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About NSW Health

Purpose

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

Values

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

Collaboration

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

Openness

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

Respect

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

Empowerment

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

Overview

NSW Health is the largest health care system in Australia, and one of the largest in the world. Each year, NSW Health cares for millions of people and oversees billions of dollars worth of investment in patient care, building, equipment, technology and research. NSW Health employs around 111,000 staff (full-time equivalent 2015-16).

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

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

Strategic priorities

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

Strategies and plans have been developed to improve outcomes for patients and the community. The NSW State Health Plan provides an overarching framework to guide NSW Health to meet these priorities and its statutory functions. The Plan draws together existing strategies, programs and policies and sets priorities across the system for the delivery of the right care, in the right place, at the right time.

The strategic directions provide the vision for the future in order to create a 21st century health system that will be sustainable, purposeful and most importantly, deliver positive outcomes for the people of NSW. The overarching key directions are:

- keeping people healthy and out of hospital
- providing world-class clinical care
- delivering truly integrated care.

The strategies present the framework for change, shaping what we need to achieve in our hospitals, for our workforce, in research and innovation, eHealth and infrastructure.

The key strategies are:

- supporting and developing our workforce
- supporting and harnessing research and innovation
- enabling eHealth
- designing and building future-focused infrastructure
- financial sustainability.

Section 2 of this Annual Report outlines key achievements for 2015-16 against each of the directions and strategies.

Challenges

Australia has a system of health care that is recognised as being one of the most effective in the world. The NSW public health system is a critical part of this achievement. However, like other health systems globally, NSW Health must position itself to manage future challenges. These include demand for services arising from technological advances, an ageing population using services more frequently, and the shift in disease burden from acute care treated on an episodic basis to chronic and complex conditions that require more dynamic management.

Health Portfolio Ministers

The Hon. Jillian Skinner MP continues in the role of Minister for Health.

The Hon. Pru Goward MP continues in the role as Minister for Mental Health, Minister for Medical Research, Assistant Minister for Health, Minister for Women and Minister for the Prevention of Domestic Violence and Sexual Assault.

Minister Skinner has been Minister for Health since 3 April 2011 and is the coordinating Minister for the Health Cluster. Minister Goward has been Minister for Medical Research, Minister for Mental Health and Assistant Minister for Health since 2 April 2015, Minister for Women since 3 April 2011 and the Minister for the Prevention of Domestic Violence and Sexual Assault since 2 April 2015.

PLAN ON A PAGE

NSW Health strategic priorities

Keep people healthy

- 1.1 Drive preventive and population health programs with a focus on tackling childhood obesity
- 1.2 Improve Aboriginal and Torres Strait Islander health outcomes
- 1.3 Collaborate to support vulnerable youth to protect children at risk and reduce homelessness
- 1.4 Develop whole of system drug and alcohol response
- 1.5 Drive whole of Government initiatives to reduce domestic violence and perpetrator re-offences

Provide world-class clinical care

- 2.1 Deliver better value care through safe, quality, efficient and evidence-based care
- 2.2 Improve service levels in hospitals by cutting waiting times for emergency and planned surgery
- 2.3 Improve patient and carer satisfaction with key health services and build strong engagement
- 2.4 Implement new business investment models to deliver evidence-based social impact
- 2.5 Implement strategic commissioning for relevant clinical services

Deliver truly integrated care

- 3.1 Embed emerging models of integrated care and care in the community, working with the Commonwealth
- 3.2 Implement plans to deliver mental health reform across the system
- 3.3 Promote choice through the introduction of End of Life care programs
- 3.4 Protect the vulnerable through transition to the National Disability Insurance Scheme

Support and develop our workforce

- 4.1 Develop the capabilities of our workforce to be agile, nimble and value focused
- 4.2 Recruit, support and performance manage our workforce
- 4.3 Build and empower clinician leadership to deliver better value care
- 4.4 Build engagement of our people and strengthen alignment to our culture
- 4.5 Drive public sector diversity by increasing women and Aboriginal and Torres Strait Islander peoples in senior leadership roles

Support and harness research and innovation

- 5.1 Build globally relevant research capability through research hubs and medical technology precincts
- 5.2 Develop a bio-banking strategy to support research into genomics and personalised medicine
- 5.3 Progress medicinal cannabis trials

