

MINUTES
SOUTH EASTERN SYDNEY LOCAL HEALTH DISTRICT
BOARD MEETING
27 NOVEMBER 2013
16:50 – 20:00
BOARDROOM, LEVEL 1, ADMIN BLOCK
SYDNEY HOSPITAL

PART 1 – Board members + attendees

Part A.	MEETING OPENING	
	Item 1	PATIENT STORY The SESLHD Board noted the patient story provided in the Board papers.
	Item 2	WELCOME
	2.1	Apologies <ul style="list-style-type: none"> • Ms Patricia Azarias • Ms Kate Munnings • A/Prof Ingrid Van Beek
	2.2	Members: <ul style="list-style-type: none"> • Mr Michael Still (Chair) • Mr Robert Boyd-Boland • Ms Deborah Cansdell • A/Prof Robert Farnsworth • A/Prof Peter Gonski • Dr Harry Harinath • Mrs Janet McDonald • A/Prof Peter Smerdely • Ms Kristin Stubbins • Prof Jeanette Ward (via teleconference) In Attendance: <ul style="list-style-type: none"> • Mr Terry Clout – Chief Executive • Ms Kim Olesen – Director Nursing & Midwifery Services (Item 1-11) • Ms Karen Foldi – Director of Finance (Item 1-11) • Dr Michael McGlynn – Executive Medical Director (Item 1-11) • Prof James Colebatch – Chair Medical Staff Executive Council (Item 1-11) Secretariat: <ul style="list-style-type: none"> • Ms Melissa Angelucci– Board Secretary
	Item 3	DECLARATION OF PECUNIARY INTEREST, CONFLICT OF INTEREST AND DIRECTOR RELATED TRANSACTIONS There were no potential conflicts of interests declared at the meeting on 27 November 2013.

<p>Item 4</p> <p>4.1</p>	<p>CONFIRMATION OF MINUTES</p> <p>Minutes of the SESLHD Board meeting held 27 November 2013 The Board approved the minutes of the SESLHD Board meeting held 30 October 2013 as an accurate record of proceedings.</p> <p>Resolution 214 “That the Board approves the minutes of the SESLHD Board meeting held on 30 October 2013 as an accurate record of proceedings.”</p> <p>Moved: J McDonald Seconded: B Farnsworth Carried</p>
<p>Item 5</p> <p>5.1</p>	<p>ACTIONS ARISING</p> <p>Action Log The Board noted the action log, for information.</p>
<p>Part B</p>	<p>PRESENTATIONS Ms Leisa Rathborne, Royal Hospital for Women, Director of Operations attended the meeting to present on the Royal Hospital for Women Strategic Plan.</p>
	<p>Item 6</p> <p>ROYAL HOSPITAL FOR WOMEN STRATEGIC PLAN Ms Leisa Rathborne provided a presentation on the development and summary of the strategic plan. The following key points were noted:</p> <ul style="list-style-type: none"> • A Strategic Reference group has overseen the process for developing the plan • Wide consultation was sought • The Plan focuses on provision of services to women across all ages, encourages The Royal to take on a leadership role in provision of women’s health services across the State and requires The Royal to work outside of the hospital • The Royal has undergone a re-branding exercise which ensures the brand is consistent with the expanded direction. In particular, the name of the organisation has been changed. Following extensive consultation with the community, staff and marketing expertise it has been agreed that the hospital’s new name will be ‘The Royal for Women’. The word ‘Hospital’ has been removed from the name to emphasise that the organisation is more than just a hospital. • A major refurbishment is planned for the hospital. • The rural aspect of the plan will require on-going funding in order to make sustainable and tangible commitments to NSW • The Plan notes that it will expand the hospital’s Clinical Council, the word expansion should be replaced with ‘reviewed’ • Developing and maintaining relationships with the community and other stakeholders are fundamental to the plan <p>Some strategies within the plan will be very resource intensive and therefore have an impact on the rest of SESLHD; the Board questioned how these strategies would be funded. The Chief Executive noted that the Plan enables the Executive and Board to identify the priorities for the hospital. Those strategies that either do not require additional resources or can be funded through finding efficiencies can be implemented immediately. Those strategies within the plan which require enhancements will be considered by management and the Board, in its annual consideration of budgets and in discussions with the MoH and Minister in negotiation of the SESLHD’s</p>

