,877,771	Peak organisation funded to support non-government organisation sector efforts to provide efficient and effective delivery of mental health services. Plus three-year project funding for the non-government organisation Development Officers Strategy project and a one-off grant for non-government organisation infrastructure.

Mental Illness Education – Aust (NSW) Inc	$159,200	Mental health awareness program, Insight in Secondary Schools.
NSW Consumer Advisory Group – Mental Health Inc	$438,800	Contribution to consumer and carer input into mental health policy making process and one-off for MH Copes project.
Parramatta Mission	$308,750	Five-year family and carer mental health projects
Schizophrenia Fellowship of NSW Inc	$926,250	Three five-year family and carer mental health projects.
South Coast Medical Service Aboriginal Corporation	$81,200	Mental health worker for local Aboriginal community.
Matthew Talbot Homeless Service – Vincentian Village	$88,100	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	$159,200	Project grant for mental health services at aged care facility.
Peer Support Foundation Ltd	$207,300	Social skills development program, providing education and training for youth, parents, teachers, undertaken in schools across NSW.
Wellington Aboriginal Corporation Health Service	$77,500	Project grant for the employment of a clinical team leader (psychologist) Aboriginal mental health focus.
TOTAL	$7,321,171	
Oral health		
Aboriginal Medical Service Co-op Ltd	$100,000	Aboriginal oral health services.
Aboriginal Medical Service Western Sydney Co-op Ltd	$354,600	Aboriginal oral health services and computer with Information System for Oral Health (ISOH) software and vouchers for relief of pain and emergency dental care.
Armidale Aboriginal Health Services Inc	$376,200	Dental services and education for Aboriginal communities in the New England and north-west NSW areas.
Awabakal Newcastle Aboriginal Co-op Ltd	$141,100	Aboriginal oral health services.
Biripi Aboriginal Corporation Medical Centre	$141,100	Aboriginal oral health services.
Bulgarr Ngaru Medical Aboriginal Corporation	$341,400	Aboriginal oral health services.
Dharah Gibinj Aboriginal Medical Service Aboriginal Corporation	$247,750	Aboriginal oral health services.
Durri Aboriginal Corporation Medical Service	$341,400	Aboriginal oral health services.
Illawarra Aboriginal Medical Service	$246,400	Dental services for Aboriginal community in the Illawarra area.
Katungul Aboriginal Corporation Community and Medical Services	$501,300	Aboriginal oral health services.
Pius X Aboriginal Corporation	$140,700	Aboriginal oral health services.
Riverina Medical and Dental Aboriginal Corporation	$371,800	Aboriginal oral health services.
South Coast Medical Service Aboriginal Corporation	$212,100	Aboriginal oral health services.
Tharawal Aboriginal Corporation	$257,406	Aboriginal oral health services.
TOTAL	$3,773,256	
Rural Doctors services		
NSW Rural Doctors Network Ltd	$1,110,200	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	$1,110,200	

Vascular health		
Aboriginal Medical Service Co-op Ltd	$69,000	Preventative vascular health program for Aboriginal community in the Sydney inner city area.
Biripi Aboriginal Corporation Medical Centre	$63,700	Preventative vascular health program for Aboriginal community in the Taree area.
Durri Aboriginal Corporation Medical Service	$127,500	Preventative vascular health program for Aboriginal community in the Kempsey area.
TOTAL	$260,200	
Victims of crime support		
Dubbo Women's Housing Programme Inc	$46,400	Provision of counselling and support services for women and children who have experienced domestic violence.
Enough is Enough	$51,400	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	$21,300	Provision of counselling to adult victims of child sexual assault.
Mission Australia	$44,450	Provision of court preparation and support to adult victims of crime.
Nambucca/Bellingen Family Support Service	$25,750	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	$27,150	Provision of individual and group counselling to adult victims of child sexual assault.
TOTAL	$216,450	
Women's health		
Women's Health NSW	$155,700	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	$155,700	

Operating consultants

Consultancies equal to or more than $30,000

Consultant	$ Cost	Title/nature
Organisational review		
PriceWaterhouseCoopers	99,000	Organisational review of NSW Institute of Psychiatry
Sub Total	99,000	
Management Services		
John Deeble	44,431	Analysis of Australian Health Care Agreement to optimise outcomes
Health Policy Analysis P/L	36,091	Review of NSW program and product data collection standards
Health Policy Analysis P/L	34,826	Review of health need indices in resource distribution formula
Health Outcomes International	50,000	Review of health and economic impact of HIV/AIDS in NSW
Health Consult P/L	96,442	Review of Ambulatory Care Services
Health Policy Analysis P/L	76,709	Assessment of state of readiness of Ambulatory Care Service
Helen Hill Aged Care Consultancy	36,671	Review of Wallsend and Garrawarra nursing homes care and management systems
Julie McDonald and Associates	31,409	Evaluation of the policy directive 2005_625 for People with Disabilities
Communio	74,515	Review of telephone and advisory service
KPMG Corporate Finance	151,043	Review of sexual assault forensic and medical services
KPMG Corporate Finance	39,400	Review of healthcare simulated skills training models
Sinclair Pastoral Co P/L	30,068	High-level clinical advice for Health Care Advisory Council
Jacq Hackett Consulting	50,000	Evaluation of health funded cannabis clinics
Sub Total	751,605	
Consultancies equal to or more than $30,000	850,605	

Consultancies less than $30,000

During the year 39 other consultancies were engaged to the following areas:	
Finance and Accounting/Tax	28,557
Legal	9,091
Organisational review	18,182
Management services	453,885
Training	650
Total consultancies less than $30,000	510,365
TOTAL Consultancies	1,360,970

Other funding grants

Grant recipient	Amount $	Purpose
Aboriginal Health and Medical Research Council	47,504	Men's health program
Adele Dundas Inc	127,221	Residential rehabilitation services of adult Drug Court program
AFL NSW/ACT Commission Ltd	45,000	'Smoking Don't Be a Sucker' program
Aftercare	3,000	2007 celebrations on World Mental Health Day
AIDS Council of NSW	5,450	Capacity building program grant
Airds Bradbury Community	2,200	Special funds 'Express Yourself' project
Albury City Council	3,300	Special funds 'Party In The Q' project
Amadeus Catering	452	Capacity building program grant
Anex Incorporated	15,000	Sponsorship of Australasian Amphetamine conference
Armidale Family Support Service Inc	3,800	Capacity building program 'Changing culture of alcohol use in NSW'
Armidale Family Support Service Inc	851	Capacity building program grant
Armidale Youth Refuge	2,097	'Pick and Path Camps' project
Attorney General's Department	282,758	Infrastructure support for phase 2 of the Illicit Drug Diversion initiative
Attorney General's Department	38,778	Program evaluation for phase 2 of the Illicit Drug Diversion initiative
Australian Breast Feeding Association	7,092	Implementation of new NSW Health breastfeeding policy
Australian College of Physical Scientist and Engineering Medicine	15,100	Training of radiation oncolology medical physicists
Australian College of Health Service Executives	128,898	Graduate management training program grant
Australian College of Health Service Executives	63,425	Library funding
Australian College of Health Service Executives	24,059	Funding of health planning and management library
Australian Council of Health Care Standards	8,891	Accreditation of health care organisations
Australian Medical Association (NSW) Ltd	4,545	Sponsorship of 2007 international Doctor's health conference
Australian Red Cross Blood Service	4,691,304	Bone marrow program
Australian Red Cross Society	170,000	Heroin Overdose Prevention Education (HOPE) program
Australian Red Cross Society	12,000	'Save A Mate Training' drug strategy program
Australian Rotary Health Research	22,500	Indigenous health scholarships
Bankstown City Council	400	'Changing the culture of alcohol use' grant
Beyond Blue Ltd	1,183,777	Undertake mental health initiatives in depression, anxiety and related disorders
Black Dog Institute	1,000,000	Mood assessment program development
Cabramatta Community Centre	3,111	Community Drug Strategy administrative support funds
Cancer Institute NSW	112,324,482	Core funding
Cancer Institute NSW	48,800	Funding for NSW specialist palliative care services
Cancer Institute NSW	75,000	Rock Eisteddfod 2007 sponsorship contribution
Cancer Institute NSW	750,000	Funding for nutrition campaign
Centre Care Wagga Wagga	2,000	Capacity building program 'Changing culture of alcohol use in NSW'
Centre for Developmental Disability Studies	64,078	Primary health care GP and community care building project
Centre for Developmental Disability Studies	72,727	NSW Developmental Disability Health Unit operational costs
Charles Sturt University	15,000	Research on 'Participating following traumatic brain injury in rural regional remote areas'
CoastCityCountry Training Ltd	48,750	NSW GP procedural health training program

Grant recipient	Amount $	Purpose
Cooperative Research Centre for Asthma and Airways	100,000	Lane Cove air quality project
Council of the City of Broken Hill	500	Community Drug Strategy administrative support funds
Council of the City of Broken Hill	4,946	'Smart Choices' Drug Strategy program
Cummeragunja House and Development	3,500	Capacity building program 'Changing culture of alcohol use in NSW'
Cummeragunja House and Development	500	Community Drug Strategy administrative support funds
Cynthia Street Neighbourhood	500	Community Drug Strategy administrative support funds
Department of Community Services	73,761	National Drug Strategy development program
Department of Community Services	174,836	Funding for Illicit Drug Diversion initiative 2006/07, Phase 2
Department of Corrective Service	1,399,915	National Drug Strategy program funding to enforcement agencies
Department of Education and Training	149,273	Funding for Illicit Drug Diversion initiative 2006/07, Phase 2
Department of Education and Training	125,000	School Sports Foundation sponsorship
Department of Education and Training	148,905	2005/06 Contribution to Integrated Funded Schools as Community Centres projects
Department of Health and Ageing	874,930	Contribution to National Cord Blood Collection Network
Department of Health and Ageing	1,499,400	Contribution to Australian Commission on Safety and Quality in Healthcare
Department of Health South Australia	510,000	Shared contributions towards National Accreditation Scheme
Department of Health South Australia	333,200	Shared contributions towards COAG Health Workforce Taskforce
Department of Human Services	22,690	Mental Health Workforce Advisory Council
Dubbo City Council	1,799	Sponsor for 2007 Dubbo Rock Up Battle of the Bands
Edith Cowan University	20,000	National Indigenous Health Infonet project
F Samara Pty Ltd	1,100	Sponsorship of rural area managers to attend the International Society for biomedical research in alcoholism conference
Fight Against Cancer	5,000	Fight Against Cancer, Macarthur donation
Forbes Shire Council	2,930	Trivia nights, Drug Strategy program
Forbes Shire Council	600	Community Drug Strategy administrative support funds
Forster Neighbourhood Centre	2,500	Capacity building program 'Changing culture of alcohol use in NSW'
Forster Neighbourhood Centre	500	Community Drug Strategy administrative support funds
Ghinni Ghinni Youth	3,300	Capacity building program 'Changing culture of alcohol use in NSW'
Goulburn City Council	500	Community Drug Strategy administrative support funds
Greater Hume Shire Council	2,000	Capacity Building Program 'Changing culture of alcohol use in NSW'
Greater Southern Area Health Service	2,500	Workshops on 'Working with Local Government'
Griffith City Council	3,600	Special funds grant 'Safe Party Packs'
Griffith City Council	500	Community Drug Strategy administrative support funds
Guthrie House	45,240	Residential rehabilitation services of adult Drug Court program
Gwydir Shire Council	2,400	Capacity Building Program 'Changing culture of alcohol use in NSW'
Gwydir Shire Council	500	Community Drug Strategy administrative support funds
Hamilton Sth Community Action	500	Community Drug Strategy administrative support funds
Hamilton Nth Community Action	2,013	Capacity building program 'Changing culture of alcohol use in NSW'
Hay Shire Council	700	Community Drug Strategy administrative support funds
Hay War Memorial High School	1,500	Youth of Hay's 'Reaching out to people everywhere festival' grant
Health Technology	423,411	Core operational funding for 2006/07
Holroyd City Council	3,680	'Changing the culture of alcohol use' grant
Hornsby Shire Council	500	Capacity building program grant
Hornsby Shire Council	3,000	'Message in a Bottle' project
Hornsby Shire Council	3,000	Sponsorship of Community and Youth Festival
Hunter New England Area Health Service	70,400	Program for provision of mechanical protheses at John Hunter Hospital
Hunter New England Area Health Service	2,500	Workshops on 'Working with Local Government'
Hunter New England Area Health Service	15,000	Sponsorship of rural health research colloqium
Hunter Volunteer Centre	1,000	Auspicing of the 'Service of Remembrance' program
NSW Institute of Psychiatry	115,761	General Practitioners education program

Grant recipient	Amount $	Purpose
Jarrah House	19,175	Residential rehabilitation services of adult Drug Court program
Juvenile Justice	2,243,009	Funding for illicit drug diversion initiative 2006/07, Phase 2
Kids of Macarthur Health Foundation Ltd	35,000	Raise funds for children's health services in Campbelltown and Camden Hospitals
Kids of Macarthur Health Foundation Ltd	28,000	Special care nursery incubator
Kidsafe NSW Inc	61,000	Review of Kidsafe NSW infrastructure grant
Kylie Clark	3,590	Capacity building program 'Changing culture of alcohol use in NSW'
Kyogle Youth Action Incorporated	3,000	'Changing the culture of alcohol use' grant
Lachlan Shire Council	4,294	'Save A Mate Training' Drug Strategy program
Lake Macquarie City Council	5,000	'Changing the culture of alcohol use' grant
Leeton Shire Council	1,800	Special funds grant 'Who's Driving You Home?'
Leeton Shire Council	1,000	'Changing the culture of alcohol use' grant
Manly Drug Education and Counselling Centre	8,646	Drug special purpose funding for the 'Ghinni Ghinni' project
Maryland Activities Group	2,615	Community Drug Strategy administrative support funds
Mental Health Association of NSW (MHA)	435,851	Relocation expenses for Mental Health Association, Consumer Advisory Group and Association for Relatives and Friends of the Mentally Ill
Mental Health Coordinating Council	2,500	Mental health first aid course
Mental Health Coordinating Council	115,385	Mental health and comorbidity research grants
Mid Western Regional Council	254,315	Floridation of Mudgee and Gulgong water supply systems
Mission of Hope Incorporated	6,000	'At risks muslim males' and 'Muslims ahead' project
Miyay Birray Youth Service	6,293	'Resus-A-Cruz Education' and 'Wanna Stop? Can' projects
Moree Plains Shire Council	341,832	Installation of fluoride at treatment plants
Multicultural Disability Advocacy Association	4,545	Sponsorship of conference
Narrabri and District Community Aid	1,205	Capacity building program 'Changing culture of alcohol use in NSW'
National Blood Authority	5,916,811	NSW share of operational funding and blood products
Network Alcohol and Other Drug Agencies	5,000	Sponsorship of rural and regional members to attend NADA conference
Network Alcohol and Other Drug Agencies	46,962	Drug and alcohol psychologist -in-training program
Network Alcohol and Other Drug Agencies	115,385	Mental Health and Comorbidity research grants
Neuroscience Institute	1,141,885	Core grant payment
Neuroscience Institute of Schizophernia and Allied Disorders	59,132	Partnership project
Neuroscience Institute of Schizophernia and Allied Disorders	151,067	Partnership project
Nimbin Community Development Association	455	Community Drug Strategy administrative support funds
Northern Sydney Central Coast Area Health Service	37,400	Funding for clinical placement co-ordinator
NSW Department of Aboriginal Affairs	30,000	Contribution to Croc Festival
NSW Department of Aboriginal Affairs	10,000	Contribution for 2007 NSW Sorry Day event
NSW Department of Commerce	160,000	Funding of NSW carers action plan
NSW Department of Community Services	200,000	Funding for Cabramatta anti-drug strategy project
NSW Department of Housing	150,000	Funding of NSW Carers action plan
NSW Department of State and Regional Development	62,500	Biotechnology business incubator
NSW Farmers Association	100,000	Mental health first aid training to rural communities
NSW Health Foundation	3,000,000	Contribution to Ambulance Service Research Fund
NSW Institute of Psychiatry	1,958,630	Annual operating expenses
NSW Police Service	340,000	National Drug Strategy program funding to enforcement agencies
NSW Police Service	151,128	Funding for illicit drug diversion initiative 2006/07, Phase 2
NSW School Canteen Association (NSWSCA)	137,500	Funding to facilitate nutritious and healthy food service
Penrith Performing Arts	25,000	Funding for 'For Matthew and others – journey with schizophrenia'
Port Macquarie Hastings Council	9,742	'Changing the culture of alcohol use' grant
Prince of Wales Medical Institute	1,300,000	Research infrastructure for mental health research

Grant recipient	Amount $	Purpose
Prince of Wales Medical Institute	2,273	NSW Falls Injury Prevention Network meeting sponsorship
Quality Management Services	8,891	Accreditation of Health Care organisations
Queensland University of Technology	1,136	Australian falls prevention conference sponsorship
Raymond Terrace Community Resident Centre	2,420	Capacity building program 'Changing culture of alcohol use in NSW'
Raymond Terrace Community Resident Centre	500	Community Drug Strategy administrative support funds
Regional Youth Supplementary Service	500	Community Drug Strategy administrative support funds
Restaurant and Catering NSW/ACT	2,584	Sponsorship of Restaurant and Catering NSW/ACT Awards for Excellence
Riverwood Community Centre	3,000	Grant for parenting groups – drug education
ROAM Communities	100,000	Grant for homeless people with mental illness
Royal Rehabilitation Centre Sydney	33,750	Traumatic brain injury surveillance project
Royal Rehabilitation Centre, Sydney	7,899	'Stroke Exercise on Website' grant
Royal Rehabilitation Centre, Sydney	72,231	Implementation and care plan
South Eastern Sydney and Illawarra Area Health Service	455	Aged care psychiatry annual public health forum
Salvation Army Morisset	520	Residential rehabilitation services of adult Drug Court program
Samaritan Foundation	2,817	Capacity building program 'Changing culture of alcohol use in NSW'
Samaritan Foundation	500	Community Drug Strategy administrative support funds
San Remo Neighbourhood Centre	7,150	'Rock Against Drugs' capacity building program
San Remo Neighbourhood Centre	500	Community Drug Strategy administrative support funds
Saratoga Community Hall	400	Capacity building program 'Changing culture of alcohol use in NSW'
Schizophrenia Research Institute	464,285	Neuroscience Institute of Schizophrenia and Allied Disorders Grant contribution
S-E Sydney Illawarra Area Health Service	2,000	Workshops on 'Working with Local Government'
Shellharbour City Council	1,500	Creating synergy conference
Shellharbour City Council	7,500	'Scattered Influences DVD' Drug Strategy program
Society of St Vincent de Paul	20,000	Winter appeal program
South West Child Adolescent and Family Services	8,000	Capacity building program 'Changing culture of alcohol use in NSW'
South Eastern Sydney and Illawarra Area Health Service	495,000	Safer Systems -Saving Lives project
Southern Cross University	8,000	Aboriginal and Torres Straits Islander scholarships
State Library NSW	99,000	Implementation of the 'Drug info@your library' project
Sydney Children's Hospital Foundation	500,000	10th Gold Dinner 'Pain and Palliative Care Service'
Sydney South West Area Health Service	2,000	Workshops on 'Working with Local Government'
Sydney West Area Health Service	2,000	Workshops on 'Working with Local Government'
Ted Noffs Foundation	5,000	Sponsorship of National Drug and Alcohol Awards
Ted Noffs Foundation	10,000	Sponsorship of 2007 National Drug and Alcohol Awards
Tenterfield Social Development	3,003	'Sistas in Unity' Drug Strategy program
The Australian Royal College of General Practioners	10,955	Funding for development of GP workforce strategy
The Butterfly Incorporated	7,030	Capacity building program 'Changing culture of alcohol use in NSW'
The Cancer Council	10,000	Supporting rural women with breast cancer
The Cancer Council	2,000	Contribution to national tobacco control research audit
The George Institute	50,000	PHD scholarship in rehabilitation
The Lyndon Community	2,200	'Movie Night' Drug Strategy program
The Salvation Army	16,120	Residential rehabilitation services of adult Drug Court program
The Sax Institute	120,000	Purchase equipment for the SEARCH research project
Ulladulla and District Community Resource Centre	3,000	'Drug and alcohol risk reduction camp' Drug Strategy program
Uniting Care NSW	250,000	Grant to Uniting Care for Lifeline NSW
University of New England	7,332	Aboriginal and Torres Straits Islander scholarships