Enable eHealth and health information

- 6.1 Build digital services in health through implementation of the eHealth strategy
- 6.2 Embed the analytics framework to improve decision-making in health care
- 6.3 Deliver business ICT services to the organisation

Design and build future-focused infrastructure

- 7.1 Deliver the committed infrastructure projects to meet the growing population needs
- 7.2 Implement strategic commissioning for infrastructure
- 7.3 Proactively drive contestable commercial opportunities and efficient asset utilisation

Financial sustainability

- 8.1 Refine our purchasing models including Activity Based Funding to drive better value care
- 8.2 Deliver strong budgets
- 8.3 Deliver effective regulatory, governance and business support
- 8.4 Drive reforms to deliver better value care and efficiencies

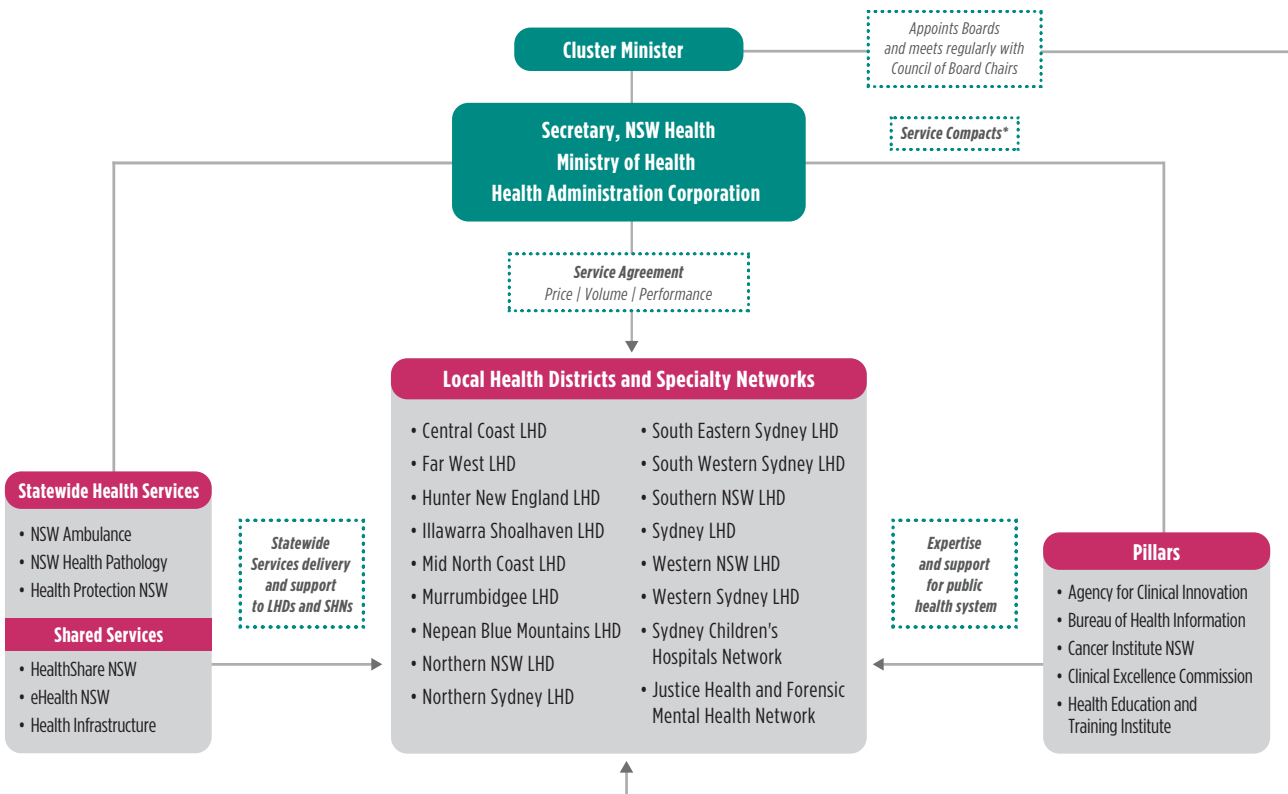
NSW Health organisation structure

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

NSW Health currently comprises:

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

Organisation structure – NSW Health



St Vincent’s Health Network is an affiliated health organisation.