		<p>service agreement and requests for budget enhancements. The Board and the MoH / Minister will need to weigh up the priorities in this plan with all other priorities that require additional funding</p> <p>The Board agreed to endorse the plan. It was agreed that the costing of the strategies in the plan and their budget impact should be discussed at the scheduled 2014 meeting between the RHW Clinical Council and the Board.</p> <p>Resolution 215 “That the Board endorse the re-branding strategy which would result in the Royal Hospital for Women being branded as “The Royal for Women”.</p> <p>Moved: K Stubbins Seconded: P Smederley Carried</p> <p>Resolution 216 “That the Board endorses the Royal for Women Strategic Plan 2014-2020.”</p> <p>Moved: J McDonald Seconded: K Stubbins Carried</p> <p>The Chair of the RHW Transitional Board-Subcommittee thanked Leisa for attending to provide the presentation and her work in driving the Strategic Plan and thanked the members of the Sub-Committee.</p> <p>The Chair of the Board thanked the Chair of the RHW Transitional Board-Subcommittee.</p> <p>Resolution 217 “That the Board endorses the discontinuation of the RHW Transitional Board-Subcommittee. And wished to formally thank Mrs Janet McDonald and committee for its work and its valuable outcomes.”</p> <p>Moved: R Farnsworth Seconded: G Harinath Carried</p>
Part C	GENERAL BUSINESS	
	Item 7	<p>CHAIR’S REPORTS The Chair reported that he has had various discussions with the Ministry of Health (MoH) over the past month, most of which have been around peritonectomy services and financials.</p> <p>The Chair has been in discussions with the MoH about SESLHD’s issue of not being able to spend donated money. The MoH is working with Treasury to find a solution.</p> <p>The Chair attended the Health Minister’s Advisory Council in mid November, several documents from this meeting have been circulated to Board members out of session, for their information.</p>
	Item 8 8.1	<p>CE’s REPORT</p> <p>Chief Executives Written Report The Board noted the written Chief Executive’s Report.</p> <p>The Chief Executive noted that increase in activity outlined within the Report is high. The Chief Executive noted that the District will have to be aggressive in its management of elective surgery and he is confident that appropriate</p>

controls are in place. He noted that the challenge is in admissions for increased ED attendances and increases in trauma work at St George hospital.

It was noted that liver surgery activity is up by 50%. This may be a result of the controls around Peritonectomy and the base number of liver surgery being low. The Chief Executive agreed to investigate this further.

Action – Chief Executive to investigate why liver surgery activity had increased by 50%

The Board discussed the components of budget overrun that can be attributed to controllable activity. This information would enable the Board to understand what component is due to controllable activity and what is due to costs being above benchmark price i.e. allocated budget. It was noted that this information is not readily available.

Coding was discussed. It was reported that SESLHD's reporting rates are good. I.e. 30% in 60 days is above target. The Chief Executive agreed to send the regular coding report to Board members. This report compares coding levels across Districts and shows percentages complete over a three monthly period.

Action – Chief Executive to send MoH reports containing coding information to Board members.