Grant recipient	Amount $	Purpose
University of New South Wales	10,000	Research on informatics approaches to improving response to outbreaks
University of New South Wales	50,000	Research to evaluate and monitor the NSW falls policy implementation
University of New South Wales	220,000	School Sports Foundation sponsorship
University of New South Wales	8,000	Screening for domestic violence in NSW funding
University of New South Wales	1,700,000	Funding for Schizophrenia Chair
University of New South Wales	44,551	Post graduate research scholarship
University of Newcastle	25,000	Research Grant 'Neurocognitive profiles of people receiving cognitive behaviour therapy'
University of Newcastle	1,355,000	Centre for Remote and Rural Mental Health funding agreement
University of Newcastle	44,968	Aboriginal mental health workers forum
University of Newcastle	197,785	Mental health drought assistance measures
University of Newcastle	122,500	Pilot of Emergency mental health online learning program
University of Newcastle	68,891	Intervention for regular amphetamine use and depression
University of NSW	50,000	Treating comorbid post traumatic stress disorder
University of Sydney	50,000	Screening for abdominal aortic aneurysm in remote NSW
University of Sydney	114,964	NSW Institute of Rural Clinical Services and Teaching
University of Sydney	32,045	Support and supervision to Australian Medical Council graduates
University of Sydney	100,000	NSW Centre for Physical Activity and Health Funding – Childhood Obesity
University of Sydney	150,000	Funding for the Centre for Public Health and Nutrition
University of Sydney	250,000	Funding for Centre for Overweight and Obesity
University of Sydney	109,091	Funding for Chair in Medical Physics
University of Sydney	150,000	Funding for Chair of Geriatric Medicine and Aged Care at Westmead Hospital
University Of Sydney	50,000	HAC/University of Sydney funding agreement for Chair of Geriatric Medicine
University of Sydney	75,000	Funding for 'Novel treatment for young people with harmful alcohol use'
University of Technology Sydney	2,500	Workshops on 'Working with Local Government'
University of Western Sydney	221,326	Funding of men's health and information resource centre
University of Western Sydney	62,813	Funding of Aboriginal male health project
University of Western Sydney	5,000	Sponsorship of 'International Council on Women's Health Issues Congress 2006'
University of Western Sydney	409,091	Mental health research grant for disaster planning
Various	456,161	Rural scholarships/grants
Various	150,836	2007 NSW Radiation Oncology Medical Physicists postgraduate scholarships
Various	2,368	Radiation therapists overseas recruitment program expenses
Various	1,030,730	Mental health nursing scholarships
Various	13,073,546	Transitional aged care grant
Wayback Committee Limited	167,895	Residential rehabilitation services of adult Drug Court program
We Help Ourselves	14,950	Residential rehabilitation services of adult Drug Court program
Wesley Counselling Service	5,000	State grant for Sutherland telephone counselling service
Wesley Mission	3,350	Community Drug Action Team projects
Wingecarribee Shire Council	4,500	Supplying underage drinkers' project, drug strategy program
Wiradjuri Country Community Development	2,000	'Save A Mate' project, Drug Strategy program
Women's Health NSW	10,000	NSW Women's Health Summit conference
Yerin Aboriginal Health Service	26,226	Psychologist-in-training program
Total	169,145,330	

Public health outcome funding agreement

	[1]		[2]		[3]		[4]		[5]		[6]		[7]		[8]		[9]			
	HIV/AIDS		Women's Health		Alternative Birthing		Female Genital Mutilation		Family Planning		Cervical Cancer		Breast Cancer		National Drug Strategy		National Immunisation Program		Grand Total	
	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06	2006 /07	2005 /06
Health Services	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's	$000's
Sydney South West	2,949	2,710	1,245	1,192		0		0	5,337	5,226		0		0	753	753			10,284	9,881
South Eastern Sydney and Illawarra	6,386	6,632	353	388	160	191		0				0		0	709	1,209			7,608	8,420
Sydney West	1,299	1,284	660	565		0	205	222				0		0	362	362			2,526	2,433
Northern Sydney and Central Coast	820	929	135	158		0		0				0		0	551	566			1,506	1,653
Hunter and New England	816	820	245	223		0		0				0		0	76	66			1,137	1,109
North Coast	618	560	211	266	160	191		0				0		0	157	156			1,146	1,173
Greater Southern	260	254	104	117	320	376		0				0		0	10	0			694	747
Greater Western	287	261	165	175		0		0				0		0	265	266			717	702
Justice Health	263	263	36	30		0		0				0		0	706	711			1,005	1,004
Department of Health					128		20								6,401	5,776	87,598	42,835	94,147	48,611
Total Commonwealth Contribution	13,698	13,713	3,154	3,114	768	758	225	222	5,337	5,226	2,243	2,186	16,168	15,970	9,990	9,865	87,598	42,835	139,181	93,889
State Contribution	13,698	13,347	2,312	2,168	0	362	0	28					16,900	16,607	6,636	6,664			39,546	39,176
Grand Total	27,396	27,060	5,466	5,282	768	1,120	225	250	5,337	5,226	2,243	2,186	33,068	32,577	16,626	16,529	87,598	42,835	178,727	133,065

Note:

1. Figures above do not include the use of rollovers.
2. The methodology used in this report was altered to differentiate clearly the contributions made by both the Commonwealth and State. This has resulted in some variation in 2005/06 values reflected in this report when compared to the previous years report.
3. Non Government Organisation payments are not shown separately and form part of the State contribution values.
4. Women's Health figures excludes contibutions made by the Health Services.
5. In 2005/06 the State contributed some funds to alternative birthing and female genital mutilation as Commonwealth funding was insufficient to run the programs.

Comments

1 HIV/AIDS – The amounts reported under the public funding health outcome funding agreement (PHOFA) represent only the extent of previous cost sharing arrangements with the Commonwealth. Actual AIDs allocations for 2006/07 approximated $98M

2 Women's Health – The Women's Health allocation does not include contributions made by the Health Services to this program

3 Alternative Birthing – Program fully funded by Commonwealth

4 Female Genital Mutilation – Program fully funded by Commonwealth. Statewide service administered through Sydney West

5 Family Planning – Statewide service administered through Sydney South West Area Health Service

6 and 7 Cervical Cancer and Breast Cancer – With effect from 1July 2005 funding is provided to the Cancer Institute which administers the Breast and Cervical Screening programs. An amount of $1.63 million was transferred from Cervical Cancer Screening to Breast Cancer Screening both in 2005/06 and on annual basis thereafter.

8 National Drug Strategy – Funds were utilised to administer drug, alcohol and tobacco programs

9 National Immunisation Program – Commonwealth funding is for purchase of vaccines on the National Health and Medical Research Council Immunisation Schedule (NHMRC).

Research and development infrastructure grants

The Capacity Building Infrastructure grants program is a competitive funding program administered by NSW Health. Its purpose is to build capacity and strengthen research in the key areas of public health, primary health care and the provision of health services.

The program aims to build these strengths in priority areas that are of importance to the health of the NSW population in the next five to ten years and beyond.

The program provides grants of up to $1.5 million over a three-year period to successful applicants. The first round ran from 2003/04 to 2005/06. The second round of funding is for the period 2006/07 to 2008/09.

At the end of the second funding round, NSW Health expects that the program will have achieved the following objectives:

- There will be a robust and vibrant research community within NSW conducting high quality and internationally recognised research in the key areas of public health, primary healthcare and the provision of health services.
- This capacity will be directed towards generating research findings which address the areas of highest priority for improving and maintaining the health of the people of NSW.
- Those research findings will be adopted in the policies and practices of health providers and health services, resulting in improvements in the provision of services to the community.

Research and Development infrastructure grants	Amount $	Purpose
CRC Asthma and Airways	83,333	Support for research on asthma
Hunter Medical Research Institute	499,966	Capacity building infrastructure funding
Hunter New England Area Health Service	10,000	Sponsorship of rural health research colloquium
Macquarie University	3,497	Collaborative project 'minor consent to treatment'
NSW Attorney General's Department	14,843	Contribution to 2006/07 National Coroner's information system
Sydney West Area Health Service	500,000	Infrastructure grant for infectious diseases and microbiology
The Sax Institute	1,800,000	Development of research partnerships in population health services and policy
The Sax Institute	100,000	Costing of health and economic evaluation program
University of NSW	359,979	Research and development capacity infrastructure grant for HIV Hepatitis C and related diseases
University of NSW	468,081	Infrastructure for the Centre for Health Informatics grant
University of NSW	489,838	Research Centre primary health care and equity
University of Sydney	500,000	Australian Rural Health Research Collaboration infrastructure grant
University of Wollongong	100,000	NSW research and development capacity building infrastructure grant
Total	4,929,537	

Risk management and insurance activities

Within NSW Health the major insurable risks are workers compensation, public liability (including medical indemnity for employees) and medical indemnity provided through the Visiting Medical Officer and Honorary Medical Officer – 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 2004/05 to 2006/07. An analysis follows the tables.

Workers compensation – Frequency and total claims cost

	2006/07				2005/06				2004/05			
	Frequency		Claims cost		Frequency		Claims cost		Frequency		Claims cost	
Occupation group	No.	%	$M	%	No.	%	$M	%	No.	%	$M	%
Nurses	2,432	36	16	38	2,651	37	19.8	46	3,109	43	19.7	43
Hotel services	1,326	20	7.9	19	1,362	19	7.3	17	1,446	20	9.2	20
Medical/Medical support	818	12	5.7	14	860	12	5.2	12	868	12	6	13
General administration	468	7	2.7	6	502	7	2.6	6	795	11	5.5	12
Ambulance	570	9	3.5	8	573	8	3	7	651	9	3.2	7
Maintenance	174	3	2.3	6	215	3	1.7	4	217	3	1.4	3
Linen services	120	2	0.7	2	143	2	0.4	1	145	2	0.9	2
Not grouped	761	11	2.8	7	860	12	3	7				
Total	6,669	100	41.6	100	7,166	100	43.1	100	7,230	100	45.8	100

Workers compensation – Frequency and total claims cost

	2006/07				2005/06				2004/05			
	Frequency		Claims cost		Frequency		Claims cost		Frequency		Claims cost	
Mechanism of injury group	No.	%	$M	%	No.	%	$M	%	No.	%	$M	%
Body stress	2,694	41	20.8	50	2,866	40	19.8	46	2,964	41	21.1	46
Slips and falls	1,169	18	7.3	17	1,075	15	7.3	17	1,157	16	6.4	14
Stress	355	5	5.5	13	430	6	5.6	13	506	7	7.8	17
Hit by objects	1,019	15	3.9	10	1,075	15	3.9	9	1301	18	5	11
Motor vehicle	500	7	1.7	4	502	7	2.6	6			2.3	
Other causes	932	14	2.4	6	1,218	17	3.9	9	1,301	18	3.2	7
Total	6,669	100	41.6	100	7,166	100	43.1	100	7,230	100	45.8	100

Analysis

	2006/07	2005/06	2004/05
Number of employees FTE	97,824	92,110	90,168
Salaries and wages $M	7,359	6,862	6,496
Number of claims per 100 FTE	6.82	7.78	8.0
Average claims cost	$6,242.41	$6,014.51	$6,334.72
Cost of claims per FTE	$425.57	$467.92	$507.94
Cost of claims as % S and W	0.57	0.63	0.71
Average cost of:			
Nurses	$6,581.73	$7,478.69	$6,334.51
Hotel services	$5,948.41	$5,379.59	$6,334.72
Medical/ Medical support	$6,940.40	$6,013.95	$6,859.45
Body stress	$7,288.12	$6,916.69	$7,107.24
Slips and falls	$6,222.15	$6,816.45	$5,542.88
Stress	$15,365.08	$13,031.44	$15,384.31

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 and data covering an 18-year period from 1 July 1989 as at 30 June 2007 for the period 1 July 1989 to 31 December 2001 and from 1 January 2002 is presented below.

The data has been separated as data 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 2007 reveal that legal liability costs are dissected as follows:

- 1 July 1989 to 31 December 2001 (as at 30 June 2007) – treatment non-surgical 34 per cent (58 per cent) treatment surgical 26 per cent (26 per cent), hepatitis C 3 per cent (2 per cent), slipping and falling 6 per cent (3 per cent) and other 31 per cent (11 per cent).
- 1 January 2002 to 30 June 2007 – anaesthetic 2 per cent (1 per cent), antenatal neonatal 8 per cent (19 per cent), consent 1 per cent (1 per cent), diagnosis 18 per cent (32 per cent), infection control 2 per cent (3 per cent), misplaced/lost 13 per cent (6 per cent), non procedural surgical 9 per cent (7 per cent), procedural surgical 14 per cent (7 per cent), slips/trips 7 per cent (2 per cent), treatment failure 14 per cent (15 per cent), unspecified 0 per cent (5 per cent) and other 12 per cent (3 per cent).

Visiting Medical Officer and Honorary Medical Officer – 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 Visiting Medical Officers and Honorary Medical Officers 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, visiting medical officers and honorary medical officers agreed to a number of risk management principles that would assist with the reduction of incidents in NSW public hospitals.

That indemnity has since been extended to cover private patients in the rural sector and all private paediatric patients.

For the period ending 30 June 2007 some 2,441 (1,890) incidents had been notified thus allowing early management as applicable. Of these incidents 244 (141) had converted to claims.

Retrospective cover for visiting medical officers and honorary medical officers for incidents prior to 1 January 2002

With the announcement of the Visiting Medical Officers and Honorary Medical Officers Public Patient Indemnity cover, the NSW Government also announced that it would provide coverage for all unreported claims from Visiting Medical Officers and Honorary Medical Officers 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 2007, the Department had granted indemnity in respect of 329 (318) cases.

Specialist Sessional Visiting Medical Officers

Obstetricians and Gynaecologists

The indemnity scheme introduced by the Department in February 1999 for Specialist Sessional Visiting Medical Officers – Obstetricians and Gynaecologists Seeing Public Patients in Public Hospitals has been incorporated with the Visiting Medical Officer and Honorary Medical Officer Public Patient Indemnity Cover.

Property

Whilst property is not a significant risk, statistics as at 30 June 2007 on Property Claims since 1 July 1989 identify 8,340 (7,866) claims at a cost of $74.6M ($69.8M). Claims costs are storm and water 30 per cent (30 per cent), fire/arson 24 per cent (24 per cent), theft/ burglary 10 per cent (11 per cent), accidental damage

8 per cent (6 per cent), fusion/electrical 11 per cent (10 per cent) earthquake 13 per cent (14 per cent) and other 4 per cent (5 per cent).
Note that the use of ( ) denotes 2006 result.

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

Insurable 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 2006/07 were for:

- Motor vehicle 2004/05 – deficit $0.7 million.
- Workers compensation.

The 2000/01 final five years and 2002/03 interim three years were declared and adjusted in 2006/07 with the Department receiving surpluses of $12.3 million and $40.2 million respectively. In addition, a once-off adjustment for the 1999/00 fund year and 2001/02 totalling $6.4 million was made. In all, NSW Health received a total surplus of $58.9 million hindsight adjustments.

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 2006/07 for NSW Health is identified under premium. Benchmarks are the budget allocation.

	Premium $M	Benchmark $M	Variation $M
Workers compensation	133.4	184.2	50.8
Motor vehicle	8.2	7.9	(0.3)
Property	6.7	6.3	(0.4)
Liability	149.2	147.7	(1.5)
Miscellaneous	0.2	0.2	0.0
Total TMF	297.7	346.3	48.6
VMO	55.6	55.6	0.0
Total	353.3	401.9	48.6
2005/06	373.2	389.8	16.6

Benchmarks (other than Visiting Medical Officers) 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. Visiting Medical Officer 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:

- Ongoing commitment to and participation in the whole-of-Government Occupational Health and Safety (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. NSW Health in conjunction with Independent Commission Against Corruption have developed a new training resource called Managing the risk of corruption – A training kit for the NSW public health sector.
- Continued promotion of the Clinicians Toolkit for Improving Patient Care, which is directed at visiting medical officers and other clinicians.
- The ongoing development of the Visiting Medical Officers Incident Reporting System (an early incident reporting system that allows Visiting Medical Officers to report any incident that may trigger a medical liability claim).

- 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. A draft policy and framework was distributed for comment 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). 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 guidelines to provide an operational framework for dealing with a complaint. The guidelines provide interpersonal strategies for dealing with consumers at the first point of contact, assessing the severity of complaints, investigating complaints and resolving complaints.
- Release of a policy, Safety Alert Broadcasting System, that provides to health services early warnings and/or notification of issues that may potentially affect patient safety and clinical quality.
- Release of the Sexually Transmissible Infection (STI) strategy 2006–2009 policy that provides a framework for STI prevention, treatment, care and support, research and workforce development in NSW.
- Release of policy and guidelines to prevent or minimise sharps injuries by directing organisations to develop a sharps injury prevention program utilising a risk management framework.
- Release of a revised infection control policy that outlines the broad principles of infection control and is intended as a framework within which Health Services can develop comprehensive infection control policies and procedures .
- Release of a revised audit tool for assessing performance in essential aspects of OHS and injury management.
- Release of a revised policy, Occupational assessment, screening and vaccination against specified infectious diseases, that describes requirements for employers to meet their OHS obligations and their duty of care to staff, clients and other users of health service premises.

Suncorp Risk Services – NSW Health Engagement

In July 2005, Suncorp Risk Services was appointed to provide strategic level risk management services on behalf of the NSW Self-Insurance Corporation for the NSW Treasury Managed Fund members. These services are directed at improving the risk management performance of Treasury Managed Fund 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 has 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.

Suncorp Risk Services has recently been endorsed to undertake a facilitated self-assessment of risk management practices across the public health organisations of NSW Health. In doing so, it will provide benchmark risk management process performance indicators and improvement recommendations for each public health organisation and the NSW Health Corporate Governance and Risk Management Branch. During 2006/07 the self-assessments were completed in seven public health organisations with the remaining scheduled to be completed by December 2008.

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 Risk Services Team across NSW Health, as well as expertise in the application of resources such as Australian Standard AS4360: 2004 and Treasury Managed Fund guide to risk management — The RCCC approach.