*Service Compact – Instrument of engagement detailing service responsibilities and accountabilities.

Role and function of NSW Health organisations

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

NSW Ministry of Health

The NSW Ministry of Health is a public service agency established under Section two and Schedule one of the *Government Sector Employment Act 2013* to support relevant ministers to perform their executive and statutory functions.

Health Administration Corporation

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

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

Health Infrastructure

Health Infrastructure is responsible for the delivery of NSW Health's major works hospital building program, under the auspices of a Board appointed by the Secretary.

Health Protection NSW

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

HealthShare NSW

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

eHealth NSW

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

NSW Ambulance

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

NSW Health Pathology

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

Local health districts

Local health districts were established as distinct corporate entities under the *Health Services Act 1997* from 1 July 2011. They provide health services in a wide range of settings, from primary care posts in the remote outback to metropolitan tertiary health centres. Eight districts cover the greater Sydney metropolitan region, and seven cover rural and regional NSW.

Statutory health corporations

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

1. Specialty Health Networks
2. Board-governed organisations
3. Chief Executive-governed organisations.

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

Specialty Health Networks

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

Agency for Clinical Innovation

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

Bureau of Health Information

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

Cancer Institute NSW

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

Clinical Excellence Commission

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

Health Education and Training Institute

The Health Education and Training Institute is a chief executive-governed statutory health corporation and is responsible for coordinating education and training for NSW Health staff child from pre-conception to 24 years. This includes reducing the health impact of domestic and family violence, child abuse and neglect.

Affiliated health organisations

At 30 June 2016, there were 15 affiliated health organisations in NSW managed by religious and/or charitable groups operating 27 recognised establishments or services as part of the NSW public health system. These organisations are an important part of the public health system, providing a wide range of hospital and other health services.