The Chief Executive provided an update on Peritonectomy Surgery; the following key points were **noted**:

- Five of the six additional Peritonectomy Surgeries agreed to by the Ministry of Health, have now been complete.
- The Report recommended establishment of an Enhanced Multi-disciplinary Team for Radical Peritonectomy Procedures (EMTRPP), with an independent Chair. The first meeting is scheduled for Friday 13 December 2013. The EMTRPP will be chaired by Professor Bruce Barraclough.
- Progress reports on the operation of this committee will be made to the Board to enable the Board and other stakeholders to ensure that the committee is operating appropriately.
- A committee is also being established to work in conjunction with the SELHD Clinical and Quality Council and the NSW Cancer Institute to manage the undertaking of clinical audits of Peritonectomy cases. This is expected to commence in January 2014.
- The MoH is undertaking discussions with Macquarie University Hospital to investigate the possibility of that hospital undertaking interstate and overseas Peritonectomy surgeries.
- SESLHD is continuing to undertake six Peritonectomy surgeries per month.
- Category 1 and 2 patients are breaching the timeframe The Ministry of Health has agreed to cover the costs of the additional six Peritonectomies purchased and the additional cost of other surgical work being undertaken at St George Private Hospital to enable the additional peritonectomy cases to be performed at the public hospital
- A hospital in Western Australia is planning to undertake Peritonectomy Surgery commencing in January 2014. This is expected to take some pressure off the St George Hospital service.

	<p>8.2</p>	<p>The Chair asked the CE to provide an advice on the value of the MoH funding and the purposes to which that funding would be put.</p> <p>Bundled Services – marked as confidential</p>
	<p>8.3</p>	<p>Accreditation Outcomes The Board noted the paper provided regarding accreditation outcomes.</p>
	<p>Item 9</p>	<p>SESLHD Falls Injury Prevention Plan 2013-2018 The Board noted the SESLHD Falls Injury Prevention Plan 2013-2018 as an operational plan.</p> <p>Planning at a local and state level was discussed. It was noted that, to eliminate duplication, some plans could be developed at a state level and then filtered through to the Local Health Districts. The Chief Executive noted that the planning process enables engagement amongst grass roots staff members and therefore enables better buy-in and increases the clinical support in implementing the plan.</p>
	<p>Item 10</p>	<p>SESLHD Sustainability Strategy 2013 - 2016 The Board discussed the SESLHD Sustainability Strategy 2013 – 2016. The following points were noted:</p>


		<ul style="list-style-type: none"> • It is a government requirement that the District has a sustainability strategy • This concept should be considered holistically as part of all planning and budget processes for the District • The direction of the strategy is supported and it is agreed that any new buildings or projects should take sustainability into consideration • The LHD has a social and ethical responsibility to consider the environmental impact of its operations • The endorsement by the Board should be a set of guiding principles under which, any activity can take place. <p>The Board agreed that the SESLHD Sustainability Strategy 2013 – 2016 should be used by management, and the Board should endorse a set of Sustainability Principles within which SESLHD decisions should operate.</p> <p>Action – The Chief Executive to develop for the consideration of the Board, a set of sustainability principles within which SESLHD decisions should operate.</p>
Part C	SUBCOMMITTEE REPORTS/COMPLIANCE ISSUES/PAPERS FOR INFORMATION	<p>Item 11 SESLHD COMMITTEE REPORTS</p> <p>11.1 Finance & Performance Committee</p> <p>11.1.1 Finance & Performance Committee Minutes The minutes were noted by the Board.</p> <p>11.1.2 SESLHD Financial Narrative The narrative was approved by the Board.</p> <p>11.1.3 Report from October F&P Committee Meeting The Chair of the Finance and Performance Committee reported the following key points:</p> <ul style="list-style-type: none"> • SESLHD continues to have significant budget overrun issues. • <i>Marked as confidential</i> • The Length of Stay in bed days has dropped in the first quarter of the year compared to last year and this is having a significant impact on patient fees revenue. This trend is expected to continue. Approximately \$5 million in revenue has been lost due to decreased Length of Stay. • The Board noted that the revenue verse Length of Stay issue should be carefully communicated to staff so as to avoid giving the message that decreased Length of Stay is a negative result. • A fundamental issue is that the revenue budget allocated to the LHD calculated on a basis which is not connected to the ability of the LHD to collect that patient fees revenue. In addition, there is no connection with the issue of expenditure budget. The Board needs to better understand this so that it can communicate to MoH the problems that these issues cause the LHD. • It was suggested that convincing Mental Health Patients to use their private insurance is challenging. It was proffered that this is because Mental Health clinicians don't have an incentive to admit their patients privately. This is a potential area for improvement.