Three year comparison of key items of expenditure

	2007		2006		2005		Increase/decrease (%) compared to previous year	
Employee Related Expenses	$000	% Total Expense	$000	% Total Expense	$000	% Total Expense	2007	2006
Salaries and Wages	5,892,271	48.94	5,482,770	48.65	4,990,511	48.12	7.47	9.86
Long Service Leave	194,184	1.61	198,598	1.76	205,981	1.99	-2.22	-3.58
Annual Leave	584,464	4.85	565,521	5.02	508,435	4.90	3.35	11.23
Workers Comp. Insurance	126,048	1.05	156,932	1.39	157,004	1.51	-19.68	-0.05
Superannuation	594,461	4.94	557,194	4.94	518,915	5.00	6.69	7.38
Sub Total	7,391,428	61.39	6,961,015	61.76	6,380,846	61.53	6.18	9.09
Other Operating Expenses								
Food Supplies	81,562	0.68	80,999	0.72	74,592	0.72	0.70	8.59
Drug Supplies	421,775	3.50	393,738	3.49	361,088	3.48	7.12	9.04
Medical & Surgical Supplies	639,676	5.31	524,128	4.65	480,459	4.63	22.05	9.09
Special Service Departments	188,887	1.57	189,999	1.69	199,716	1.93	-0.59	-4.87
Fuel, Light and Power	78,266	0.65	72,482	0.64	63,735	0.61	7.98	13.72
Domestic Charges	133,570	1.11	101,777	0.90	94,402	0.91	31.24	7.81
Other Sundry/General Operating Expenses *	1,034,660	8.59	1,037,641	9.21	1,037,515	10.00	-0.29	0.01
Visiting Medical Officers	467,587	3.88	441,393	3.92	401,917	3.88	5.93	9.82
Maintenance	322,090	2.68	282,038	2.50	259,977	2.51	14.20	8.49
Depreciation	418,171	3.47	411,447	3.65	388,612	3.75	1.63	5.88
Grants and Subsidies								
Payments to Third Schedule and other Contracted Hospitals	502,219	4.17	500,607	4.44	429,865	5.40	0.32	16.46
Other Grant Payments	353,545	2.94	268,118	2.38	191,231	1.84	31.86	40.21
Finance Costs	6,870	0.06	4,890	0.04	6,241	0.06	40.49	-21.65
TOTAL EXPENSES	12,040,306		11,270,272		10,370,196		6.83	8.68

* Includes Cross Border Charges, Insurance, Rental Expenses, Postal Expenses, Rates and Charges and Motor Vehicle Expenses
Source: Audited Financial Statements 2006/07 and 2005/06

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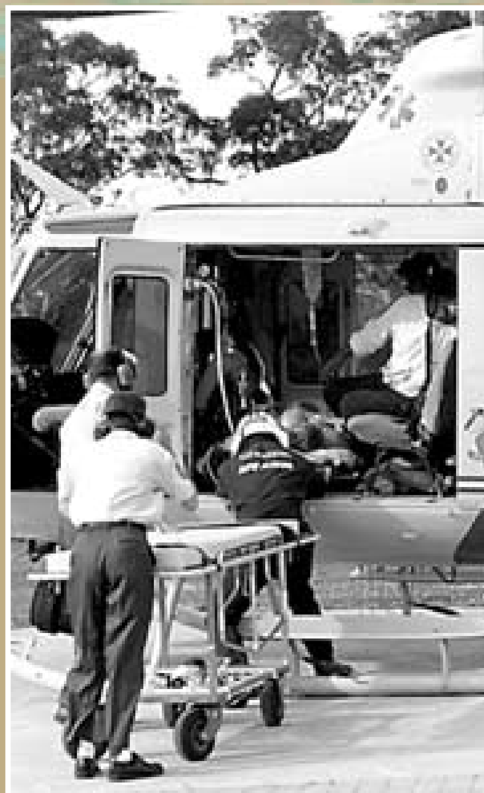

Commitment to energy management

NSW Health is committed to achieving the Government's energy management targets as established in the Government Energy Management Policy.

Planning

NSW 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 large consumer of energy and water and consequently has many examples of innovative projects to reduce consumption. Such 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.

NSW Health has received loan funding to undertake energy efficiency projects to the value of $28,925,000 to date and these projects are providing recurrent savings of $4,888,000 per annum and a reduction in greenhouse gas emissions by 45,624 tonnes per annum.

During 2006/07 the Sydney West Area Health Service was successful in obtaining loan funding in the sum of $497,000 to replace air-conditioning chillers at Nepean Hospital, which will reduce CO2 emissions by 1,991 tonnes per annum and provide estimated annual savings of $122,000.

Considerable effort has also been directed to the development of the following major projects that are now in an advanced stage of procurement:

- Sydney West Area Health Service – Installation of 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. The estimated cost is anticipated to be in the order of $15 million and it is planned that a funding application will be submitted to NSW Treasury in 2007/08 for approval.
- Northern Sydney Central Coast Area Health Service – Moving towards the development of a large energy performance contract that will cover most hospitals in the area. A preferred proponent has been selected, who is currently developing a detailed feasibility study that will define the scope of the project, the actual costs and guaranteed benefits. This study will become the basis of a loan application and the project when completed will significantly improve the energy and greenhouse performance of the Area Health Service. It is anticipated that a funding application for this project will also be submitted in 2007/08 for approval.

Future directions

- NSW Health is working with the Department of Environment and Climate Change and other key agencies to develop new performance targets and strategies to achieve the Government's policy objectives to reduce the consumption of energy, water and also the emission of greenhouse gases.
- Area Health Services within the Sydney Water supply area have maintained their commitment to the Every Drop Counts program and have been successful in obtaining grant funding to undertake projects that contribute to much needed water savings.
- There is continuing need to reduce energy consumption because the costs are escalating above the rate of inflation. The reductions in demand achieved will ensure sustained cost savings that can be redirected to the provision of direct patient services.

Information management and electronic service delivery

NSW Health has embarked on a five-year information technology reform program aimed at establishing the necessary systems needed to run an effective and high quality healthcare system. The five-year information and communications technology strategy focuses on integrating innovative information technology solutions across the entire health sector in NSW to best support clinical and corporate reform.

The Strategic Information Management Branch is concurrently transforming and improving the processes and procedures it deploys to ensure the new information and communications technology solutions are procured, built and implemented appropriately. This is part of a new three-year transformation program which will establish an operating model with clearly defined functional roles and relationships.

The information and communications technology strategy consists of four focus areas; clinical, corporate, information and infrastructure. It targets a common set of applications across NSW that best support the clinical services redesign and the shared corporate services reform programs.

Key achievements

Clinical strategy

- Major preparations for the statewide implementation of the Electronic Medical Record (EMR) are well underway. As an electronic record of the treatment provided to patients in public hospitals, implementation will allow clinicians to electronically order tests and services, access pathology and radiology results, manage emergency departments and operating theatres and send discharge referrals to GPs.

  Core components of the EMR, such as standard clinical terminology, content and system design will be consistent across all Area Health Services. This will assist in increasing patient safety and reducing training requirements when clinicians move between hospitals or other Area Health Services.

  The value of the new EMR has been demonstrated with Sydney West Area Health Service progressing early with the implementation of the emergency department system at five different hospitals.

- The Electronic Health Record (EHR), known as Healthlink, a voluntary system being piloted, collects a patient's health information from different doctors, hospitals and health clinics and compiles a summary of it into a secure electronic record. A first of its kind in NSW, the EHR has so far witnessed the enrolment of approximately 13,000 patients in the two programs being piloted.

  A major benefit of this voluntary scheme is that all of a patient's clinicians, who are participating in the electronic health record, will be able to access information from different healthcare providers in the one place. Patients will also be able to access their own medical information contained in the electronic health record via the Internet.

  The application has also been expanded to provide community health information to the EHR and contribute to a holistic patient record. Staff will be busy encouraging system use, supporting the application and assisting with the evaluation of the pilot.

- Technical equipment needed for the interactive videoconferencing component of the Connecting Critical Care Telemedicine initiative has been implemented across eight pilot sites. This program links the NSW Ambulance Aeromedical Retrieval Service and rural and metropolitan critical care units across NSW in order to improve decision making and clinical support within the critical care environment.

  The Connecting Critical Care program has also established an outreach education and support network which links doctors, nurses and allied health staff each week in Dubbo, Tamworth, and Orange, Royal Prince Alfred and Royal North Shore hospitals and the NSW Ambulance Medical Retrieval Unit.

- The picture archiving and communication system/ radiology information system – the technical infrastructure supporting medical imaging – will provide functionality that increases radiologist productivity and gives universal access to images across the state.

Corporate systems strategy

- NSW Health is reforming corporate systems to minimise the time and effort spent by staff, particularly clinical and frontline staff, carrying out corporate service functions such as rostering and budgetary management. The new corporate systems program will integrate systems and provide tools to support staff and enable them to work smarter and more efficiently. Areas to be covered include information technology, payroll, human resources and rostering.

Business information strategy

- Following the development of the business information strategy, the main focus over the last twelve months has been to establish a business information program. The program will provide information to measure the quality of clinical care, identify access issues and better predict patient demand as well as link workforce and financial data to optimise resource allocation and budgets.

Infrastructure strategy

- An information and communications technology standards policy was developed identifying and defining the standards to be used across NSW Health. This policy ensures that systems, when acquired, will be deployed in the most cost effective and consistent manner.
- Revised corporate systems architecture was developed to identify and realign the business applications, technology and integration requirements. This new architecture will assist in establishing effective corporate information and communications technology systems to meet corporate and business objectives throughout NSW Health.
- New clinical systems architecture was produced that details medical imaging and intensive care solutions and provides guidelines and direction on the future deployment and acquisition of emergency department, operating theatre and unique patient identifier systems.
- Significant staff resources were devoted to the review and guidance of the national E-Health Transition Authority initiative – the national shared electronic health record.

Future initiatives

- The first EMR implementations will occur in the major facilities of South Eastern Sydney, Greater Western and Greater Southern Area Health Services and The Children's Hospital at Westmead in early 2008. The State implementation program is scheduled to conclude in late 2009.
- Pilot evaluation activities have commenced, which will inform further funding for the EHR rollout throughout NSW.
- Subject to funding, stage two of corporate systems will expand the program to incorporate finance, supply chain, rostering system implementation, human resources (education and training, recruitment and workforce management) and enterprise asset management.
- A telecommunications strategy will be developed to deliver a technology plan for data communications networks to support the implementation of key clinical, corporate and business information systems over the next five years.

Electronic Service Delivery

The NSW Health internet and intranet sites are important channels for communicating key information about the NSW public health system and health issues to NSW Health staff, health professionals and the general community. Significant achievements to meet the health information needs of our key audiences through electronic publishing included the:

1. Junior Medical Officer (JMO) online recruitment site, including online submission of applications http://www7.health.nsw.gov.au/healthjobs
2. Development of the nursing and midwifery recruitment campaign website, Nursing and Midwifery: No two days are ever the same http://www.nursing.nsw.gov.au
3. Development of the Live Life Well website for the NSW Government campaign aimed at helping people lead healthier lifestyles and avoid ill health http://www.livelifewell.nsw.gov.au
4. The NSW Health vaccination website to promote the occupational health and safety obligations, rights and responsibilities for health employers, staff and other clinical personnel outlined in the updated NSW Health Occupational Assessment, Screening and Vaccination Against Specified Infectious Diseases policy http://www.health.nsw.gov.au/ohs_vaccination/
5. Completion of the Good Health digital television pilot for Channel NSW, including uploading the video files to the NSW Health website http://www.health.nsw.gov.au/channelnsw/

Challenges for the future

NSW Health is undertaking an extensive redevelopment of its internet site. The project will review the site and information architecture. Web content management guidelines will be introduced to enhance user accessibility, site search capability and functionality. Content will be updated and a new look introduced to conform to the NSW Government website style directive.

Response to NSW Government waste reduction and purchasing policy

Sustainability

NSW Health leases 10 floors of office space at 73 Miller Street North Sydney and occupies premises at Gladesville Hospital.

In 2006/07, the Department continued to take a proactive approach towards sustainability by adopting measures to reduce greenhouse emissions, save water, reduce waste and increase recycling.

The adoption of new technologies has resulted in improvements in infrastructure and communications capabilities that in turn reduce the Department's consumption of resources.

Initiatives implemented during the year to improve sustainability include:

- The upgrading of video-conferencing facilities to further reduce travel requirements
- The installation of voice-over telephone technology which reduces the volume of data cabling required
- The installation of reduced water flow valves on hand basins to minimise water waste.

NSW Health also participated in various corporate initiatives and sustainability programs including Earth Hour, the 3CBDs Greenhouse Initiative and Green Capital.

This underscores a commitment to improve energy efficiency and reduce greenhouse emissions. It also ensures that NSW Health remains informed on the latest sustainability issues.

Waste reduction and recycling

During 2006/07 the annual waste audit showed a significant decrease in the total weight of waste generated per week in comparison to the previous year. This was mainly due to a 37.4 per cent reduction in the amount of waste paper generated, and can be attributed to the adoption of strategies such as electronic data management (EDM) and duplex printing.

NSW Health continues to recycle items such as used toner cartridges, fluorescent tubes and mobile telephones.

Purchasing policy

NSW Health promotes the purchase and use of environmentally friendly products and services. Goods and services are procured through NSW Government contracts where possible and are regularly reviewed to identify the availability of environmentally friendly options.

Wherever possible NSW Health purchases items that have a high recycled content and are energy efficient.

Energy consumption

NSW Health works cooperatively with the landlord of 73 Miller Street to improve the energy efficiency of its tenancy.

It is anticipated that NSW Health will achieve a Green Star tenancy rating of 4.5 by the end of 2007 due to initiatives such as the introduction of flat screen computer monitors and power saving switches on multi-function devices.

The size and composition of the motor vehicle fleet is regularly monitored to maximise efficiency. Through the development and regular review of a Departmental Fleet Profile, the procurement of smaller and more fuel efficient vehicles has been mandated.

NSW Health has consistently exceeded Cleaner NSW Government Fleet targets set by the Premier's Department.

Shared services program

HealthSupport

HealthSupport was established within the Health Administration Corporation to deliver a shared corporate and business service across NSW Health. It operates in an environment of innovation and continuous improvement.

Key achievements

HealthSupport Service Centre 1

The establishment of the HealthSupport service centre in Sydney's West was a key milestone. The former Sydney West business house was transitioned to HealthSupport on 1 January 2007, incorporating finance and supply services.

HealthSupport Service Centre 2

In March 2007, it was announced that the location of the second HealthSupport Service Centre would be Newcastle. HealthSupport has been working with Hunter New England and North Coast Area Health Services to prepare for transition of shared corporate services.

Over the next 12 months, the HealthSupport Service Centre at Newcastle will transition payroll, financial and supply services for Hunter New England, North Coast and Northern Sydney Central Coast Area Health Services.

Shared business services

HealthSupport shared business services are developing food and linen services into statewide business units with consistent financial and pricing models, billing processes and reports.

Linen services

Nine laundries processed approximately 870 ton of laundry per week with 1,000 staff and an approximate budget of $80 million.

Linen services successfully transitioned to Health Support during the year. Activities included:

- Closure of the Hunter linen service, Cessnock and work redistributed to linen services at Newcastle and Tamworth.
- Equipment moved between linen services from larger to smaller laundries, eliminating the need to purchase new equipment.
- Purchase of linen on a statewide contract.

Food services

There are 12 food production units across NSW servicing 230 public health facilities.

The process of transitioning food services to HealthSupport has commenced with North Coast, Hunter New England and North Sydney Central Coast Area Health Services entering co-management with HealthSupport commencing 1 August 2007.

Procurement

HealthSupport is undertaking a due diligence review of tendering and contracting functions across all areas

The development of a health item master file will help transform the way in which NSW Health Services undertake procurement. It will result in Area Health Services receiving better information on products and allow detailed analysis of product spend. It will go live at the Penrith service centre in October 2008 and will end duplication of item records, optimise purchasing decisions and lead to significant cost savings.

Future initiatives

Priorities for HealthSupport include:

- Introduction of the health item master file to all clients of the HealthSupport Service Centre at Parramatta.
- Transitioning of Sydney South West Area Health Service payroll and finance services to HealthSupport in early 2008.
- Establishment of the HealthSupport service centre in Newcastle and transition of payroll and supply services from Hunter New England, North Coast and Northern Sydney Central Coast Area Health Services.
- Implementation of a linen re-distribution strategy.
- Food services to be managed as a statewide business with two distinct areas – food production units and patient food services (for distribution within hospitals).

HealthTechnology

Another shared service unit of the Health Administration Corporation is HealthTechnology. HealthTechnology's responsibilities encompass implementing NSW Health information communication technology strategies and providing the maintenance and support of information communication technology systems and infrastructure.

HealthTechnology's primary purpose is to provide a high degree of professional and customer focused information technology services to support NSW Health services. This enables more resources to frontline health services whilst meeting the clinical and corporate needs of patients and clinicians.

In fulfilling its responsibilities, HealthTechnology has four business units providing a range of services to its clients inclusive of:

- Program Management Office
- Technology Shared Services
- Knowledge Management Services
- Finance and Administration.

Information and communications technology transformation program

In May 2007, HealthTechnology commenced the transformation program to improve the way it conducts business. This is a three-year program focusing on improving the capabilities of the internal HealthTechnology business practices. The transformation program will enable new capabilities, skills and knowledge.

Achievements

Electronic Medical Record program

The new Electronic Medical Record (EMR) provides an integrated record that translates into improved safety, quality and efficiency of healthcare across all NSW public health facilities. The new system allows delivery of the right information, to the right people, at the right time and results in fewer errors of duplication, omission, interpretation and transcription. Fewer cancelled surgical procedures due to over-runs, blocking issues or lost paperwork should also result in increased surgical capacity.

Patient administration program

The Patient Administration System provides the foundation for core clinical systems, such as the EMR and the unique patient identifier, to link patient records across any Area Health Service. The program is currently in use by Greater Western Area Health Service, Greater Southern Area Health Service, Justice Health and South Eastern Sydney Illawarra Area Health Service.

Cerner program

This new program ensures all patients, no matter where they are located, will be issued with a single patient identifier enabling better patient safety and streamlined processes around patient data access. It provides for instant accessibility of patient results across the area replacing cumbersome paper/fax based data transfer and integrated discharge referral that will improve communication with GPs and other external healthcare providers.

Healthelink

Healthelink EHR is a system that automatically and securely brings together summary health information from different health professionals and stores it in a single secure electronic record, accessible by the patient and authorised clinicians.

A major benefit of Healthelink is that all of the participating healthcare providers will be able to view the same health record. Consumers will be able to share in decision making about their healthcare, keep track of their medicines, allergies, emergency contact details and enter observations.

Corporate systems

HealthTechnology has been working in conjunction with HealthSupport to procure a new human resources information system for NSW Health. The project will ensure human resource records and payroll processes are consolidated and standardised across all Area Health Services.

Statewide service desk

A centralised phone, fax and email answering point for all NSW Health service desk activities are underway. South Eastern Sydney Illawarra Area Health Service became the first to operate under a statewide service desk. The facility is located at the Sutherland Hospital.

Data centre amalgamation

The amalgamation of hosting services for all Area Health Services took place throughout the year, along with the establishment of three main technology centres that will provide the hub for all future statewide systems. The amalgamation provides a data hosting solution that will bring about significant cost benefits, improved efficiency and reduce duplication.

Government broadband service

The service is aimed at providing a whole-of-government broadband network across NSW and support the improved delivery of state Government services.

Clinical information access program

This program provides information and resources to support evidence-based practice at the point of care.

Feedback from clinicians and ongoing usage statistics confirm it remains one of the most successful projects implemented in the NSW public health system and this year will celebrate 10 years of operation.

The Australian Resource Centre for Healthcare Innovations

The Australian Resource Centre for Healthcare Innovations aims to support and increase implementation of effective and quality innovations in clinical care and to promote information sharing while preventing duplication of effort.

It supports communities of practice, with a number of online forums being established for distinct groups within NSW Health. A recent development is the addition of multi media resources such as audio recordings of events and seminars now available to download and a full range of event management services.

Future directions

The Information Communications Technology Transformation Program will provide HealthTechnology with a great foundation for building capability to support the ambitious NSW Health information communications technology strategic plan. The transformation program will contribute to the development of a customer service culture, where Area Health Services receive prompt, efficient and affordable information communication technology support for their core clinical operations.

Over the next 12 months, HealthTechnology will continue to improve the way information communication technology is provided.

The NSW Institute of Medical Education and Training

The NSW Institute of Medical Education and Training was established in 2005 to support and coordinate post-graduate medical education and training. Over the past year it has:

- Successfully placed 560 interns and Australian Medical Council graduates to commence work in the 2007 clinical year.
- Successfully delivered a pre-employment program to 79 Australian Medical Council graduates prior to their commencement of training in NSW and ACT hospital networks.
- Improved the rural preferential recruitment program. Eleven rural hospitals are now participating and 39 postgraduate year one trainees were directly recruited to rural hospitals for 2008. This represents a 162 per cent increase from last year.
- Improved the delivery of prevocational, basic physician, basic surgical and psychiatry training by supporting training networks across NSW. Results include:
  - New basic physician training positions approved for 2008 at Dubbo, Bathurst and Port Macquarie
  - Priority filling of rural positions for basic physician and basic surgical training.
- Introduced rotational training networks for cardiology which provides better distribution of trainees among hospital sites and improves the way training is structured. In addition, two new sites for advanced cardiology training were accredited in rural areas, one at Orange Base Hospital and one that will rotate between the Coffs Harbour Health Campus and Port Macquarie Base Hospital in 2008.
- Enhanced opportunities for paediatric training and better provision of care for sick children through new rotational training networks for paediatrics training based on paediatric service networks and the recruitment of paediatric coordinators of advanced training.