St Vincent's Health Network

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

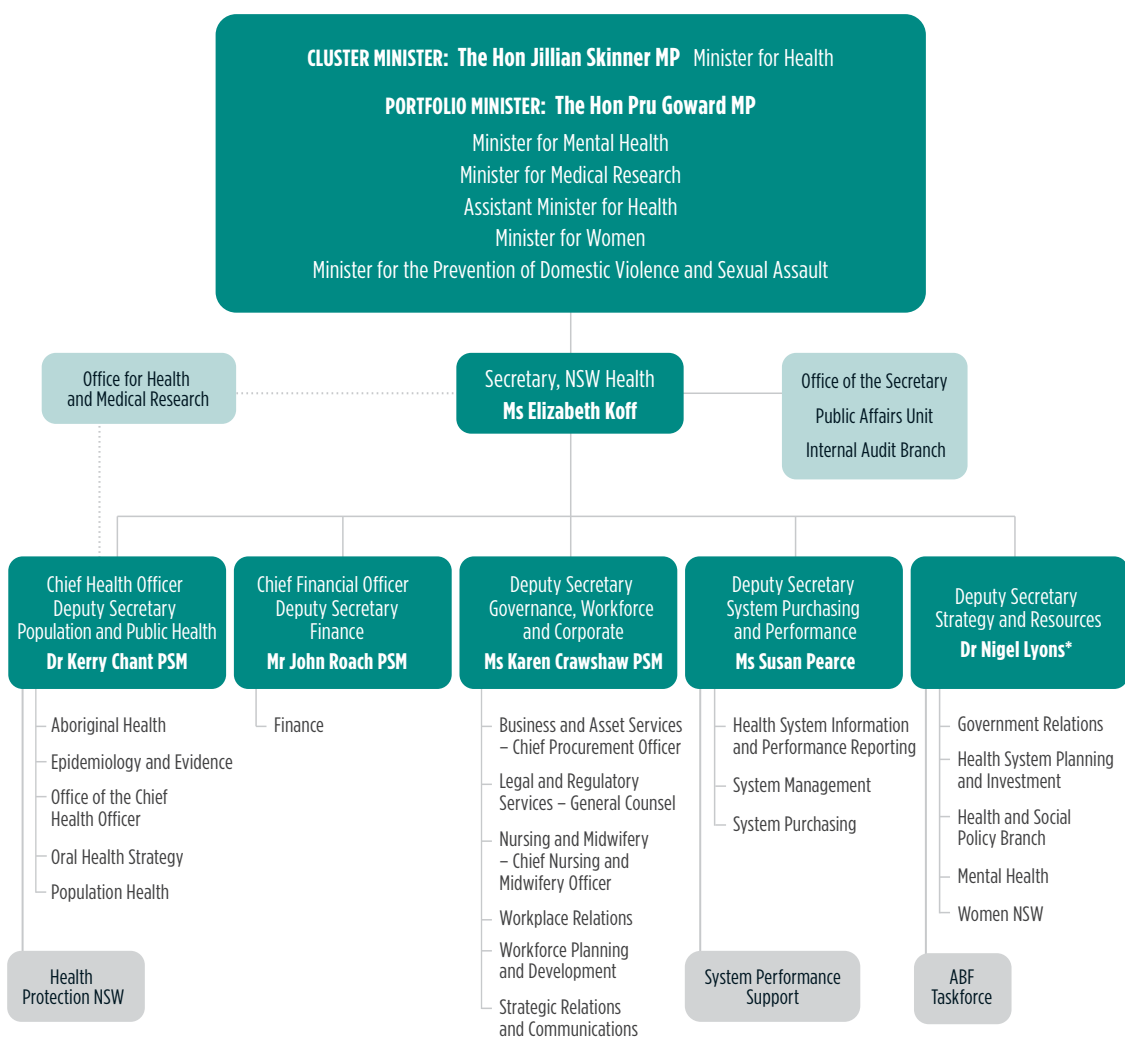
NSW Ministry of Health

The Ministry of Health supports the Secretary, the NSW Minister for Health who is the Health Cluster Minister, and the Minister for Mental Health, Minister for Medical Research, Assistant Minister for Health, Minister for Women and Minister for the Prevention of Domestic Violence and Sexual Assault to perform their executive government and statutory functions.

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

The NSW Ministry of Health also has the role of system manager in relation to the NSW public health system.

Organisation structure – NSW Ministry of Health



**During the reporting period the Deputy Secretary Strategy and Resources role was held by Ms Elizabeth Koff from 1 July 2015 to 3 April 2016. Ms Cathryn Cox was acting in this role from 4 April 2016 to 4 October 2016. Dr Nigel Lyons was appointed on 5 October 2016.*

NSW Health executive team

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

Local Health districts

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

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

Statutory health corporations

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

Senior Executive Forum

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



NSW Ministry of Health executive team

Secretary

Ms Elizabeth Koff, Secretary, NSW Health
BSc, Dip Nut&Diet (USyd), MPH(Monash), GAICD

Elizabeth commenced her career as an allied health professional working in a range of clinical settings both in NSW and Victoria before undertaking further qualifications in public health and health policy.

Elizabeth has held a number of senior executive planning and operational roles within the NSW health system, including Chief Executive of The Sydney Children's Hospitals Network, Director, Clinical Operations, South Eastern Sydney Illawarra Area Health Service and Director, Population Health Planning and Performance, South Eastern Sydney Illawarra Area Health Service

In February 2015, Elizabeth commenced in the role of Deputy Secretary, Strategy and Resources at the NSW Ministry of Health where she was responsible for strategic health policy development, inter-jurisdictional negotiations, system-wide planning of health services, and setting the strategic direction for whole of government responses to many intractable social problems.

In May 2016, Elizabeth was appointed Secretary, NSW Health. As Secretary, Elizabeth is committed to strategically re-shaping health services to provide better value care and improved patient outcomes, ensuring NSW continues to lead the nation in delivering high quality care to its communities.

Elizabeth Koff was appointed to the role of Secretary on 6 May 2016.

During the reporting period the role of Secretary was held by Dr Mary Foley from 1 July 2015 until 3 April 2016. Ms Elizabeth Koff acted in the role of Secretary from 4 April to 5 May 2016 before being appointed.

Overview

The Secretary has overall responsibility for the management and oversight of NSW Health, with primary powers and responsibilities under the *Health Administration Act 1982* and the *Health Services Act 1997*.

In support of these system responsibilities the Secretary convenes key leadership and management forums. These include the NSW Health Senior Executive Forum which brings together chief executives from across the health system for the purposes of strategy and performance management.