		<ul style="list-style-type: none"> • There are some other Local Health Districts with a similar revenue problem; however information about the extent of other Districts' problem is not available. • The budget overrun will not be corrected this financial year, however a robust plan must be established to correct it over the next two to three years <p><i>Marked as confidential</i></p> <p>Action - Chief Executive, Director of Finance in consultation with the Board Chair and the Chair of the Finance and Performance Committee to determine a projection and communicate this to the Ministry of Health as soon as possible.</p> <p>The Board questioned whether current strategies to correct the budget overrun will be effective. It was noted that the Board and management must look at structure, infrastructure, changing work practices, models of care, range of services, duplication of services, rationalising services etc. It was agreed that fundamental change must be applied in order to make a material difference.</p> <p>The Board discussed ideas for fundamental change and innovation. Specifically, the Board discussed the cost of providing outpatient services. The District needs to understand the range of services it is providing and the cost impact. It was suggested that by changing outpatient models of care, significant savings could be made.</p> <p>It was agreed that ideas for fundamental change and innovation must be discussed in an appropriate forum so implementation can be determined. Clinician involvement and leadership will be fundamental.</p> <p>Northern Sector Recovery Plan - Progress The Board noted the Northern Sector Recovery Plan Progress Report.</p> <p>Southern Sector Recovery Plan – Progress The Board noted the Southern Sector Recovery Plan Progress Report.</p> <p>October KPI Report The Board noted the October KPI Report</p> <p>Clinical & Quality Council</p> <p>Clinical & Quality Council Minutes - ratified The minutes were noted by the Board.</p> <p>Clinical & Quality Council Minutes - draft The minutes were noted by the Board.</p> <p>Audit & Risk Management Committee No meeting held.</p> <p>11.1.4</p> <p>11.1.5</p> <p>Membership composition of the Audit and Risk Management Committee and the tenure of the independent members The Board approved the membership composition of the Audit and Risk</p>
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	11.1.6	Management Committee and the tenure to independent members. Resolution 219 "That the Board approves the membership composition of the Audit and Risk Management Committee and the tenure to independent members."
	11.2	Moved: J Ward Seconded: P Smerdely Carried
	11.2.1	Community Advisory Committee No meeting held.
	11.2.2	
	11.3	Sydney Metropolitan Aboriginal Health Partnerships Agreement No meeting held.
	11.3.1	Medical Staff Executive Council No meeting held.
	11.4	RHW Transitional Sub-Committee The minutes were noted by the Board.
	11.5	
	11.6	
	11.7	
Part D	BOARD ADMINISTRATION MATTERS	
	Item 12	BOARD ADMINISTRATIVE MATTERS
	12.1	Board Only minutes form meeting held 30 October 2013 "That the Board approves the minutes of the SESLHD Board meeting held on 30 October 2013 as an accurate record of proceedings." Moved: J McDonald Seconded: B Farnsworth Carried
	12.2	Actions Arising The action log was noted by the Board
	Item 13	Board Review No discussion held
	Item 14	Chief Executive's Performance Review No discussion held
Part E	BUSINESS WITHOUT NOTICE	

**SESLHD Board
Minutes
Meeting held Wednesday 27 November 2013**



	The Chair noted that he recently spend a day at the POWH with Dr Roger Allan learning about the clinical side of the business. The Chair recommended the experience to other Board members.	
Part F	CORRESPONDANCE	
	Item 13	CORRESPONDENCE RECEIVED The correspondence was noted
Part H	MEETING CLOSE	
	Item 14	NOTING OF CONFIDENTIAL ITEMS 1. Item 8.2 2. Discussion around the year end financial projections.
MEETING CLOSED at: 20.00		
<p>..... <i>Michael Still</i> Name</p> <p>.....  Signature</p> <p>..... <i>18 December 2013</i> Date</p>		