Future directions

- Pilot a project to improve the quality and safety of patient care in emergency departments by recognising and enhancing the skills of the non-specialist medical staff who work in them.
- Development of a project plan for management of the increased number of interns requiring allocation and supervision in NSW hospitals, as a result of the greater volume of medical students graduating in NSW.
- Implementation of new or revised rotational training networks for prevocational, anaesthetics and radiology training.
- Improving linkages with and support for Area Health Services in ensuring structures for training and education of the medical workforce meet strategic workforce directions.

Significant committees

Significant committees

NSW Health Care Advisory Council
Rt Hon Ian Sinclair AC (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, healthcare standards and performance management and reporting within the healthcare system.

Health Priority Taskforces
The Health Priority Taskforces 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 for high priority areas in the NSW Health system.

Aboriginal Health Priority Taskforce
Sandra Bailey (Co-Chair)
Dr Sandra Eades (Co-Chair)

Function – Provides strategic advice to the Director General, NSW Health on matters relating to the health of Aboriginal people in NSW.

Children and Young People's Health Priority Taskforce
Professor Graham Vimpani (Co-Chair)
Irene Hancock (Co-Chair)

Function – Provides leadership across child and young people's health services and strategic advice to the Minister and NSW Health.

Chronic, Aged and Community Health Priority Taskforce
Professor Ron Penny (Co-Chair)
Ms Kath Brewster (Co-Chair)

Function – Provides direction and leadership for NSW chronic, aged and community health services to achieve best national and international standards.

Critical Care Health Priority Taskforce
Dr Tony Burrell (Co-Chair)
Barbara Daly (Co-Chair)

Function – Provides direction and leadership for NSW critical care services to achieve highly integrated services which reflect best national and international critical care standards. Advise 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 and Communication Technology Health Priority Taskforce
Dr Roger Traill (Chair)

Function – Reviews the strategic directions for healthcare service provision in NSW from an information management and technology perspective and advises on information management and technology investment to support desired outcomes.

Maternal and Perinatal Health Priority Taskforce
Professor William Walters (Chair)

Function – Provides direction and leadership for NSW maternal and perinatal services that reflect best national and international standards.

Mental Health Priority Taskforce
Professor Philip Mitchell (Co-Chair)
Laraine Toms (Co-Chair)

Function – Provides direction and leadership for the development of integrated mental health services for NSW, reflecting national and international best practice standards. Provides advice on strategic planning for NSW mental health services and reviews mental health programs and initiatives to maintain a focus on NSW mental health priorities.

Physicians Taskforce

Professor Peter Castaldi (Chair)

Function – Considers information and recommendations from the Minister for Health, Director General, NSW Health and the Sustainable Access Health Priority Taskforce and its committees. Formulates concepts and strategies for improving performance of acute medical services and meeting demand for services. Provides expert physician input into the development of models of care and provides advice on the best opportunities for system-wide implementation of models of care. Provides advice on how medical workforce issues impact on effective acute medical services.

Population Health Priority Taskforce

Professor Bruce Armstrong (Chair)

Function – Provides direction and leadership on population health issues in NSW. Identifies priority population health initiatives that have the potential to achieve sustainable health gain and advises on key design, implementation and evaluation issues.

Rural Health Priority Taskforce

Dr Bill Hunter (Co-Chair)

Liz Rummery (Co-Chair)

Function – Works with rural Area Health Services to monitor the implementation of recommendations from the NSW Rural Health Report and 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 (Co-Chair)

Wendy McCarthy (Co-Chair)

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.

Other Committees (alphabetical listing)

Anaphylaxis Working Party

Dr Kerry Chant (Chair)

Function – Provides expert advice to NSW Health for the formulation of policies and procedures designed to prevent and manage anaphylaxis in various settings. Also acts as a resource to stakeholders in the implementation of such policies and procedures.

Blood Products Advisory Committee

Dr Kerry Chant (Chair)

Function – Acts as a regular means of communication between NSW Health, National Blood Authority 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 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, National Blood Authority and the Therapeutic Goods Administration.

Clinical Ethics Advisory Panel

Dr Greg Stewart (Chair)

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)

Function – Advises the Chief Health Officer on all aspects of the strategic response to healthcare associated infections and infection control.

Finance, Risk and Performance Committee

Robyn Kruk (Chair)

Function – Advises the Director General, Minister for Health and the Budget Committee of Cabinet of the financial, risk and performance management of NSW Health.

Futures Planning Strategic Advisory Committee

Rt Hon Ian Sinclair AC (Chair)

Function – Reports to the NSW Health Care Advisory Council and is responsible for overseeing the NSW Health Futures Planning project.

Information Management and Technology Committee

Professor Katherine McGrath (Chair)

Function – Guides the development and implementation of 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. 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)

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)

Function – Provides the Minister for Health with expert advice on all aspects of the strategic response to HIV and sexually transmitted infections.

Ministerial Standing Committee on Hearing

Jennie Brand-Miller (Chair)

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)

Function – Advises the Chief Health Officer on the monitoring, prevention and management of multi-resistant organisms in NSW public healthcare facilities. The Expert Group was disbanded in December 2006 following the completion of its report and recommendations to NSW Health.

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)

Function – Provides overarching direction, advice and support on the continued operation of providing procedural training to General Practitioners in areas of medical workforce shortage in NSW.

NSW Health Drug and Alcohol Council

David McGrath (Chair)

Function – Provides advice and makes recommendations on a full range of finance, activity and management issues of the drug and alcohol program to the Director, Mental Health and Drug and Alcohol Office.

NSW Health Forensic Pathology Services Committee

Dr Denise Robinson (Chair)

Function – Provides advice to the Department on the organisation of forensic pathology services to meet the needs of the State's coronial justice system.

NSW Health Mental Health Program Council

David McGrath (Chair)

Function – Considers, provides advice and makes recommendations on a full range of finance, activity and management issues of the program to the Director. This includes the implementation of the recommendations of government monitoring structures such as the Mental Health Implementation Taskforce, the Senior Officers Group on Mental Health, the Mental Health Priority Taskforce and the Sentinel Events Review Committee.

NSW Mental Health Sentinel Events Review Committee

Professor Peter Baume AO (Chair)

Function – 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 Infectious Diseases Emergency Advisory Group

Dr Kerry Chant (Chair)

Function – Advises the Chief Health Officer on how to best prepare and respond to infectious disease emergencies, including pandemic influenza, SARS and bioterrorism.

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.

NSW Population and Health Services Research Ethics Committee

(Joint NSW Health and Cancer Institute NSW committee)

Professor Richard Madden (Chair)

Function – Undertakes ethical review research projects seeking access to Departmental data collections being undertaken by Departmental staff, and fulfils NSW Health obligations under the Health Records and Information Privacy Act 2003 in respect of ethical review of disclosures of personal health information for research purposes.

NSW Regulators Forum

Dr Kerry Chant (Chair)

Function – Facilitates consultation between regulatory authorities including the Health Care Complaints Commission, Office of Fair Trading, Australian Consumer and Competition Commission and NSW 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

Magistrate John Abernathy, NSW State Coroner (Chair to September 2006)

Magistrate Jacqueline Milledge, Acting NSW State Coroner (Chair, October 2006 to April 2007)

Magistrate Mary Jerram, NSW State Coroner (Chair from May 2007)

Function – Provides expert advice to the Department on sudden infant death and sudden infant death syndrome and facilitates a coordinated approach to prevention programs and the care of affected families.

NSW Tuberculosis Committee

Dr Jeremy McAnulty (Chair)

Function – Advises the Chief Health Officer on the prevention and control of tuberculosis 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 Credentialing 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. 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)

Function – Examines and monitors serious clinical adverse events reported to NSW Health via reportable incident briefs and ensures appropriate action is taken. Identifies issues relating to morbidity and mortality that may have statewide implications. Provides advice on policy development to achieve healthcare system improvement.

Risk Management and Audit Committee

Jon Isaacs (Chair)

Function – Assists the Director General to perform duties under the relevant legislation, particularly in relation to NSW Health internal control, risk management and internal and external audit functions.

Senior Executive Advisory Board

Robyn Kruk (Co-Chair)

Robert McGregor (Co-Chair)

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.

Shared Scientific Assessment Committee

Professor David Cook (Chair)

Function – Provides a scientific assessment of complex clinical drug trials referred to it on behalf of NSW public health organisations and Human Research Ethics Committees.

Statistics

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Health workforce

NSW Department of Health, Ambulance Service of NSW, Health Services, Health Administration Corporation and other NSW Health organisations: clinical staff ratio to all staff at June

	June 2003	June 2004	June 2005	June 2006	June 2007
Medical, nursing, allied health, other health professionals, oral health practitioners and ambulance clinicians as a proportion of all staff	63.6	64.1	64.0	65.1	65.5

Source: Health Information Exchange and Health Service local data

Notes:

1. From 2007, the Clinical Staff Ratio is inclusive of staff employed within NSW Department of Health, Ambulance Service of NSW, Health Services, Health Administration Corporation and other NSW Health organisations. Previous years data has been recast to reflect this change and may show variation from previous annual reports.
2. It should be noted that the data for 'clinical staff' does not currently include all those staff engaged in face to face care eg ward clerks, wardsmen, surgical dressers. It is expected that further refinement of employment data in future years will allow inclusion of these categories where relevant.

Number of Full Time Equivalent Staff (FTE) Employed in the NSW Department of Health, Ambulance Service of NSW and Health Services as at June 2007

	June 2003	June 2004	June 2005	June 2006	June 2007
Medical	6,112	6,357	6,462	6,826	7,318
Nursing	32,550	33,488	35,523	36,920	38,101
Allied Health	6,323	6,563	6,848	7,122	7,387
Other professionals and para-professionals	4,222	4,036	3,431	3,383	3,351
Oral health practitioners and therapists	988	976	990	1,008	998
Ambulance clinicians	2,815	2,935	3,019	3,155	3,307
Corporate services	5,441	5,469	4,996	4,523	4,338
Scientific and technical clinical support staff	4,922	5,019	5,831	5,944	6,157
Hotel services	8,330	8,181	8,326	8,242	7,381
Maintenance and trades	1,311	1,281	1,246	1,221	1,168
Hospital support workers	9,933	10,037	10,723	10,709	11,102
Other	322	385	350	353	388
Grand total	83,270	84,727	87,745	89,406	90,997

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 (FTE) staff employed with 'Health Services, Ambulance Service of NSW and the NSW Department of Health'. All non-salaried staff such as contracted Visiting Medical Officers (VMOs) are excluded.
4. 'Medical' is inclusive of Staff Specialists and Junior Medical Officers. 'Nursing' is inclusive of Registered Nurses, Enrolled Nurses and Midwives. 'Allied Health' includes the following; audiologist, pharmacist, social worker, radiographer and podiatrist. 'Oral Health Practitioners and Therapists' includes Dental Assistants/Officers/Therapists/Hygienists. 'Other Professionals and Para-professionals', which includes health education officers, interpreters etc. 'Ambulance Clinicians' include ambulance on road staff and ambulance support staff. 'Corporate Services' includes Hospital Executive, IT, Human Resource and Finance staff etc. 'Scientific and technical support workers' includes hospital scientists and cardiac technicians. 'Hotel Services' are inclusive of food services, cleaning and security etc. 'Maintenance and Trades' is inclusive of Trade Workers, Gardeners and Grounds Management etc. 'Hospital Support Workers' includes ward clerks, public health officers, patient enquiries and other clinical support staff etc. 'Other' is employees not grouped elsewhere.
5. FTEs associated with the following health organisations are reported separately: Health Technology, the Institute of Medical Education and Training, Health Support, HealthQuest, Clinical Excellence Commission and the Health Professional Registration Boards.

Number of Full Time Equivalent Staff (FTE) Employed in other NSW Health organisations as at June 2007

	June 2003	June 2004	June 2005	June 2006	June 2007
Health Administration Corporation					
– Health Professional Registration Boards	56	53	46	57	56
– Health Support	0	0	0	1	989
– Health Technology	0	0	42	143	207
– Institute of Medical Education and Training	0	0	0	25	26
– Ambulance Service of NSW (Note 2)					
HealthQuest	21	21	22	24	19
Mental Health Review Tribunal	14	13	14	17	20
Clinical Excellence Commission	0	0	12	22	23
Total	91	88	137	288	1,339

Source: Health Information Exchange and Health Quest

1. FTE calculated as the average for the month of June, paid productive and paid unproductive hours.

2. Ambulance Service FTE is reported within 'Number of Full Time Equivalent Staff (FTE) Employed in the NSW Department of Health, Ambulance Service of NSW and Health Services as at June 2007'

Acts administered

by the NSW Minister of Health and legislative changes

Acts administered

- 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 and Alcohol Treatment Act 2007 No. 7*
- 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
- Mental Health Act 2007 No. 8*
- 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
- Pharmacy Practice Act 2006 No. 59
- Physiotherapists Act 2001 No. 67
- Podiatrists Act 2003 No. 69
- Poisons and Therapeutic Goods Act 1966 No. 31
- Private Health Facilities Act 2007 No. 9
- 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

* Uncommenced

Legislative changes

Amending Acts

- Health Legislation Amendment (Unregistered Health Practitioners) Act 2006 No. 124
- 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

- Nil

Subordinate legislation

Regulations made

- Nil

Regulations remade

- Nil

Regulations amended

- Health Services Amendment Regulation 2006
- Health Services Amendment (Provision of Ambulance Transport) Regulation 2007
- Health Services Amendment (Transfer of Accrued Leave Entitlements) Regulation 2006 Health Care Liability Amendment (Dental Prosthetists) Regulation 2007
- Health Care Liability Amendment (Health Practitioners) Regulation 2007

- Health Records and Information Privacy Amendment (Aboriginal Trust Funds Exemption) Regulation 2007
- Mental Health Amendment (Delegation) Regulation 2007
- Mental Health Amendment (Fees) Regulation 2006
- Nurses and Midwives Amendment (Fees) Regulation 2006
- Pharmacy (General) Amendment (Interstate Qualifications) Regulation 2006
- Pharmacy (General) Amendment (Listed Corporation Pecuniary Interests) Regulation 2007
- Poisons and Therapeutic Goods Amendment Regulation 2006
- Poisons and Therapeutic Goods Amendment (Fees) Regulation 2006
- Private Hospitals and Day Procedure Centres Amendment (Fees) Regulation 2006
- Public Health (Disposal of Bodies) Amendment Regulation 2007
- Public Health (General) Amendment (Optical Appliances) Regulation 2007
- Public Health (Microbial Control) Amendment (Fee) Regulation 2007

Regulations repealed

- Nil

Orders made

- Health Professionals (Special Events Exemption) Act 1997 – order as to APEC 2007 Leaders Week
- Health Professionals (Special Events Exemption) Act 1997 – order as to 2007 Australian Youth Olympic Festival
- Health Services Amendment (Calvary Mater Newcastle) Order 2007

Significant judicial decisions

Walker v Sydney West Area Health Service [2007] NSWSC 526

On February 28 2001, after a suicide attempt, the Plaintiff was taken by police to Nepean Hospital and admitted as a voluntary patient to Pialla, the psychiatric ward. The Plaintiff was discharged on 6 March and, on the evening of 17 March, climbed a tree whist intoxicated, fell and suffered injuries resulting in quadriplegia.

The Plaintiff sued Sydney West Area Health Service for damages, alleging that he should have been detained as an involuntary patient for at least two weeks and treated with anti-depressant medication and that discharge planning and care was inadequate.

Simpson J found that the medical staff of Pialla acted in accordance with practice that was widely accepted in Australia by peer professional opinion as competent professional practice according to section 50 of the Civil Liability Act. The case also involved a test of new provisions relating to liability of public sector agencies under section 43A of the Civil Liability Act that the evidence did not meet this test, and the failure of the Area Health Service to use its powers under the Mental Health Act to detain the plaintiff was not so unreasonable. Accordingly, the Plaintiff's claim failed. (Date of judgment: 25 May 2007.)

Court rulings relating to Root Cause Analysis (RCA) investigation documents

In the recent inquest into the death of David Porter, the Coroner ruled that Justice Health could not be compelled to produce RCA working documents or the RCA Report.

During the Inquest, Counsel assisting the Coroner sought to tender the final report of the RCA investigation considered by Justice Health into Mr Porter's death. An objection was made on the basis of S20R of the Health Administration Act, that the final report is not admissible as evidence that a procedure or practice is or was careless or inadequate. The Coroner accepted Counsel's argument and the documents were not admitted.

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 2006/07 financial year, the NSW Department of Health received 49 new requests for information under the FOI Act, compared to 39 new requests in the previous financial year, an increase of 20 per cent.

The Department carried over nine applications from the 2005/06 reporting period. Of the 58 applications to be processed, eight were granted full access and five were granted partial access. A total of 23 requests were refused access. However, it should be noted that most refusals related to the non-payment of advance deposits and final processing fees. Nine applications were transferred to other agencies and seven were withdrawn. Six applications have been carried forward to the next reporting period.

During the past financial year, most FOI applications to the Department concerned public health issues. These applications continued to be multi-dimensional and were of significant complexity. A large proportion of the Department's FOI work involved third party consultations – particularly those from central NSW Government agencies and seeking data across the NSW health public sector. The Department also provided considerable assistance and advice to applicants, including the re-scoping of virtually all FOI applications.

The Department received 14 personal FOI applications, 12 more than in the previous financial year. Non-personal applications were similar in number to the 2005/06 figures, totalling 35. Twelve applications – one third of all new requests – were received from Members of Parliament. Eight applications were from the media.

The Department received five applications for internal reviews within the last reporting period. In all but one case, the original determinations were upheld, with one determination being varied on review. Three of the internal reviews related to matters that were carried forward from the previous reporting period. In addition, the Department dealt with two Ombudsman reviews – both of which found that the NSW Department of Health had acted appropriately in processing the FOI requests.

Twenty applications required consultations with parties outside the NSW Department of Health. Most applications required consultation with more than one party, involving a total of 149 third parties consulted. This represents a 255 per cent increase from the previous financial year. In addition, the NSW Department of Health dealt with 22 third party consultations from other agencies.

During 2006/07, the Department estimated its FOI processing charges to be $6,443, which was partly offset by $4,425 received in fees. The annual operating costs to the Department were far in excess of the above amounts, comprising the wages and general administration costs for FOI within the Executive Support Unit.

No applications were received for the amendment or notation of records, nor were any Ministerial certificates issued. The Department also determined all requests within the time limits prescribed by the FOI Act.