NSW Health's executive leadership team, left to right: Nigel Lyons, Daniel Hunter, Amanda Larkin, Michael Brydon, Anthony Schembri, Wayne Jones, Jean-Frederic Levesque, Karen Crawshaw, Teresa Anderson, Stewart Dowrick, Elizabeth Koff, Tracey McCosker, Sam Sangster, Janet Compton, Annette Solmon, John Roach, Kerry Chant, Scott McLachlan, Carrie Marr, Stuart Riley, Gerry Marr, Dominic Morgan, Kerry Stevenson*, Margot Mains, Zoran Bolevich, Danny O'Connor. Absent: David Currow, Michael DiRienzo, Gary Forrest, Kay Hyman, Jill Ludford, Donald MacLellan, Andrew Montague, Vicky Taylor. *Acting for Andrew Montague.

Population and Public Health

Dr Kerry Chant PSM, Chief Health Officer and Deputy Secretary, Population and Public Health, NSW Ministry of Health MBBS, FAFPHM, MHA, MPH

Kerry is a public health physician. Prior to her appointment as Chief Health Officer and Deputy Secretary of Population Health, Kerry was Director of Health Protection and Deputy Chief Health Officer.

Kerry has extensive public health experience having held a range of senior positions in NSW public health units since 1991. Kerry has a particular interest in blood borne virus infections, communicable diseases prevention and control and Aboriginal health.

Kerry was first appointed to the role of Chief Health Officer on 1 February 2009.

Division overview

The Population and Public Health Division leads the strategic direction, planning, monitoring and performance of population health services across the State. Strategic areas of focus include tobacco control, reduction of risk drinking, overweight and obesity, HIV and viral hepatitis, end of life care and organ donation.

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

The Division responds to the public health aspects of major incidents and disasters in NSW and supports population health services to create social and physical environments that promote health; it also monitors public health, identifies trends, evaluates the impact of health services and improves health through reducing health inequity via measures that prevent disease and injury.

Finance

Mr John Roach PSM, Chief Financial Officer, Deputy Secretary Finance, NSW Ministry of Health B Bus (Acc), FCPA

John has over 30 years' experience within the NSW Public Service. John was appointed to the Chief Financial Officer role at NSW Health at a time of change that included the introduction of new reporting systems, the adoption of statewide standards and a focus on internal reforms required to better manage the financial position and results of NSW Health and its controlled entities.

John has held a number of senior executive roles within the NSW health system, including Chief Executive Officer of Health Support Services (NSW Health) and Director Financial & Corporate Services of South Eastern Sydney Illawarra Area Health Service.

John is interested in improving financial management at an operational and executive level and developing commercially focused approaches to the delivery of corporate services and public infrastructure.

John was first Appointed Chief Financial Officer (now Chief Financial Officer and Deputy Secretary) in July 2009.

Division overview

The Finance Division has the lead role in managing and monitoring the financial performance of the NSW public health system within the NSW Health Performance Framework.

The Division is responsible for monitoring recurrent and capital expenditure against the annual budget allocation and reporting on NSW Health's financial performance to the Ministry of Health executive and to the government. The branch is also responsible for preparing NSW Health's consolidated annual financial statements in accordance with statutory requirements and timeframes. Supports sustainable resource allocation within the NSW public health system to support the delivery of patient care; and assists health decision makers to make the right financial decision at the right time.

The key functions of the division include financial accounting, financial performance and reporting, funds management and reporting, insurance and risk management, revenue and financial services and Treasury reporting.

The key priority areas for the Division include: building a sustainable health funding model; improving performance management of expenses and revenue by partnering with local health districts and support organisations; improving budget management within the NSW Ministry of Health; reducing reporting delays to ensure timely access to financial information; improving budget accuracy by linking financial reporting systems; improving NSW Health finance policies and procedures; improving accuracy of financial information by refining the Chart of Accounts.

Governance, Workforce and Corporate

Ms Karen Crawshaw PSM, Deputy Secretary, Governance, Workforce and Corporate, NSW Ministry of Health BA (USyd), LLB (UNSW), PSM, GAICD

Karen holds Bachelor degrees in Arts and Law. She was admitted to the NSW Supreme Court in 1979 and subsequently to the High Court. Karen holds an unrestricted practising certificate from the Law Society of NSW.

Karen has held legal positions in the State Crown Solicitor's Office and the Premier's Department.