Section A – Numbers of new FOI requests

	Personal		Other		Total		
FOI Requests	2005/06	2006/07	2005/06	2006/07	05/06	2006/07	% Variance
A1 New (including transferred in)	2	14	37	35	39	49	20
A2 Brought forward	0	1	1	8	1	9	89
A3 Total to be processed	2	15	38	43	40	58	31
A4 Completed	1	4	30	32	31	36	14
A5 Tranferred out	0	6	1	3	1	9	89
A6 Withdrawn	0	2	3	5	3	7	57
A7 Total processed	1	12	34	40	35	52	49
A8 Unfinished (carried forward)	1	3	8	3	9	6	-50

Section B – Results of requests

	Personal		Other		Total		Total	
Results of FOI request	2005/06	2006/07	2005/06	2006/07	2005/06	% Result	2006/07	% Result
B1 Granted in full	1	2	7	6	8	30	8	22
B2 Granted in part	0	1	5	4	5	18	5	14
B3 Refused	0	1	14	22	14	52	23	64
B4 Deferred	0	0	0	0	0	0	0	0
B5 Completed	1	4	26	32	27	100	36	100

Section C – Ministerial certificates issued

C1 Ministerials Certificates issued	0

Section D – Formal consultations

	Cases		Consultations	
	2005/06	2006/07	2005/06	2006/07
D1 Number of requests requiring formal consultation(s)	8	42	20	149

Section E – Amendments of personal records

	Total
E1 Result of amendment – agreed	0
E2 Result of amendment – refused	0
E3 Total	0

Disease notification among NSW residents 1997 to 2006, by year of onset illness #

Infectious disease notifications in NSW

Condition	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Anthrax	0	0	0	0	0	0	0	0	0	1
Adverse events after immunisation	70	95	16	42	111	178	219	184	106	65
Arboviral Infection	1,806	783	1,220	980	1,191	664	1,024	1,148	1,087	1,920
Barmah Forest virus*	185	134	249	197	401	396	451	403	448	644
Ross River virus*	1,598	583	952	750	717	182	494	701	583	1,225
Other*	23	66	19	33	73	86	79	44	56	51
Blood lead level >= 15ug/dl*	710	874	691	985	513	516	338	304	234	281
Botulism	0	0	1	0	0	0	0	1	0	0
Brucellosis*	3	3	2	1	1	2	3	7	3	9
Chancroid*	not notifiable until Dec 1998		1	0	0	0	0	0	0	0
Chlamydia trachomatis infection*	not notifiable until Aug 1998		2,469	3,509	4,500	5,823	7,788	10,020	11,285	11,864
Cholera*	1	1	2	0	1	1	0	1	0	3
Creutzfeldt-Jakob disease*	not notifiable until April 2004							6	8	8
Cryptosporidiosis*	157	1,130	121	133	195	306	203	357	849	779
Food-borne illness (NOS)**	255	201	151	147	56	41	1,071	550	309	507
Gastroenteritis (institutional)	939	738	673	697	775	1,752	3,583	12,784	1,395	10,636
Giardiasis*	not notifiable until Dec 1998		1,091	978	967	864	1,028	1,235	1,447	1,720
Gonorrhoea*	636	1,054	1,291	1,060	1,364	1,527	1,328	1,442	1,579	1,696
Haemolytic uraemic syndrome	3	6	11	9	2	7	5	9	11	11
H.influenzae type b	17	11	13	8	7	10	6	5	7	11
Hib epiglottitis*	5	1	2	2	1	1	0	3	0	1
Hib meningitis*	3	3	3	1	1	1	0	0	2	0
Hib septicaemia*	1	4	6	4	2	3	1	2	4	6
Hib infection (NOS)*	8	3	2	1	3	5	5	0	1	4
Hepatitis A*	1,426	927	421	201	197	149	124	137	83	95
Hepatitis B	3,167	2,957	3,513	3,973	4,558	3,547	2,844	2,812	2742	2,543
Hepatitis B: acute viral*	53	58	77	100	94	88	74	53	56	54
Hepatitis B: other*	3,114	2,899	3,436	3,873	4,464	3,459	2,770	2,759	2,686	2,489
Hepatitis C	6,925	7,206	8,602	8,293	8,659	6,694	5,248	4,916	4,365	4,470
Hepatitis C: acute viral*	19	112	112	222	295	151	127	59	43	40
Hepatitis C: other*	6,906	7,094	8,490	8,071	8,364	6,543	5,121	4,857	4,322	4,430
Hepatitis D*	11	3	14	12	11	9	12	14	15	15
Hepatitis E*	6	4	7	9	6	6	6	8	7	10
HIV/AIDS										
HIV infection*	422	403	378	356	340	394	413	408	395	371
AIDS	214	181	133	134	102	117	148	100	109	84

Condition	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Influenza (total)	not notifiable until Dec 2000				244	1,012	861	1,011	1,414	616
Influenza-Type A*	not notifiable until Dec 2000				216	770	767	797	1,055	420
Influenza-Type B*	not notifiable until Dec 2000				27	241	55	161	280	150
Influenza-Type A&B*	not notifiable until Dec 2003							26	65	37
Influenza-Type(NOS)*	not notifiable until Dec 2000				1	1	39	27	14	9
Legionellosis	33	46	41	41	68	44	60	80	89	77
L. longbeachae*	9	19	12	12	29	21	37	27	24	22
L. pneumophila*	18	22	22	26	38	22	23	51	64	54
Legionnaires' disease – other	6	5	7	3	1	1	0	2	1	1
Leprosy	0	0	1	2	4	0	2	5	1	1
Leptospirosis*	33	50	56	54	66	39	39	40	35	17
Listeriosis*	23	28	22	18	12	11	28	30	25	26
Lymphogranuloma venereum LGV)*	0	0	0	0	0	0	0	1	2	1
Malaria*	173	158	174	232	157	105	120	101	206	140
Measles	273	119	32	36	31	8	18	12	5	60
Measles Lab Confirm*	98	19	13	22	18	6	14	11	4	48
Measles (Other)	175	100	19	14	13	2	4	1	1	12
Meningococcal Disease	218	186	221	253	234	216	202	149	140	107
Meningococcal – Type B*	53	55	95	93	90	105	100	81	73	54
Meningococcal – Type C*	55	55	60	64	38	54	45	24	16	13
Meningococcal – Type W135*	2	4	4	4	2	2	2	5	8	5
Meningococcal – Type Y*	0	7	1	7	2	2	5	3	3	1
Meningococcal disease – Other	108	65	61	85	102	53	50	36	40	34
Mumps*	29	39	33	92	28	29	35	65	111	154
Paratyphoid*##	5	9	5	14	11	13	22	10		
Pertussis	4,246	2,309	1,415	3,691	4,437	2,012	2,772	3,567	5,809	4,918
Pneumococcal disease (invasive)*	not notifiable until Dec 2000				444	861	802	906	641	564
Psittacosis*	not notifiable until Dec 2000				38	155	87	81	121	94
Q fever*	258	236	164	132	144	309	288	223	143	175
Rubella*	153	78	46	191	58	35	24	18	10	37
Rubella (Congenital)*	0	0	1	0	0	0	1	1	0	0
Rubella*	153	78	45	191	58	35	23	17	10	37
Salmonella infection*##	1,698	1,812	1,438	1,399	1,644	2,100	1,839	2,134	2,176	2,058
Shigellosis*	not notifiable until Dec 2000				134	85	59	96	135	75
Syphilis	512	611	585	580	547	646	843	1,042	840	881
Syphilis infectious*+	57	45	86	80	67	128	245	302	242	210
Syphilis congenital	3	0	3	2	1	1	2	1	5	4
Syphilis other*	452	566	496	498	479	517	596	739	593	667
Tetanus	3	3	1	2	0	0	1	1	1	2
Tuberculosis*	422	382	483	448	416	447	386	430	449	461
Typhoid*	28	18	32	28	32	26	16	39	28	35
Verotoxigenic Escherichia coli infection*		2	0	1	1	6	3	5	16	10

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.

** Food borne illness cases are only those notified as part of an outbreak.

Private hospital acitivity levels

Private hospital activity levels for the year ended 30 June 2007

Area Health Service	Licensed beds[1]	Total admissions				Same day admissions				Daily average		Bed occupancy	
	Number	Number	% Variation on last year	Market share %[2]	Market share variation	Number	% Variation on last year	Market share %[2]	Market share variation	Number	% Variation on last year	%	% Variation on last year
Sydney South West	609	88,647	-3.0%	23.0	-1.6	66,055	-1.8%	33.6	-1.9	517	-3.6%	84.9	-8.0
South Eastern Sydney and Illawarra	1,430	208,218	2.8%	42.2	-0.1	135,710	3.5%	50.7	-0.2	1,363	2.7%	95.3	-1.2
Sydney West	902	116,970	11.2%	36.5	2.2	72,533	14.8%	47.8	4.2	834	11.6%	92.5	11.0
Nothern Sydney and Central Coast	1,800	232,820	2.0%	55.3	0.6	150,829	3.2%	66.5	1.2	1,760	-1.4%	97.8	-1.1
Hunter and New England	737	91,477	-1.5%	33.0	-0.7	55,382	-0.8%	43.3	-0.1	670	-5.1%	91.0	9.6
North Coast	362	35,593	-3.2%	19.9	-1.3	26,707	-1.7%	29.3	-2.0	195	-12.0%	53.9	-36.6
Greater Southern	201	34,461	0.7%	24.6	-0.8	23,652	2.6%	35.1	-1.8	184	-0.7%	91.7	-4.0
Greater Western	167	13,777	-0.4%	14.0	-0.2	9,090	2.0%	21.0	-0.6	87	1.9%	52.1	-3.0
Total NSW	6,208	821,963	2.1%	35.0	-0.1	539,958	3.3%	46.1	0.5	5,611	0.3%	90.4	-0.8

1. Licensed beds as at 30 June 2007.

2. Market share calculations include Children's Hospital at Westmead in the total for NSW.

Source: Licenced Beds - Private Health Care Branch, Others - Health Information Exchange.

Public hospital activity levels

Selected data for the year ended June 2007 Part 1[1,2]

Area Health Service	Separations	Planned separations %	Same day separations %	Total bed days	Average length of stay (acute)[3,6]	Daily average of inpatients[4]
Children's Hospital at Westmead	27,625	45.3	46.7	87,526	3.2	240
Justice Health	1,802	0.0	3.5	58,374	21.4	160
Sydney South West	297,231	42.4	43.9	1,212,270	3.8	3,321
South Eastern Sydney and Illawarra	285,569	43.1	46.2	1,153,193	3.6	3,153
Sydney West	203,292	36.9	38.9	860,170	3.7	2,352
Northern Sydney and Central Coast	187,899	37.4	40.5	851,242	4.1	2,331
Hunter and New England	185,786	42.7	39.1	794,261	3.8	2,176
North Coast	143,589	43.3	45.0	512,805	3.3	1,403
Greater Southern	105,781	31.4	41.3	422,405	2.9	1,153
Greater Western	84,795	35.9	40.2	358,088	3.2	981
Total NSW	1,523,369	40.2	42.4	6,310,334	3.6	17,289
2005/06 Total	1,481,632	40.1	42.6	6,205,835	3.6	17,002
Percentage change (%)[9]	2.8%	0.04%	-0.19%	1.7%	0.53%	1.68%
2004/05 Total	1,415,422	41.0	42.0	6,212,216	3.5	17,020
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 2007 Part 2[1]

Area Health Service	Occupancy rate[5] June 07	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	85.3	87,526	74,627	575,147	48,895	298,262
Justice Health	n/a	38,259	38,196	3,439,462	0	92,791
Sydney South West	92.3	1,091,209	963,147	3,839,675	326,396	2,275,549
South Eastern Sydney and Illawarra	95.1	986,787	861,255	5,041,171	366,715	2,094,756
Sydney West	73.6	701,914	625,127	3,420,557	236,269	1,768,246
Northern Sydney and Central Coast	88.2	750,766	675,158	3,024,651	236,574	1,558,314
Hunter and New England	81.9	686,722	614,393	2,608,240	336,229	1,425,777
North Coast	90.0	466,013	402,944	1,957,815	287,907	843,509
Greater Southern	71.8	287,921	245,901	1,402,886	250,700	782,539
Greater Western	73.8	266,592	232,614	1,386,118	214,043	665,550
Total NSW	86.2	5,363,709	4,733,362	26,695,722	2,303,728	11,805,293
2005/06 Total	90.1	5,196,691	4,565,262	26,559,354	2,195,115	11,059,426
Percentage change (%)[9]	-3.9%	3.2%	3.7%	0.5%	4.9%	6.7%
2004/05 Total	90.8	4,658,364	4,087,072	24,540,781	2,004,107	10,146,453
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

1. The Health Information Exchange (HIE) data were used except for Childrens 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. Bed occupancy rate is based on June data only. 2004/05. Facilities with peer groups other than A1a to C2 are excluded. The difference in occupancy rate in 2006/07 is due to the exclusion of Emergency Department bed occupancy. 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. Hunter New England Area provided their non-admitted patient data.
8. Source: HIE and WebDOHRS. Hunter New England Area provided their non-admitted patient data. 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 2005/06.

Average available beds June 2007[1,5]

Area Health Service	General hospital units[3,4]	Nursing home units	Community residential	Other units	Bedequivalents	Total
The Children's Hospital at Westmead	272	–	–	–	–	272
Justice Health	–	–	–	192	–	192
Sydney South West	3,512	194	6	263	104	4,078
South Eastern Sydney and Illawarra	3,364	120	–	–	150	3,634
Sydney West	2,420	131	158	261	88	3,057
Northern Sydney and Central Coast	2,421	45	141	210	126	2,942
Hunter and New England	2,673	224	27	216	68	3,208
North Coast	1,573	61	–	–	76	1,710
Greater Southern	1,580	334	81	22	52	2,069
Greater Western	1,355	311	–	215	7	1,888
Total NSW	19,170	1,419	412	1,379	670	23,050
2005/06 Total	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.

Registered health professionals in NSW

The number of registered health professionals 2006/07 as at 30 June is as follows:

Board	Number of registrants current as at 30 June 2007
Chiropractors	1,365
Dentists#	4,415
Dental Hygienists	238
Dental Therapists	323
Dental Prosthetists	450
Dental Technicians	784
Medical Practitioners#	31,918
General registration	28,928
Conditional registration	2,990
Nurses and Midwives:	
Registered Nurses	83,425
Registered Midwives	18,058
Enrolled Nurses	17,084
Authorised Nurse Practitioners	99
Authorised Midwife Practitioners	2
Optical Dispensers	1,498
Optometrists	1,700
Osteopaths	546
Pharmacist#	8,075
Physiotherapists	6,754
Podiatrists	853
Psychologists (includes 1,399 provisionals)	9,539

Note that figures for Dentists#, Medical Practitioners# and Pharmacists# have been provided by their individual Boards.

Section 301 Mental Health Act

In accordance with Section 301 of the NSW Mental Health Act (1990) the following report details mental health activities for 2006/07 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 reports details of mental health activities for 2006/07 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 of 1878.

Historical data

Under the NSW Government Action Plan for Health (2000/01 to 2002/03) and with subsequent enhancements commencing in 2004/05, a significant investment has been made in increasing bed capacity. Detailed figures for 2005/06 and 2006/07 for each unit and Area Health Service are shown in the main table in this appendix. The overall changes since 2000/01 appear below.

Over the period from 2000/01 to 2006/07

- Funded bed capacity increased by 442 beds.
- Average bed availability fluctuated between 94 and 98 per cent.
- Average occupancy rate ranged between 87 and 91 per cent.

Average availability 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

Funded capacity	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Funded beds at 30 June	1,874	1,922	2,004	2,107	2,157	2,219	2,316
Increase since 30 June 2001	–	48	130	233	283	345	442

Average availability (full year)	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Average available beds	1,814	1,845	1,899	1,985	2,075	2,153	2,261
Increase since 30 June 2001	–	31	85	171	261	339	447
Average availability (%) – of funded beds	97%	96%	95%	94%	96%	97%	98%

Average occupancy (full year)	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Average occupied beds	1,572	1,621	1,702	1,773	1,847	1,912	2,056
Increase since 30 June 2001	–	48	130	201	274	340	484
Average occupancy (%) – of available beds	87%	88%	90%	89%	89%	89%	91%

End of year census data (on 30 June)	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Funded beds on 30 June	1,874	1,922	2,004	2,107	2,157	2,219	2,316
Available beds on 30 June	1,853	1,907	1,997	2,063	2,142	2,204	2,286
Occupied beds on 30 June	1,577	1,679	1,814	1,881	1,930	1,893	1,980
Availability on 30 June (% of funded beds)	99%	99%	100%	98%	99%	99%	99%
Occupancy on 30 June (% of available beds)	85%	88%	91%	91%	91%	86%	87%

Census day statistics

The same picture is re-presented above, using the single-day statistics that have been presented in previous annual reports, but including only mental health beds. The number of funded beds is the same as in the previous table.

- The number of funded beds increased by 97 from last census (2005/06) and 442 from 2000/01.
- Fifty of these beds were screening beds opened at Justice Health. However these are not completely equivalent to funded beds because they are not staffed overnight.
- In the 2006/07 census, 87 per cent of the available beds were occupied compared with 86 per cent in 2005/06. As the 2006/07 census was conducted on a Saturday, most of the children's unit beds were closed. The occupancy however was similar in both years.

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 adolescents 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 mental health indicators as they were defined for the Health Service Performance Agreement of that year. These indicators covered not only mental health 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 indicators were refined to exclude 'out of program' staff and activity. A historical series on these has now been prepared for each new Area Health Services and all previous data have been reviewed. The indicators are consistent between Areas within NSW, but for interstate comparisons the data in the annual report on Government Services and the National Mental Health Report should be used.

Acute and non acute inpatient care utilisation

Mental health inpatient services provide care under two main care types – acute care and non-acute care. While a range of specialised services exist within both these care types, the main differences will be the acuity of symptoms of the client and bed/staff ratios. It is important to monitor these care types separately for alignment with the mental health clinical care and prevention service planning model.

Performance indicators showing the percentage of need met as predicted by this model for acute and non-acute capacity can be found in the body of this report.

The next two tables show service utilisation for the acute and non-acute inpatient care types for each Area Health Service since 2000/01.

Area Health Service Performance Indicator Mental health acute inpatient care (separations from overnight stays)

Area Health Service	Acute overnight separations						
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Sydney South West	4,545	4,866	5,041	5,058	5,135	6,211	6,885
South Eastern Sydney Illawarra	3,577	3,866	3,876	4,609	4,425	4,815	4,692
Sydney West	3,309	3,493	3,149	3,124	3,074	3,683	4,613
Northern Sydney Central Coast	2,803	2,755	2,628	2,776	3,187	3,472	4,068
Hunter and New England	3,402	3,511	3,839	4,166	3,969	4,023	4,103
North Coast	1,566	1,545	2,034	2,395	2,354	2,421	2,200
Greater Southern	1,369	1,373	1,318	1,342	1,348	1,290	1,221
Greater Western	877	954	858	1,197	1,505	1,656	1,608
Children's Hospital, Westmead	–	–	–	–	94	121	96
Justice Health	161	151	100	92	91	123	699
NSW	21,609	22,514	22,843	24,759	25,182	27,815	30,185

Notes

Source – Area Health Service returns to Department of Health Reporting System and Area manual returns for the annual report.

Limitations – Reporting was incomplete for Sydney South West, South East Sydney/Illawarra, Justice Health and Northern Sydney/Central Coast. Replacement values for numbers of acute mental health separations as reported manually by Areas may not be completely reliable.

Interpretation

- Funding announced under New Directions for Mental Health is being used to provide better access for more people to mental health services in all settings including acute inpatient beds. Justice Health received funding up to June 2007 for 59 extra acute beds and 50 screening beds A further 40 are planned for 2007/08. The net effect over the year was around 44 extra acute beds in addition to the Justice Health beds. Recruitment issues are the most common cause of beds not opening.
- Acute overnight separations have increased by 8.5 per cent overall with Justice Health increasing by 450 per cent. Lengths of stay vary across different types of acute beds so it is not possible to directly compare extra bed numbers with the degree of increase in separations.
- The 23 per cent increase in the number of acute beds since 2000/01 has resulted in a 40 per cent increase in acute separations due to the relatively short length of stay in Psychiatric Emergency Care Centre beds and the Justice Health screening beds which are used to isolate at risk prisoners for psychiatric assessment.
- Statewide the average length of stay for these acute separations was 16 days and the overall occupancy of acute units was 95 per cent. These measures are unchanged from 2005/06. The reclassification of 12 beds in Kaoriki at Morisset from non-acute to acute has only resulted in 80 extra acute separations due to the long lengths of stay of these patients (average 129 days). With this profile, there is a question over whether these beds can continue to be considered acute.
- Additional beds at Liverpool and Blue Mountains (opened late 2005/06) have also contributed to the increase. Further acute bed increases are planned for 2007/08 to continue the improved access to acute inpatient care.

Area Health Service Performance Indicator Mental health non-acute inpatient care – occupied bed-days

	Non-acute overnight occupied bed days						
Area Health Service	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Sydney South West	32,260	30,048	28,949	29,467	22,913	16,821	19,030
South Eastern Sydney Illawarra	52,580	53,250	56,291	56,123	55,805	56,588	54,898
Sydney West	56,324	56,248	55,820	59,397	62,815	61,707	65,370
Northern Sydney Central Coast	–	–	–	–	–	–	5,002
Hunter and New England	42,464	42,913	42,868	43,502	42,450	43,497	39,055
North Coast	–	–	–	–	–	–	–
Greater Southern	14,669	16,680	17,426	17,697	17,959	17,751	17,032
Greater Western	30,440	30,741	33,555	38,344	39,978	35,866	37,234
Children's Hospital, Westmead	–	–	–	–	–	–	–
Justice Health	21,765	22,396	21,299	21,604	21,769	20,980	20,115
NSW	250,502	252,276	256,208	266,134	263,688	253,210	257,736

Notes

Source – Area Health Service returns to Department of Health Reporting System (DOHRS)

Limitations – Previously non-acute activity in a non psychiatric hospital could not be identified. For the first time in 2006/07, the non-acute activity for the 14 beds in Prince of Wales Hospital is reported separately from the acute beds in the DOHRS system. Similar issues of identification of non-acute beds and activity has been resolved with Redbank House which provides acute, non acute and same-day services for Children and Adolescents. Campbelltown non-acute beds also appear for the first time.

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, most non-acute inpatient services are provided in psychiatric hospitals and a number of specialist child/adolescent units. The non-acute unit in Prince of Wales Hospital has been operating since 2004/05 and the 20-bed unit at Campbelltown reached about 50 per cent capacity by July 2007 with recruitment still being difficult.
- For 2006/07, the neuropsychiatric unit in Morisset has been reclassified as acute at the Area's request. The resulting reduction in non-acute bed-days for Hunter New England has been compensated for Statewide by the ability to separate the Prince of Wales Hospital non-acute activity.
- Fluctuations in other Areas are due to changing availability of beds rather than changes in bed numbers. It is worth noting that the average length of stay for non-acute units has dropped from 183 per separation to 154. Occupancy remained at 86 per cent. This means more separations and more clients moving through these units.
- While more investigation is needed, this could indicate clients moving into the increasing number of supported accommodation places provided by Housing and Support Initiative (HASI) and also better support from the increase in community services generally. Increases in non-acute bed numbers are planned for 2007/08 and 2008/09.

Area Health Service Performance Indicator Ambulatory care (contacts)

Area Health Service	Ambulatory Contacts							
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	% of 06/07 target
Sydney South West	57,568	113,802	166,910	195,935	227,012	243,385	179,233	47%
South Eastern Sydney Illawarra	98,072	159,475	221,264	233,001	291,447	285,580	296,926	88%
Sydney West	146,494	150,022	125,178	123,872	118,026	164,617	189,429	69%
Northern Sydney Central Coast	103,928	228,093	282,408	295,704	351,699	373,628	441,085	135%
Hunter and New England	90,365	89,692	111,593	129,721	108,739	163,259	166,140	64%
North Coast	5,945	69,278	120,586	145,000	123,710	133,427	137,590	90%
Greater Southern	6,399	82,702	106,753	25,332	88,237	158,486	146,889	84%
Greater Western	73,557	88,643	102,644	101,994	111,112	120,535	124,491	85%
Children's Hospital, Westmead	3,183	8,634	10,885	10,055	12,787	16,759	20,900	88%
Justice Health	–	443	4,608	171,115	299,101	50,258	60,388	80%
NSW	585,511	990,784	1,252,829	1,431,729	1,731,870	1,709,934	1,763,071	82%

Notes

Source: NSW Health HIE from Area ambulatory source systems. Only in the State data warehouse are accepted for inclusion in reporting of this indicator.

Values for 2005/06 have been updated as at September 2007.

Targets: Based on target numbers of ambulatory Full Time Equivalent (FTE) staff. Targets are set at 80 per cent of the actual expected number of contacts.

Limitations: Reporting for this year is still incomplete in a number of Area Health Services. The total for 2006/07 is likely to increase as Areas complete late data entry. Updating of the 2006/07 figures showed an increase of 142,000 records for that year.

Interpretation

- This indicator does show a three per cent increase in activity levels as would be expected due to funding increases which have enabled the recruitment of more community staff who are reporting increased client activity levels for a variety of community programs. Some of this increase is probably also due to better reporting by providers.
- All Areas show an increase in reporting compliance with Northern Sydney Central Coast well over both the target and the expected number of contacts. Based on past experience, it is expected that the final number of contacts for 2006/07 will indicate a much greater increase over the 2005/06 level.
- Eighty two per cent of target for the State represents only 66 per cent of the expected client related activity to be produced by the number of ambulatory staff reported. Sydney South West is upgrading their Cerner system to increase compliance with this indicator.

Area Health Service Performance Indicator Ambulatory care (client related provider hours)

Area Health Service	Client related provider hours			
	2005/06 hours	% of Target	2006/07 hours	% of Target
Sydney South West	na	na	113,823	25%
South Eastern Sydney Illawarra	175,483	40%	178,443	44%
Sydney West	123,661	31%	145,944	45%
Northern Sydney Central Coast	259,215	53%	300,403	77%
Hunter and New England	183,813	–	192,467	63%
North Coast	990,263	54%	98,967	54%
Greater Southern	773,676	45%	113,589	55%
Greater Western	88,031	54%	100,362	57%
Children's Hospital, Westmead	125,383	34%	16,423	58%
Justice Health	432,329	42%	98,157	109%
NSW	896,937	44%	1,358,578	53%

Notes

Source: Area reports for June 2007 Financial Key Performance Indicators. Non client related activity is not included.

Limitations: Both Cerner (SSW) and CHIME (HNE) are unable to comply with extraction of this indicator. However Sydney South West is upgrading CERNER to address this issue.

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 in the sector of mental health care.

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 in the previous table and levels of compliance reached. For both ambulatory contacts and client related provider hours, the targets are related to the number of ambulatory clinical full time equivalent. Targets are set on the expectation that 67 per cent of paid provider time is spent on client related activity.

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.

Compliance is affected by factors such as the availability of computers, the efficiency of communication infrastructure, workload and familiarity with technology. For national comparison this indicator is based on the total number of ambulatory clinical full-time equivalent.

It has been suggested that the low compliance levels may indicate that NSW has a larger proportion of clinical staff in purely administrative positions. The average time spent per contact in 2006/07 was just over 45 minutes compared to 30 minutes in 2005/06.

Further investigation is needed to establish the relative effect of reporting patterns and increased activity on the values presented.

Number of mental health clients

In February 2007 an analysis of numbers of allocated unique identifiers at Area level indicated around 150,000 individuals. This does not allow for double counting where a client may be seen in more than one Area. This estimate is still affected by unreconciled duplicate records and the final stages of distributing all allocated identifiers across the Area data warehouses.

Information activities during 2006/07

There were no major data collections introduced in 2006/07 but the new mental health establishments national minimum dataset was delivered on time to the Australian Government in April 2007.

A pilot collection to monitor the utilisation of the Housing and Support Initiative (HASI) accommodation and support places was undertaken as part of the annual report data collection for 2006/07. This will supply an indicator for use in future publications and to monitor the efficiency of the program.

The last of the technical processes to integrate the area level unique patient identifier for mental health clients with the State level unique patient identifier for all NSW patients was completed in May 2007.

InforMH, a devolved unit of the Mental Health Drug and Alcohol Office, continued the development of six monthly report cards for Areas based on thirteen national mental health key performance indicators and several other safety and quality measures.

An evaluation of the Psychiatric Emergency Care Centres has been completed and distribution and collection of consumer questionnaires for the Statewide MH-CoPES (Mental Health Consumer Perceptions and Experience of Services) survey is underway.

NSW was successful in a bid for a $1.43 million grant from the Commonwealth to further sustain and embed the use of client outcome ratings in mental health services. Some of these funds will support a benchmarking project for older people's mental health services in addition to the current non-acute benchmarking project.

An 18-month project has been funded to explore an appropriate process of collection of outcome measures amongst Aboriginal people. With the assistance of increased Commonwealth funding the National Benchmarking projects will be extended. An evaluation of the mental health outcomes and assessment tools initiative was completed early in 2006/07.

Data sources

All bed data and some of the activity data in the attached tables are based on a paper collection from psychiatric hospitals, collocated psychiatric units in general hospitals and private hospitals with authorised psychiatric beds, specifically for the 2005/06 annual report.

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 where the facility can be identified in the 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.

Statistics on public beds under the mental health program can be calculated from the information presented in the detailed unit-by-unit table, and the overall changes since 2000/01 are given in earlier tables. Details of changes at individual units are covered by notes to the main table.

Acute beds (total) – 2005/06 to 2006/07

- Funded acute beds increased by 109, from 1,358 to 1,467.
- Average available acute beds increased by 91 from 1,349 to 1,440.
- Average occupied acute beds increased by 123, from 1,227 to 1,350.

Non-Acute beds (total) – 2004/05 to 2005/06

- Funded non-acute beds decreased by twelve from 861 to 849.
- Average available non-acute beds increased by 71 from 750 to 821.
- Average occupied non-acute beds increased by 32 from 674 to 706.
- The decrease in non-acute funded beds is due entirely to the reclassification of the Kaoriki unit in Morisset from non-acute to acute – however this needs to be reviewed based on the characteristics of the unit (eg 129 day average length of stay is very long for an acute unit).

Child/Adolescent beds

- The number of funded acute beds remained the same at 47.
- The number of average available acute beds increased by six from 42 from 48.
- The number of average occupied acute beds decreased by two to 33 from 35.
- The number of funded, average available, and occupied non-acute beds at the Rivendell (Thomas Walker), Coral Tree, and Redbank units remained substantially 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 (ie 30 June 2007) as it was Saturday.

Private Hospitals

In 2006/07, 16 private hospitals authorised under the Mental Health Act provided inpatient and same-day psychiatric services in NSW in 653 authorised beds compared to 623 in 2005/06. These hospitals reported 657 of these beds available on the census day due to an error where Lingard has reported 41 but only has 33 authorised beds.

Changes from 2005/06 to 2006/07

- Dudley Private Hospital at Orange and Warner's Bay Private Hospital were authorised for 13 and 25 psychiatric beds in February and May 2007 respectively.
- Beds at Lingard decreased by eight to 33 in 2007.
- In 2006/07 there was an overall increase of 30 beds across all private hospitals. Bed occupancy on 30 June 2007 in private hospitals was 65 per cent with 424 patients occupying 653 beds. This is a decrease from last year when bed occupancy was 76 per cent (471 patients occupying 623 beds).
- Overnight admissions to private hospitals increased by six per cent from 7,969 admissions in 2005/06 to 8,436 in 2006/07.
- Same day admissions increased by two per cent from 23,856 in 2005/06 to 24,310 in 2006/07. Seventy-four per cent of all private hospital separations being for same-day patients.

Public hospitals activity levels

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

AHS/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[5] separations in 12 mths to 30/6/07	On leave as at 30/6/07	Deaths[6] in 12 mths to 30/6/07
		2006	2007	2006	2007	2006	2007	2005/06	2006/07	2005/06	2006/07			
X500 Sydney South West		374	394	367	398	290	312	369	383	301	334	7350	68	6
Acute Beds – Adult														
Royal Prince Alfred Hospital	Camperdown	40	40	40	40	36	32	37	40	34	36	837	3	0
Rozelle Hospital	Leichhardt	114	114	128	128	100	97	149	131	102	109	2,235	33	1
Liverpool Hospital[10]	Liverpool	54	70	54	68	50	65	50	64	50	68	2,168	15	0
Campbelltown Hospital[11]	Campbelltown	30	34	30	30	30	32	30	30	30	31	835	3	0
Bankstown/Lidcombe HS – Hosp.	Bankstown	30	30	30	31	31	29	30	30	31	30	598	4	2
Bowral and District Hospital	Bowral	2	2	2	1	1	1	2	2	1	1	75	0	0
Acute Beds – Child/Adolescent														
Campbelltown Hospital (GnaKaLun)	Campbelltown	10	10	10	10	4	9	7	10	7	7	137	2	0
Non-Acute Beds – Adult														
Rozelle Hospital[12]	Leichhardt	50	50	49	46	38	32	50	47	41	36	10	4	3
Campbelltown Hospital[13]	Campbelltown	20	20	0	20	0	15	0	11	0	11	195	4	0
Non-Acute Beds – Child/Adolescent														
Thomas Walker Hospital[7]	Concord	24	24	24	24	0	0	15	17	6	6	260	0	0
Other Program Beds (not in totals)[8]														
Bankstown Ward 2D	Bankstown		0	12	12	10					9	183	1	1
Braeside	Prairiewood		0	16	16	16					14	99	0	0
X510 South Eastern Sydney/Illawarra		244	244	240	244	209	232	233	240	218	227	4,814	29	3
Acute Beds – Adult														
Wollongong	Wollongong	20	20	20	21	17	20	20	20	19	19	385	5	0
Shellharbour Hospital	Shellharbour	49	49	49	49	39	49	49	46	44	46	957	6	0
St Vincents Public Hospital	Darlinghurst	33	33	33	33	29	32	31	33	29	29	1,070	3	1
Prince of Wales Hospital	Randwick	58	58	54	58	54	56	70	57	68	56	922	7	0
St George Hospital	Kogarah	34	34	34	34	31	32	29	34	29	30	767	5	1
Sutherland Hospital	Sutherland	28	28	28	27	25	26	28	28	25	28	517	3	1
Acute Beds – Child/Adolescent														
Sydney Children's Hospital	Randwick	8	8	8	8	4	3	6	9	4	4	74	0	0
Non-Acute Beds														
Prince of Wales Hospital	Randwick	14	14	14	14	10	14		14		14	122	0	0
X520 Sydney West		405	416	410	414	353	331	397	418	341	392	4,599	87	7
Acute Beds – Adult														
Blacktown Hospital[14]	Blacktown	30	34	30	30	28	22	30	30	32	32	824	4	0
St Josephs Hospital, Auburn	Auburn	15	15	19	19	18	15	18	19	18	17	111	0	1
Westmead (adult)	Westmead	26	26	26	26	24	27	26	26	24	27	61	0	1
Cumberland Hospital	Westmead	102	102	102	102	92	81	101	99	95	95	1,822	22	4
Penrith DHS – Nepean Hospital[15]	Penrith	37	39	33	37	29	29	36	35	32	32	1,095	4	0
Blue Mountain DH – Katoomba	Katoomba	10	15	15	15	15	11	0	15	0	32	329	2	0
Acute Beds – Child/Adolescent														
Westmead (Redbank – AAU)	Westmead	9	9	9	9	6	4	9	9	7	8	61	5	0
Non-Acute Beds – Adult														
Cumberland Hospital	Westmead	159	159	159	159	141	142	159	159	125	144	95	46	1
Non-Acute Beds – Child/Adolescent														
Westmead (Redbank – AFU & CFU)[7]	Westmead	17	17	17	17	0	0	17	25	7	6	201	4	0
X530 Northern Sydney/Central Coast		384	400	384	391	350	342	363	382	343	354	4,522	32	4
Acute Beds – Adult														
Greenwich Home of Peace Hospital	Greenwich	20	20	20	20	19	20	15	20	18	19	167	2	0
Hornsby & Ku-Ring-Gai Hospital[16]	Hornsby	25	41	25	28	24	25	25	28	23	23	693	1	1
Manly District Hospital	Manly	30	30	30	30	30	25	30	30	27	27	618	2	0
Royal North Shore Hospital	St Leonards	24	24	24	24	23	23	23	24	22	23	357	1	0
Macquarie Hospital	North Ryde	14	14	14	14	13	12	13	14	13	14	267	2	0
Gosford District Hospital	Gosford	25	25	25	25	22	24	25	25	25	24	690	0	0
Wyong District Hospital[17]	Wyong	50	50	50	50	48	50	50	50	44	44	1276	5	0
Non-Acute Beds – Adult														
Macquarie Hospital	North Ryde	181	181	181	185	171	163	179	183	165	170	64	19	3
Non-Acute Beds – Child/Adolescent														
Coral Tree[7]	North Ryde	15	15	15	15	0	0	3	10	8	9	390	0	0

AHS/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[5] separations in 12 mths to 30/6/07	On leave as at 30/6/07	Deaths[6] in 12 mths to 30/6/07
		2006	2007	2006	2007	2006	2007	2005/06	2006/07	2005/06	2006/07			
Acute Beds														
Maitland Hospital	Maitland	24	24	24	24	25	23	24	24	23	29	971	5	0
James Fletcher Hospital	Newcastle	82	82	82	82	80	78	82	79	78	76	1,610	26	7
Armidale Hospital	Armidale	8	8	8	8	6	7	8	8	7	7	181	1	0
Tamworth Base Hospital	Tamworth	25	25	25	25	21	22	25	26	22	23	692	1	0
Manning Base Hospital	Taree	20	20	20	20	19	17	20	20	18	17	385	7	1
Morisset Hospital	Morisset	0	12		12		10		14		10	43	1	0
Acute Beds – Child/Adolescent														
John Hunter Hospital (Nexus)	Newcastle	12	12	12	12	10	8	12	12	12	8	221	2	0
Non-Acute Beds – Adult														
Morisset Hospital	Morisset	130	118	130	118	120	115	130	116	119	107	58	6	11
X550 North Coast		100	100	100	100	82	104	99	100	93	93	2,200	16	1
Acute Beds – Adult														
Lismore Base Hospital	Lismore	25	25	25	25	18	28	25	25	23	24	553	6	0
Tweed Heads District Hospital	Tweed heads	25	25	25	25	20	25	25	25	22	23	564	4	1
Coffs Harbour and District Hospital	Coffs Harbour	30	30	30	30	26	32	30	30	29	30	659	2	0
Kempsey Hospital	Kempsey	10	10	10	10	8	13	10	10	9	9	224	4	0
Port Macquarie Base Hospital	Port Macquarie	10	10	10	10	10	6	9	10	9	7	200	0	0
X560 Greater Southern		118	118	118	115	104	100	57	115	99	99	1,350	8	4
Acute Beds – Adult														
Albury Base Hospital	Albury	24	24	24	21	18	20	21	21	18	18	391	1	0
Wagga Wagga Base Hospital	Wagga Wagga	18	18	18	18	18	17	16	18	14	17	452	3	0
Goulburn Base Hospital	Goulburn	20	20	20	20	19	21	20	20	18	17	378	1	0
Queanbeyan Hospital	Queanbeyan	2	2	2	2	0	0		2	0	0	0	0	0
Non-Acute Beds – Adult														
Kenmore Hospital	Goulburn	54	54	54	54	49	42	0	54	49	47	129	3	4
X570 Greater Western		187	187	181	177	131	136	176	180	132	142	1,711	3	2
Acute Beds – Adult														
Dubbo Base Hospital	Dubbo	18	18	12	18	11	7	7	18	6	13	479	0	0
Mudgee District Hospital	Mudgee	2	2	2	2	0	0	2	2	0	0	0	0	0
Bloomfield Hospital	Orange	28	28	28	28	19	23	28	28	25	23	931	3	1
Broken Hill Base Hospital	Broken Hill	2	2	2	6	2	5	2	4	3	4	198		
Non-Acute Beds – Adult														
Bloomfield Hospital	Orange	137	137	137	123	99	101	137	127	98	102	103	0	1
X160 Children's Hospital Westmead		8	8	8	8	8	6	8	8	6	5	96	1	0
Children's Hospital Westmead	Westmead	8	8	8	8	8	6	8	8	6	5	96	1	0
X170 Justice Health Service		98	148	95	138	84	137	95	138	91	132	712	1	0
Acute Beds – Adult														
Long Bay (Ward D and B)	Malabar	38	38	38	38	32	38	35	38	33	37	130	0	0
Mulawa (MRRC and Ward E)[9]	Silverwater		50		43		42		43		40	569	1	0
Non-Acute Beds – Adult														
Long Bay (MHRH and Ward C)	Malabar	60	60	57	57	52	57	60	57	58	55	13	0	0
NSW – TOTAL		2,219	2,316	2,204	2,286	1,892	1,980	2,099	2,261	1,901	2,056	31,515	294	46

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. 6 in 2006/07).

2 "Available beds" and "Occupied Beds" at 30 June are a census count on the last day of the financial year. Child/Adolescent non acute units operate in conjunction with schools and were not open due to 30 June being a Saturday.