Karen undertook the role of Director Legal and General Counsel for NSW Health from 1990 to 2007, with her role expanded to include employee relations in 2004.

Karen was first Appointed Deputy Director General (now Deputy Secretary) in October 2007.

Division overview

The Governance, Workforce and Corporate Division undertakes a range of functions for the effective administration of NSW Health. This covers comprehensive corporate governance frameworks and policy for the health system, and a comprehensive range of legal and legislative services. The Division also undertakes regulatory activities including the licensing and inspection of private health facilities, regulation of the supply and administration of therapeutic goods, and prosecution of offences under health legislation.

The Division's portfolio also includes NSW Health property services; statewide asset, procurement and business policy; services to support Ministerial, Parliamentary and Cabinet processes, issues management and communications advice and assistance for the NSW Ministry of Health.

The Division supports and manages the Secretary's accountabilities as employer of the NSW Health Service, including statewide industrial matters, public health sector employment policy, and workplace health and safety policy. It is responsible for statewide workforce planning, recruitment and reform strategies and the strategic development of the NSW Health workforce, including nursing and midwifery.

System Purchasing and Performance

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

Commencing her career as a nurse, Susan has extensive experience in senior leadership roles at a hospital, district, pillar and Ministry level, giving her sound operational and policy experience at all levels of NSW Health.

Susan has been fundamental in delivering transformational change within NSW Health and continues to build on the critical partnerships between all elements of our health system to ensure strong performance and accountability.

Susan was first appointed Deputy Secretary on 20 November 2015.

During the reporting period, Mr Stewart Dowrick acted in the role from 1 July to 5 October 2015. Ms Susan Pearce acted in the role of Deputy Secretary, System Purchasing and Performance from 6 October to 19 November 2015.

Division overview

The System Purchasing and Performance Division provides the front end of 'system management', and acts as an important interface with local health districts, specialty health networks, the pillars and other health organisations to support and monitor overall system performance.

It also coordinates purchasing arrangements with the districts and networks.

The Division's key functions include:

- health system information and performance reporting
- system relationships and frameworks reporting.

The health system information and performance reporting function enables the NSW Ministry of Health to be an effective health service purchaser and system manager through high-quality data, analysis and performance reporting; and to ensure that NSW Health meets its state and national reporting obligations and maintains high standards of public accountability and transparency in the health system. The unit supports data, information and analytical needs of the Ministry of Health and the wider NSW Health.

The system management unit collaborates with local health districts and specialty health networks to ensure the efficient delivery of optimal quality health focusing on the NSW Health Performance Framework, the NSW Health Purchasing Framework, specialist outpatient services and the Whole of Health Program.

Strategy and Resources

Dr Nigel Lyons Deputy Secretary, Strategy and Resources, NSW Ministry of Health

Dr Nigel Lyons has over 30 years' experience in the NSW Health system as a clinician, manager and executive.

In October 2016, Dr Lyons commenced in the role of Deputy Secretary, Strategy and Resources at the NSW Ministry of Health where he is currently responsible for strategic health policy development, inter-jurisdictional negotiations and funding strategies, system-wide planning of health services including mental health, setting the direction for child and family health policy and driving the whole of Government strategy for Women NSW.

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

During the reporting period the Deputy Secretary Strategy and Resources role was held by Ms Elizabeth Koff from 1 July 2015 to 3 April 2016. Ms Cathryn Cox was acting in this role from 4 April 2016 to 4 October 2016.

Division overview

The Strategy and Resources Division is responsible to the Secretary for strategic health policy development, interjurisdictional negotiations, funding strategies and budget allocation including Activity Based Funding, system-wide planning of health services, capital planning and investment, integrated care, palliative care and management of the non-government grants program.

To achieve this, the Division:

- works with national and state governments to develop accurate classifications and improve pricing and funding mechanisms for the future sustainability of health funding in NSW
- reviews planning and procurement of capital infrastructure to deliver more contemporary investment strategies across NSW Health
- supports the NSW Health response to aged care and disability reforms and works with the Commonwealth, local health districts and other key providers to influence and respond to reforms in the aged care and disability sectors
- implements the NSW Mental Health Strategic Plan including collaboration with the Department of Premier and Cabinet to implement the response to the Mental Health Commission's Strategic Plan across the whole of NSW Government and the NSW public health system.

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