3 "Average Available beds" are the average of 365 nightly census counts as reported in DOHRS (or the Sustainable Access Program bed survey where DOHRS data are missing). Child and adolescent non acute units only operate 231 days in the year but current systems still calculate beds based on 365 days.

4 "Average occupied beds" are calculated from the total Occupied Overnight bed days for the year, as reported in DOHRS (or the Area annual report returns where DOHRS data are missing), divided by 365, except for child and adolescent units which operate for 231 days.

5 "Overnight Separations" exclude sameday separations and are derived from DOHRS where data are complete for the year or from Area manual returns for the annual report where DOHRS data are missing for some months.

6 25 of the 46 reported deaths in Public Psychiatric units were described as 'natural causes'.

7 Beds were unoccupied at midnight on 30 June as units closed on Saturday day when beds and residents were recorded – these units operate Monday to Friday

8 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.

9 These are acute screening beds: 10 women's beds at Silverwater, 10 High Dependency Unit and 30 at sub-acute units. They were operating in 2006/07 but not reporting under the Mental Health financial program. These beds are not staffed overnight so are not really comparable to other funded overnight beds."

10 Liverpool – 16 extra acute beds in 2006/07. Now has 5 acute units including a PECC and HDU with total of 70 beds.Temporary PECC became inpatient unit in 2006/07.

11 Campbelltown – 4 extra PECC beds not yet operational.

12 Ward H now has only 6 DVA funded beds for veterans – reduced from 9 in 2005/06. 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

13 Non acute unit funded in 2005/06 began operating around November 2006 and reached around 50% of full year capacity by June 30

14 Blacktown inpatient PECC not yet operating

15 Nepean 4 bed PECC unit began operating as an inpatient unut in January 2007.

16 PECC at Hornsby began operating as an inpatient unit in December 2006

16 Hornsby Intensive care ubit (PICU) built but not operational

17 Wyong PECC not yet operational

18 Kaoriki Unit at Morisset reclassified as acute from non acute

19 Acute and C&A units at Lismore now delayed till 2008

20 Broken Hill increased by 4 beds from December 2006

Psychiatric hospitals and Children and Adolescent Hospitals/Units – listed in order of presentation in the table

Psychiatric hospitals: Rozelle, Macquarie, Cumberland, James Fletcher Newcastle, Morisset, 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

Source: Mental Health and Drug and Alcohol Office

Private hospitals activity levels

Private hospitals in NSW authorised under the Mental Health Act 1990

Hospital/Unit	Authorised beds[1] as at 30/06/07	Available authorised beds[2] as at 30/6/06	Available authorised beds[2] as at 30/6/07	In residence as at 30/6/06	In residence as at 30/6/07	Admitted in 12 mths to 30/6/07 Over Night	Admitted in 12 mths to 30/6/07 Same Day	On leave as at 30/6/07	Deaths in 12 mths to 30/6/07
Albury/Wodonga Private	12	12	12	11	3	938	330	0	0
Dudley Private Hospital[3]	13	–	14	–	5	48	84	1	0
Lingard	33	41	41	30	21	416	70	9	0
Mayo Private Hospital	9	6	9	6	6	185	0	1	0
Mosman Private	16	16	16	10	7	202	171	0	0
Northside Clinic	93	93	93	87	80	1,275	4,961	0	0
Northside Cremorne Clinic	36	36	36	20	25	368	1,379	2	0
Northside West Clinic	80	80	75	25	38	686	2,356	0	0
South Pacific	34	33	35	18	23	393	2,096	0	0
St John of God Burwood	86	86	86	52	55	1,216	2,682	5	0
St John of God Richmond	86	64	86	53	54	1,130	2,967	8	0
Sydney Private Clinic	44	34	44	16	34	644	2,546	0	0
Wandene	30	30	30	24	25	360	1,717	0	0
Wesley Private	38	38	38	24	24	403	2,934	3	0
Sydney Southwest Private	18	18	17	6	7	133	17	1	0
Warners Bay Private[4]	25	–	25	–	17	39	0	0	0
Total 2006/07	653		657		424	8,436	24,310	30	0
Total 2005/06		587		382		7,958	23,803	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

1 The hospital is licensed to use these beds for psychiatric care – does not incl ECT beds.

2 Number of beds available for use at 30/06/07 (includes empty and occupied beds).

3 Dudley Private Hospital (Orange) opened from February 2007.

4 Warners Bay Private Hospital opened in May 2007.

Source: Private Hospital Manual returns

Services and facilities

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NSW Department of Health selected services

Current as at November 2007

NSW Department of Health

North Sydney Office

73 Miller Street
North Sydney NSW 2060
(Locked Mail Bag 961
North Sydney NSW 2059)

Tel. 9391 9000
Fax. 9391 9101
Website. www.health.nsw.gov.au
Email. nswhealth@doh.health.nsw.gov.au

Director General Prof Debora Picone, AM

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 Wayne Smith

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
Sydney NSW 2000
(PO Box K599
Haymarket NSW 1238)

Tel. 9219 0212
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

Maps and profiles of metropolitan Area Health Services

North Sydney Central Coast
Area Health Service

NORTHERN SYDNEY CENTRAL COAST NSW HEALTH

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

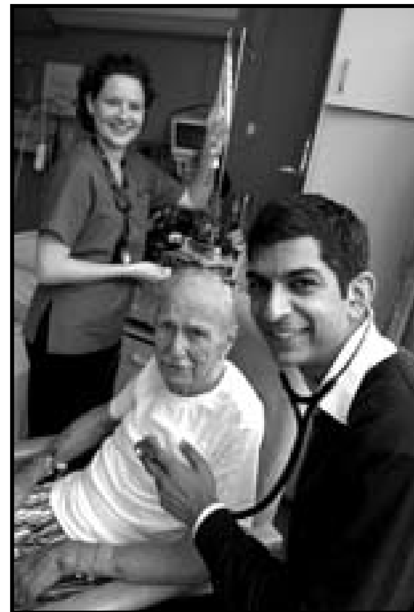
Hope HealthCare
(Greenwich Hospital,
Graythwaite Nursing Home,
Neringah Hospital)
Royal Rehabilitation Centre, Sydney

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

Achievements

- Demand management strategies and escalation plans to address peaks in emergency department demand and manage elective and emergency/ urgent surgery.
- An external review of emergency access (focused primarily on Royal North Shore Hospital, Manly, Gosford and Wyong) includes a number of recommended actions useful to all hospitals. An action plan will be developed to ensure area-wide implementation.
- Capital works projects at Mona Vale Emergency Department and Manly Intensive Care Unit are now complete.
- The redevelopment of both Gosford and Wyong Hospitals.
- Refurbishment of Ryde Hospital Emergency Department.
- A new Emergency, Maternity, Paediatrics and Psychiatric Emergency Care Centre at Hornsby Hospital.
- Construction of a new 12-bed Mental Health Intensive Care Unit and Drug and Alcohol Unit at Hornsby Hospital.
- The geriatric rapid acute care evaluation project at Hornsby Hospital took out first place in the Baxter 2006 NSW Health Awards for best innovation to improve patient care and patient journeys.
- The Hornsby Cooling Kit was developed by an Intensive Care Nurse Specialist at Hornsby to improve cooling of patients after cardiac arrest. It has received international success including approval for sale and agents appointed within Australia, Europe, the UK and the USA. Cooling post stroke may also prove important. A neonatal kit is being trialled with potential sales of 10,000 kits per annum in the United Kingdom alone.

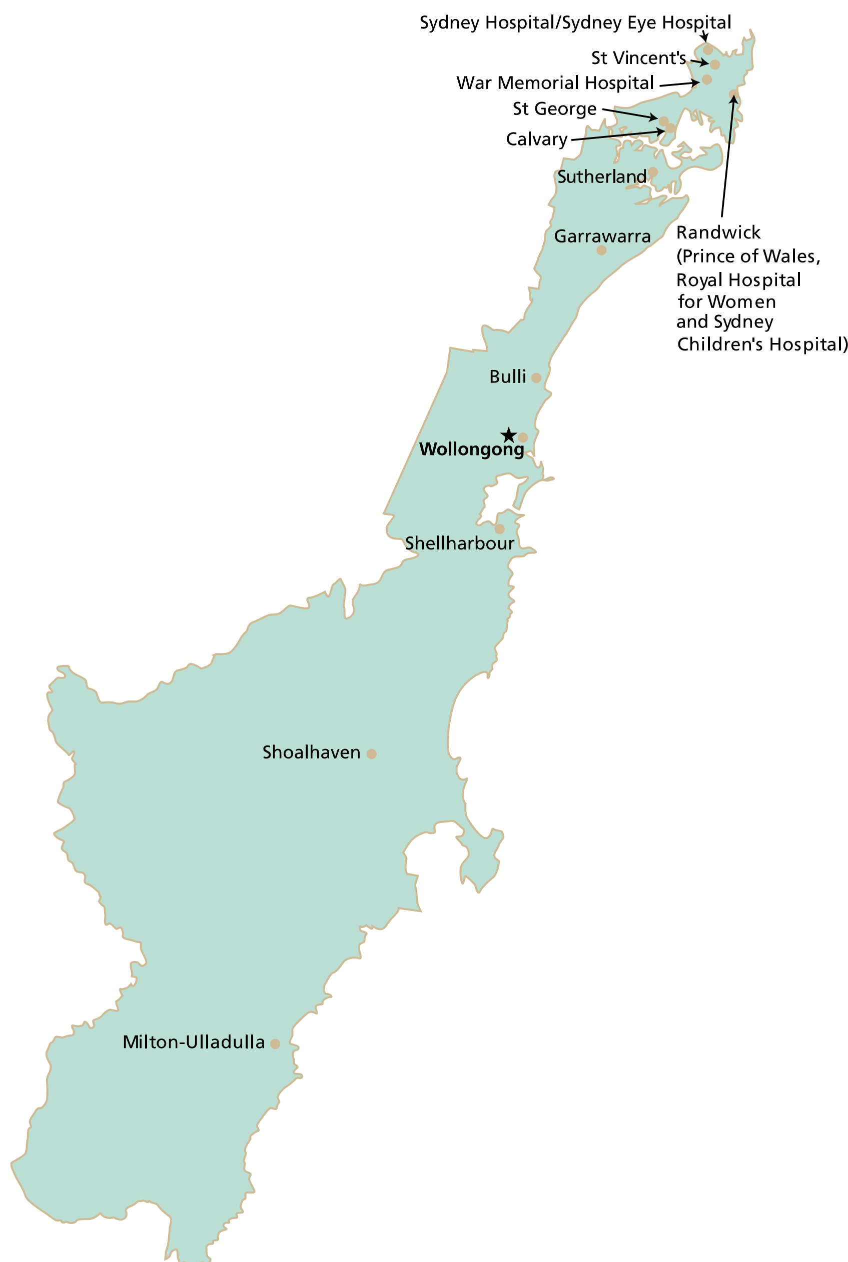


Highlights

- The research and education building is underway as part of the $700 million redevelopment of the Royal North Shore Hospital campus.
- A site in Frenchs Forest has been chosen for the location of the new Northern Beaches Hospital. Preliminary planning and acquisition work is on track.
- Hornsby Hospital Emergency Department clinical redesign projects Fast Track and Triage and Treat resulted in significant improvements in triage benchmark performance.

South Eastern Sydney Illawarra
Area Health Service

SOUTH EASTERN SYDNEY ILLAWARRA
NSW HEALTH



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

Achievements

- New cardiac catheter laboratory at Sutherland Hospital – The new $5 million service will ensure that in the first year alone, more than 1,000 cardiac patients will not have to leave Sutherland Shire to have their angiograms, coronary angioplasty or pace makers inserted.
- CT scanning service at Shellharbour Hospital – Doctors at Shellharbour Hospital are now able to diagnose life-threatening conditions such as stroke and cardiovascular disease much faster with a new on-site CT scanner.
- Integrated breast cancer treatment service – Illawarra breast cancer patients can now receive all aspects of their care on the one site at the region's first integrated breast cancer treatment service at Wollongong Hospital. The NSW Government's funding of $750,000 has covered the capital cost of the unit and building refurbishment.
- New medical resonance imaging suite – This suite is a major boost for three of the state's leading medical facilities – Prince of Wales Hospital, Sydney Children's Hospital and the Royal Hospital for Women. It features two new modern scanners, worth $3.8 million that will improve capacity to diagnose patients with a range of conditions. The new machines will enable the three hospitals to give scans to about 9,000 patients a year, more than doubling the previous capacity of 4,200.
- Digital integrated operating rooms at Sydney Children's Hospital – Two operating rooms at Sydney Children's Hospital have been fitted with an integrated system of cameras, plasma screens, digital recording software and modern surgical technology. The $650,000 high-tech rooms allow surgeons to operate using keyhole techniques to not only remove and repair tissue, but also to investigate and diagnose the extent of their patients' conditions using microscopic cameras.
- Sydney Cord and Marrow Transplant facility at Sydney Children's Hospital – These newly-established research laboratories and Sydney Cord Blood Bank play a vital role in making umbilical cord blood available to patients and pursuing vital research to extend the medical applications of cord blood.
- New community health centre at Sutherland Hospital – The new centre opened its doors to the public in January 2007 and will complement community health services currently provided at Engadine and Menai.
- Redevelopment of the Acute Aged Care Unit, Prince of Wales Hospital – The relocated and refurbished 58-bed purpose-built, aged care unit offers improved patient care, comfort and safety in a more modern environment.

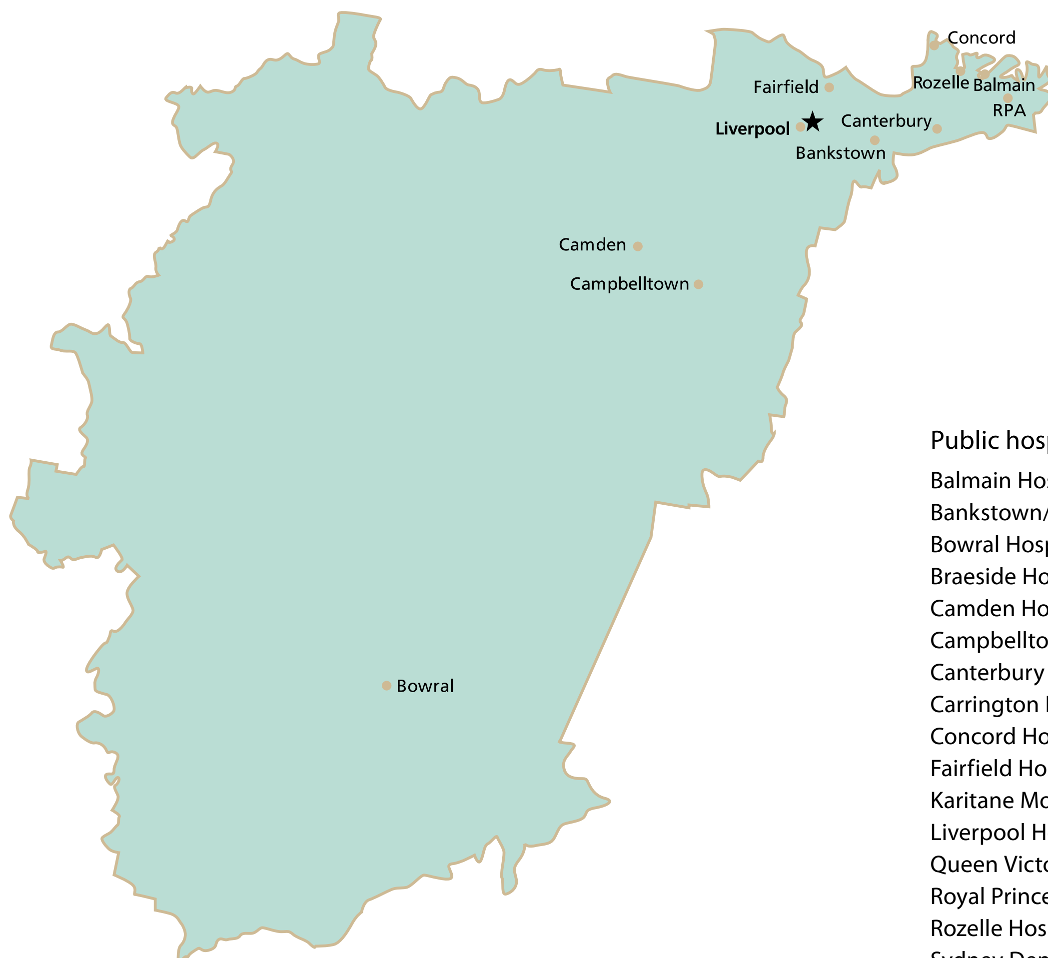
Highlights

- Investment in mental health – Mental health programs worth almost $16.5 million have begun. As part of this funding, a 20-bed secure inpatient unit will be built adjacent to Shellharbour Hospital.
- Renovations have commenced within Shellharbour Hospital for a $1.18 million adolescent unit.
- Accommodation has been secured in Nowra for a specialist mental health services team to provide community-based services for the region's older people.
- Surgical technology at St George Hospital theatres – The announcement of $1.4 million in new camera and telescope systems will give surgeons a better view of areas to be operated on and allow surgeons to record images of the operation. The new technology will also turn the operating room into a virtual classroom, allowing clinicians to interact, via teleconferencing with students outside the theatre suite.
- Improved radiation treatment for cancer patients at Prince of Wales Hospital – Cancer patients undergoing radiotherapy will benefit from a new technologically improved linear accelerator. The new $3.1 million machine incorporates the latest technology to observe changes in tumour sizes throughout treatment.
- New CT scanner at St George Hospital – A new CT scanner installed at St George Hospital will give patients access to the latest diagnostic technology. The cost of the project was $1.4 million, which includes the new CT scanner, an upgrade of the computer systems to which the new scanner sends its images, associated minor refurbishing work and commissioning costs.

Sydney South West

Area Health Service

SYDNEY SOUTH WEST
NSW HEALTH



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

Achievements

- Liverpool Hospital redevelopment – The $390 million first stage redevelopment of Liverpool Hospital will double the size of the hospital and includes a new, extended and refurbished clinical services building, extended cancer and pathology facilities and linking of the east and west campuses by bridge.
- Macarthur Clinical School, University of Western Sydney – Based at Campbelltown Hospital, the Macarthur Clinical School opened to provide an important new hospital training facility. Half of the first 100 students starting this year were from the western Sydney area and will have a particular understanding of the health challenges facing the local population.
- Campbelltown midwifery group practice – Campbelltown midwifery group practice opened at Campbelltown Hospital to provide a best practice model of midwife-led maternity care. For those women not expected to have any complications, the practice provides a continuation of personal care by providing the same midwife during the pregnancy, birth and beyond.
- Sub-acute mental health unit – A new $6 million, 20 bed, sub-acute mental health unit was opened at Campbelltown to provide recovery and rehabilitation services for patients presenting with mental illness for the first time or who have an emerging mental health disorder.

Highlights

- Nursing and midwifery services – Recruitment drives for nurses and midwives have seen vacancy rates fall from 400 in December 2005 to 150 in June 2007 due to the continued success of overseas recruiting. In partnership with the University of Tasmania, Sydney South West Area Health Service has partnered with Schools of Nursing in Denmark to provide clinical placements for Danish nursing students in their final year.
- Digital operating rooms – Two fully integrated digital operating rooms dedicated to minimally invasive surgery were opened at Concord Hospital. The facility is the first adult public integrated digital operating room in NSW and will enhance the Hospital's educational and training capacity.
- Hand hygiene DVD – The hand hygiene campaign working group developed a seven minute DVD resource to raise awareness of the importance of hand hygiene and to help ensure staff complies with infection control guidelines.

Sydney West
Area Health Service

SYDNEY WEST
NSW HEALTH

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

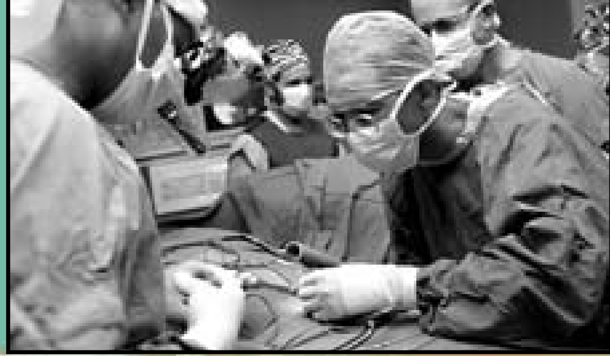
Public hospitals

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)



Achievements

- The Vulnerable Families Care Coordinator project, established a collaborative and integrated care model between the women's and children's services and external service partners to support pregnant women with psychosocial risk factors.
- The National Pancreas Transplant Unit and Islet Transplant Program became the first and only centre in Australia to have successfully developed a clinical islet transplantation program.
- The Surgical Acute Rapid Assessment Unit has reduced length of stay and access block for general surgery by up to 43 per cent in surgical patients at both Westmead and Nepean Hospitals.
- Enhancement of the older person evaluation, review and assessment programs at Blacktown and Nepean Hospitals.
- The Sustainable Access to Surgery program achieved reduction of waiting times in both urgent and long waits to zero for the second consecutive year.
- The Medical Rehabilitation Unit reduced the length of stay from 5.3 per cent above the benchmark to 18.1 per cent below the benchmark.
- Development of the Sydney West Area Health Service Tobacco Action Plan 2007–2020 and implementation of phase 4 of the policy – smoke-free for all facilities.
- Implementation of an area-wide falls prevention program has resulted in the standardisation of patient risk assessment process and reduction of patients injured as a result of a fall whilst in hospital.
- Implementation of the national medication chart, a statewide initiative to reduce the number of medication errors due to poor documentation.

Highlights

- Launch of the Go for 2 & 5 campaign across facilities aimed at increasing fruit and vegetable intake.
- Expansion of the Aboriginal Safety Youth Licensing Program, Home Safe Home project and Safety Around Pubs and Clubs initiative.
- Opening of the $6 million Portland Tabulam Health Centre.
- Consolidation and expansion of children's services (on site child care services and vacation care) for staff as a recruitment and retention strategy, including the commissioning of a new long day care centre at Mt Druitt Hospital and transfer of long day care centre at Blacktown from community to management.
- Introduction of the Nursing and Health in Schools program. 114 secondary school students drawn from 39 schools joined the program in February 2007, studying nursing as part of their school curriculum.
- An Australian first partnership with TAFE to pilot an Advanced Diploma in dialysis nursing for endorsed enrolled nurses. Nine have successfully completed the program.
- Development of a $34 million new block at Westmead Hospital with new facilities for intensive care services, neuro-trauma high dependency care and allied health, complete with gymnasium and hydrotherapy pool.
- Completion of the $12 million redevelopment of the Blue Mountains Anzac Memorial Hospital, including a 15 bed acute psychiatric unit, dental clinic, mental health unit and women's and children's ward.
- Commissioning of a $5.6 million redevelopment of Mt Druitt Hospital to expand health services for the community with a particular focus on health care for young people.
- Refurbishment and opening of the Information Technology Services building at Cumberland Hospital campus.
- Significant water savings have been achieved at various facilities through implementation of various projects including the replacement of over 904 flush valves at Westmead Hospital and the installation of 100 dual flush toilets at Mt Druitt Hospital.
- Electricity consumption across major facilities has fallen by three percent in 2006/07 compared with the previous financial year.
- A six per cent increase in recycling has been achieved in 2006/07 with 21 per cent of total waste being redirected from landfill. This has saved $197,162 in waste disposal costs.

Maps and profiles of rural Area Health Services

Greater Southern

Area Health Service

GREATER SOUTHERN
NSW HEALTH

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

Achievements

- Completion of the upgrade of the Kenmore Hospital complex at Goulburn.
- Construction of a new operating theatre at Bega Hospital was commenced, along with planning for the new Bega Valley redevelopment.
- Development of HealthOne NSW service models of integrated and co-located primary health services in Corowa and Cootamundra, with a further HealthOne service planned for Jindabyne.
- Established a joint medical executive group, ACT Health to discuss improved operational coordination of services in the south east region of NSW and ACT. This is the first time a joint approach to operational management and coordination has been developed between the two services.
- Implementation of the mental health family and carer support program to provide services to people who care for or support a person with mental illness.
- Establishment of Data Online, a comprehensive database of health statistics for the area.
- Completion of a corporate risk assessment as the foundation for a three year risk-based internal audit program. The assessment clarified risk management responsibilities, acceptable risk levels and risk mitigation strategies.
- Implementation of the nursing and midwifery knowledge management model, improving sharing of clinical knowledge.
- Successful hand hygiene campaign with 30 per cent improvement of hand hygiene compliance and the highest level of doctor participation in NSW.
- Nine new videoconference units established.

Highlights

- Continued to work with NSW and Victorian Governments to progress an integrated Albury and Wodonga health service.
- Continuation of planning for the redevelopment of Wagga Wagga Base Hospital.
- The Centre for Health Equity Training Research and Evaluation, University of NSW acknowledged Greater Southern Area Health Service for contributions to health impact assessment progression.
- Australian Council of Healthcare Standards certification achieved in mental health, the corporate sector and within other key areas.
- Awarded the 2006 Baxter Award for the project 'Group Phonological Awareness Intervention: It works!'
- Significant contributions to drought support initiatives in partnership with multiple government and non-government agencies.
- Two Indigenous nursing cadets commenced in 2007 and the number of Indigenous trainee enrolled nurses increased to six in 2007.
- Commencement of 20 clinician managers in the clinical excellence commission leadership development program.
- Funding gained for establishment of a shared care model to enable Cooma residents to obtain some cancer treatments from local services with the support of oncologists based in metropolitan centres.

Greater Western

Area Health Service

GREATER WESTERN
NSW HEALTH

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

Achievements

- Received the NSW Health Award for best overall performance in delivering care to the people of rural NSW.
- Received recognition at the NSW Health Aboriginal Health Awards with Pat Canty-Bates receiving an excellence in health service delivery award.
- The Marrang Model, introduced by the Child and Family Health Service, was awarded an excellence in health service delivery award for improved access and health outcomes for Aboriginal families in Orange.
- The Men's Educational Rural Van was named the national winner for innovation in nursing at the HESTA Australian Nursing Awards.

Highlights

- Several new facilities under construction at Dunedoo, Tottenham, Tullamore, Nyngan and Cudal.
- Construction of the $94 million Bathurst facility continued and tenders to build the new $194 million Orange and Bloomfield hospitals were received.
- The $2 million dollar Menindee Health Service was officially opened by NSW Minister for Rural Affairs, Tony Kelly.
- The Tullamore Multipurpose Service was opened by NSW Minister for Health, John Hatzistergos.
- Planning for HealthOne services at Blayney, Gulgong, Rylestone, Canowindra, Coonamble, Dareton/ Wentworth and Broken Hill.
- Planning for GP Clinics at Dubbo and Broken Hill in conjunction with the Division of General Practitioners.
- Official opening of the Health Council Forum in Dubbo by NSW Health Minister, John Hatzistergos
- The first round of the Federal Workplace English Language and Literacy funded project resulted in 75 hotel and environmental services staff across 12 facilities completing the Certificate II in Health Support Services.
- Rural and remote nursing proved to be a popular choice with 47 new registered nurses commencing their careers in the Greater Western Area Health Service in February 2007.

Hunter and New England

Area Health Service

HUNTER NEW ENGLAND
NSW HEALTH

3 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

Achievements

- Official launch and roll-out of Australia's largest ever obesity prevention trial – Good for Kids, Good for Life – focusing on overweight and obesity in children and young people.
- Giving people of Moree and surrounds access to eye surgery following the commencement of ophthalmic surgery services at Moree District Hospital in partnership with Pius X Aboriginal Medical Service.
- Winner of the 2006 Prime Minister's Employer of the Year Award in recognition of the organisation's commitment to employing and retaining people with a disability.
- Establishment of a methamphetamine clinic in Newcastle to provide specialised treatment services for people who use methamphetamines and who aren't accessing standard drug and alcohol clinics.
- Winner of the Director General's Performance Award for best overall performance in delivering care for a metropolitan health service at the Baxter 2006 NSW Health Awards.
- Helping find ways to enhance rural health by hosting the statewide Rural Health Research Colloquium in Tamworth in May 2006.

Highlights

- Commencement of work on the $15.2 million Manning Hospital Emergency Department redevelopment.
- Improving services for the people of Lake Macquarie, with the completion of the $31.5 million upgrade of Belmont Hospital.
- Introduction of the smoke-free campus initiative on 31 October 2006 across all Hunter New England Health sites
- Opening of the $9.4 million Guyra multi purpose health service to give local people a comprehensive range of hospital and community health services linked together on the one site.
- Commencement of construction of four new multi purpose health services at Bingara, Merriwa, Tingha and Warialda.
- Official opening of Narrabri Hospital's new $350,000 Emergency Department to provide state of the art emergency services to local people.
- Injection of $1 million into the greater Newcastle sterilising service to meet growing demand on surgery at Hunter hospitals.
- Boosting surgery, palliative care and community health services in the Cessnock and Kurri Kurri communities following the injection of more than $1million for staff and equipment.
- Commencement of services at the $10 million Walcha multi purpose health services to provide health and aged care services to rural and remote communities by integrating services under one structure.
- Commencement of the $9.8 million project to install air-conditioning in 15 wards of John Hunter Hospital in Newcastle.

North Coast
Area Health Service

NORTH COAST
NSW HEALTH

4 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

Achievements

- Amalgamation of the two former Area Health Services finalised into the North Coast Area Health Service, resulting in administrative savings totalling $5.1 million that will be redirected into frontline clinical care.
- Record number of treatments provided. Inpatients increased by 8,017, non-inpatients increased by 109,050 and dialysis patients rose by 2,621.
- Urgent and non-urgent surgery waiting times close to benchmarks.
- Clinical service plans finalised for mental health and drug and alcohol services.
- Rollout of smoke-free health campuses policy completed.
- Expanded community mental health services introduced, with an extra 21 new staff appointed.
- The $3.5 million Coffs Harbour Cardiac Catheterisation Lab was opened.

Highlights

Capital work projects including:

- Construction of a $39.4 million integrated cancer care project, including radiation oncology units on networked sites at Coffs Harbour and Port Macquarie.
- Significant progress on the $38.5 million mental health unit at Lismore Base Hospital redevelopment.
- Work commenced on new 30-bed ward at Tweed Hospital, budgeted at $5.5 million, scheduled for completion during 2008.
- Opening of the 18-bed transitional care unit at Ballina Hospital, with a total budget of $5.37 million, with the associated 24-bed rehabilitation unit being planned.
- A 20 bed non-acute mental health unit for Coffs Harbour health campus, costing $8.2 million and scheduled for completion in mid-2008.
- Building works well advanced on the fixed Breast Screen NSW unit at Tweed Hospital and the Clinical Training and Research Institute (a collaborative project with Bond University, Griffith University and the Commonwealth government) costing $3.6 million.
- Upgrading of the sterilising department at Port Macquarie Base Hospital, at a cost of $400,000.
- Upgrade of Grafton Base Hospital Emergency Department.
- Undertaking of a $2.4 million expansion of the mental health unit at Port Macquarie Base Hospital, with completion due by the end of 2007.

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Ambulance Service of NSW

Ambulance Service of NSW
Tel. 9320 7777
Fax. 9320 7800
Website. www.ambulance.nsw.gov.au

Chief Executive
Greg Rochford

Achievements

- During 2006/07, the NSW Ambulance Service provided over 1,052,000 total responses (both emergency and non-emergency) an average of 2,885 responses per day. This is equivalent to a call for assistance every 30 seconds.
- NSW Air Ambulance provided emergency medical helicopter missions at Wollongong, Sydney and Orange.
- Development of an Ambulance Rural Plan. This identifies innovative programs to assist recruitment and retention of ambulance officers, further develop professional and volunteer services, form partnerships with mainstream health and other emergency services and enhance services to small communities.
- Completion of the Rural Data Radio Service project has provided mobile response data and duress alarm capabilities in 695 rural Ambulance vehicles.
- Recognised as a finalist in the 2006 NSW Training Awards for new online education initiatives. New courses continue to be delivered and pod-casting introduced as an additional educational opportunity.
- The upgrade of clinical skills for qualified ambulance officers continues with 70 per cent completing the upgrade for acute clinical interventions and 20 per cent completing additional training in mental health emergencies.
- The clinical assessment and referral project and extended care paramedic program was developed. In addition to the current cardiac care data, clinical indicators were expanded to include trauma and patient safety measures. Further work has also been undertaken to introduce reliable measures for reporting performance in the management of cardiac arrest, asthma, spinal injuries and pain relief.

Highlights

- The Be an Ambulance Hero: Dial Zero, Zero, Zero campaign was implemented in all NSW primary schools.
- The Life…Live it, Save it campaign targeted over 55s and delivered core awareness on skills needed in the event of a cardiac emergency. The campaign was rolled out to 100 community groups and 2,000 participants.
- Project management of health arrangements for the Asia Pacific Economic Cooperation (APEC) 2007 meetings.
- Commencement of the computer aided dispatch infrastructure upgrade project, which will provide a state-wide computer aided dispatch environment for the four operations centres.
- Upgrade of the electronic booking system commenced.

Clinical Excellence Commission

Clinical Excellence Commission
Tel. 9382 7600
Fax. 9382 7615
Website. www.cec.health.nsw.gov.au

Chief Executive Officer
Professor Clifford Hughes AO

Achievements

- The Citizens Engagement Advisory Council was formally established.
- Release of the first annual Incident Information Management System (IIMS) report.
- Transfusion medicine – launch of Blood Watch.
- Implementation of new electronic record system for the Clinical Excellence Commission (CEC).
- The Quality Systems Assessment Program pilots were completed and the tender awarded for project development stage. The main objectives of the programs are to provide evidence of compliance of policies, standards and guidelines.
- Launch of the Medication Safety Self Assessment.
- Reviews of Attention Deficit Hyperactivity Disorder (ADHD) in children and adolescents in NSW, implantation procedures for permanent pacemakers and related devices and inaccurate reporting of pathology and cytology specimens.
- Involvement in NSW Legislative Council inquiry regarding health complaints handling.

Highlights

- The first recipient of the Ian O'Rourke Scholarship was awarded. The scholarship is named in honour of Dr Ian O'Rourke AO, the late Chief Executive Officer of the former Institute for Clinical Excellence and his many roles in health as a surgeon, educator, academic and researcher. The scholarship allows a suitably qualified applicant to undertake a fulltime PhD degree by research into patient safety and quality improvement as they relate to Indigenous health.
- There were a number of new project focus areas in 2006/07 consisting of central line associated bacteraemia in Intensive Care Units, communicating for clinical handover and recognition and management of the deteriorating patient.
- Shared quality and safety reporting function with NSW Department of Health.
- Locum postings of Area Directors of Clinical Governance to the Clinical Excellence Commission.
- Groundwork was undertaken for publication of the inaugural quality indicator chart book.
- A database to support collaborating hospitals audit of surgical mortality commenced.
- Educational seminars and training initiatives run by the CEC included a clinical leadership course, the Children's Emergency Care Project toolkit, and E-learning modular program for quality improvement and Quality Tools Refresher courses.
- An organisational review was conducted by an external consultant.

Justice Health

Justice Health
Tel. 9289 2977
Fax. 9311 3005
Website. www.justicehealth.nsw.gov.au

Chief Executive Officer
Dr Richard Matthews

Achievements

- The Justice Health Aboriginal Vascular Health project won the Innovation in Chronic Care Award at the 2007 NSW Aboriginal Health Awards.
- The 40-bed Mental Health Screening Unit for men at Silverwater Correctional centre commenced operation on 16 February 2006.
- In March 2007 a new 10-bed Mental Health Screening Unit for women at Silverwater Women's Correctional centre was opened.
- The Hamden mental health accommodation area at the Metropolitan Remand and Reception centre was expanded from 35 to 120 beds to accommodate mentally ill inmates.
- The Justice Health Recognition and Reward Program was established in 2006 and includes three major awards: Employee of the Year Award, Graduate Achievement Award and the Quality/ Innovation Award.
- In 2006 new Justice Health clinics were completed at Juniperina Juvenile Justice Centre and Kariong Juvenile Correctional Centre.
- In 2006 Justice Health established a joint services plan with the Department of Juvenile Justice.
- In May 2007 Justice Health underwent the Occupational Health and Safety numerical profile. This year the organisation scored 93 percent, a significant improvement on the score of 70 per cent in the last review in 2004.

Highlights

- On 19 July 2006 financial close for the new Forensic and Prison Hospitals was achieved. The extensive site works have now been completed and Multiplex is well into the construction phase of the project. Work has commenced on the policies and procedures for the transition process and the operation of the new facilities.
- A 12-month management development program aimed at entry and mid-level managers commenced in March 2006.
- The Adolescent Community Forensic Mental Health clinics in the Sydney metropolitan region were established.
- The Compulsory Drug Treatment Centre commenced operations in September 2006.
- The Adolescent Health Court and Community Team was expanded to Bidura, Cobham and Parramatta Childrens' Courts.
- The key findings were reported from the Young People on Community Orders Health Survey. This groundbreaking survey assists comprehensive and informed service planning.
- In February 2007 the orientation program was held for the inaugural Masters of Forensic Mental Health program. The Masters in Forensic Mental Health is a collaborative program between NSW Health, Justice Health and the UNSW School of Psychiatry to provide recognised specialist training on the clinical and legal aspects of Forensic Mental Health.
- In May 2007, the Justice Health Strategic Plan was finalised.
- The Australian Council on healthcare standards evaluation and quality improvement program periodic review and the Mental Health in-depth review was successful with no high priority or advance completion recommendations.
- The Centre for Health Research in Criminal Justice has over 50 research affiliates and its work is recognised at the national and international level. In 2006/07 the centre undertook twelve major research projects, the most significant of these being a Smoking Cessation Clinical Trial, Sexual Health and Attitudes of Australian Prisoners and Hepatitis C Research Initiatives.

The Children's Hospital at Westmead

The Children's Hospital at Westmead
Tel. 9845 0000
Fax. 9845 3489
Website. www.chw.edu.au

Chief Executive
Dr Antonia Penna

Achievements

- Highest activity year ever, with growth of 16 per cent on last year and an increase to beds and services. There has been a huge financial turnaround in the past 12 months with improvement in all revenue and expenditure processes.
- The commencement of an Out of Home Care clinic by the Child Protection Unit.
- Clinical redesign projects around the surgical patient journey and the emergency patient journey.
- Participation in the electronic medical record pilot, designed to make the health system in general more efficient and user-friendly.
- A joint education project with Sydney Children's Hospital in developing a post-graduate subject for new nursing graduates which gives them credit towards any post graduate certificate in paediatric sub-specialties, encouraging them to stay within child healthcare.
- The creation of the award-winning Kids Factor Zone, a triage and training area for haemophilia families and their carers to support a home-based minimal intervention model of care.
- The appointment of Professor Valerie Wilson to Professor for Nursing Research and Practice Development, a joint appointment with the University of Technology, Sydney.
- The successful implementation of the long term Ventilated Care Unit and the subsequent transition of six ventilated patients to home care.
- Opening of the George Gregan Foundation playground, specially designed to meet the needs of children with illness and disability.

Highlights

- Research is going from strength to strength with 30 research groups, over 200 staff and $17 million in funding.
- Opening of the Westfield Gene and Cellular Therapeutics Laboratory which will provide the capacity to run gene and cell therapy trials. This facility allows the harvesting and manipulation of patient cells prior to their delivery back into the patient. This also allows the production of gene vectors at therapeutic levels.
- Establishment of a new research group, the Wound Healing Laboratory, an exciting initiative of the Division of Research and Burns Unit. This continues the objective to create a research environment that integrates research with a paediatric health outcome focus.
- Major enhancements planned over the next 12 months to the areas of interventional radiology, cardiology, rehabilitation, oncology, liver transplants, surgery, neurology/neurosurgery and orthotics, among others.

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.

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