

Wednesday 25 May 2016 at 4.30pm | Worrall Theatre, Sydney/Sydney Eye Hospital

SESLHD Board Minutes

Board Members:

- Mr Michael Still (Chair)
- Ms Patricia Azarias
- Ms Deborah Cansdell
- Mr Jonathan Doy
- A/Prof Robert Farnsworth
- A/Prof Peter Gonski
- Janet McDonald
- A/Prof Peter Smerdely
- Prof Jeanette Ward (*via teleconference*)

In Attendance:

- Mr Gerry Marr – Chief Executive (*via teleconference*)
- Ms Karen Foldi – Director of Finance
- Mr Mark Shepherd – Director of Programs and Performance
- Ms Kim Olesen – Director of Nursing and Midwifery Services
- Dr James Mackie - Medical Executive Director
- Dr Theresa Jacques – Chair, Medical Staff Executive Council

Apologies:

- Dr Debra Graves
- Dr Harry Harinath
- Ms Kate Munnings
- Ms Kristin Stubbins (Advisor)

Secretariat:

- Ms Nicole McGregor – Executive Officer to the Chief Executive

STANDING ITEMS

1.1. Minutes of the SESLHD Board meeting held Wednesday 27 April 2016

Resolution 303

The Board resolved to approve the minutes of the SESLHD Board meeting held Wednesday 27 April 2016 as an accurate record of proceedings.

1.2. Minutes of Finance and Performance Committee meeting held Tuesday 26 April 2016

The minutes of the meeting of the Finance and Performance Committee held on Tuesday 26 April 2016 were noted.

1.3. Minutes of Health Care Quality Committee meeting

Nil minutes to note this month.

1.4. Minutes of the Community Partnerships Committee meeting

Nil minutes to note this month.

1.5. Actions

The Board reviewed and updated the Action Log.

1.6. Correspondence Register

The Board noted the correspondence received to Wednesday 18 May 2016.

1.7. Teaching and Research

The Board was advised that the Academic Health Science Partnership is progressing well and the process to appoint an interim director has commenced.

FOCUS

2.1. Presentation: Justice Health and Forensic Mental Health Network

Invited guests: Mr Chris Puplick, Board Chair, Justice Health and Forensic Mental Health Network

Mr Chris Puplick attended the start of the Board meeting to present on the work of the Justice Health and Forensic Mental Health Network (JH&FMHN).

The following key points were noted:

- An overview of the facilities of the JH&FMHN was provided, and includes custody, inpatient and community facilities.
- A snapshot of the New South Wales (NSW) custodial population was provided; around 12,000 adults are in custody in NSW, and approximately 3,000 of these are Aboriginal adults.
- Proposals for new prison beds and the opening of new prisons was discussed. An additional 2,574 prison beds are planned to open by 2019.
- Statistics on the health status of patients in custody were presented, and is significantly poorer than the general population.
- Challenges associated with an ageing prison population were discussed.

The Board discussed with Mr Puplick the operation of and challenges associated with the Prince of Wales Hospital corrective ward, including the correctional officer presence required at the hospital.

The Board acknowledged its appreciation of Mr Puplick's presentation and thanked him for sharing some of the challenges faced by the JH&FMHN.

2.2. Presentation: Nursing and Midwifery Services

Invited guest: Ms Kim Olesen, Director of Nursing and Midwifery Services, SESLHD
Ms Margaret Martin, Acting Nurse Manager, Development of Practice and Workplace Capabilities, SESLHD

Ms Margaret Martin joined Ms Kim Olesen for part of the Board meeting to present on the latest work of the SESLHD Nursing and Midwifery Services.

The following key points were noted:

- The presentation focused on three key bodies of work; Care, the Heart of Caring framework and the Journey to Care strategy.
- A nurses and midwives engagement survey is currently underway, which focuses on a number of important elements, including team work.
- A range of Heart of Caring wellbeing resources have been developed and samples were shared with the Board. These resources include wall calendars and pocket diaries which encourage reflective practice and wellbeing. A phone app is also in development.
- Work is being done to ensure that programs of work, such as Essentials of Care, the Productive Ward and the SESLHD Patient Safety Program integrate well.
- A focus for the coming year will be to increase clinical placements for midwives, as a shortage of midwives is expected in the next decade.

The Board discussed queries and concerns relating to nursing and midwifery services. Use of agency nurses was discussed; use of agency nurses has decreased this financial year. The suggestion of establishing a 'house bank' for nurses was raised; this has been an efficient model and produced financial gains in other areas. Attempts to establish a 'house bank' in SESLHD in previous years have not been successful.

The Board was advised that SESLHD currently employs a number of nurses on 457 visas. These staff members are employed under the NSW nursing awards, but there are restrictions on the ability to hire nurses on this type of visa.

The Board was advised that SESLHD currently employs 17 nurse practitioners, however, the demand for this type of role is expected to increase in the future.

Discussion was held on the challenges of retaining nursing staff. Local real estate prices may create challenges around staff retention.

The Board was advised that the framework SESLHD has developed for managing staff with practice issues has been highly praised and has been shared with other organisations.

STANDING ITEMS

3.1 Board Chair Report

The Board Chair provided a verbal update to the Board. The following key points were raised:

- Ms Elizabeth Koff has been appointed to the position of Secretary of Health. A letter has been sent on behalf of the SESLHD Board congratulating Ms Koff on her appointment.

3.2 Chief Executive Report

The Chief Executive joined the meeting via teleconference from Norfolk Island at 5.20pm to provide an update to the Board.

The following key points on the financial position and strategies for the District were noted:

- Patient fee revenue remains the single most challenging financial component for SESLHD. Department of Veterans Affairs (DVA) revenue and Motor Accident Authority (MAA) revenue also remain a challenge.

- PricewaterhouseCoopers is working with SESLHD to develop a report on the potential achievable patient fee revenue for the District, and this report will be used in discussions with the Ministry of Health. Further investigations on conversion rates and revenue potential continue.
- Budget negotiations with the Ministry of Health for the next financial year have not progressed further as yet.
- There is a risk that SESLHD will not deliver on the agreed full-year financial position.
- The Board was advised of the overall figure for expense reduction and revenue improvements that will need to be generated in the 2016/17 financial year in order to meet the agreed financial position by June 2017.
- St George Hospital now has a favourable expense position, which is a significant achievement given the hospital's position of \$12 million unfavourable in expenses in 2014.

The Board discussed the difficulty in obtaining information on the private health insurance profile of our population and the calculation of conversion rate targets.

The following key points on Prince of Wales Hospital were noted:

- The Acting General Manager, Prince of Wales Hospital (POWH) and Sydney/Sydney Eye Hospitals has undertaken a thorough review of the control environment at POWH. The Acting General Manager's focus has been:
 - o Maintaining emergency treatment performance (ETP).
 - o Reducing overdue elective surgery cases, addressing elective surgery access performance (ESAP).
 - o Putting the necessary processes in place, with support from the Program Management Office, to implement a range of value improvement plans (VIPs).
- Recruitment is underway for the position of General Manager, Prince of Wales Hospital (POWH) and Sydney/Sydney Eye Hospitals, with interviews to be held in early June 2016. The interview process will involve psychometric testing.

It was resolved that Internal Audit should undertake an audit on the financial controls and procedures at Prince of Wales Hospital. The Chief Executive will follow up on whether this was undertaken.

3.3 Finance and Performance Update

Following on from the Chief Executive's report, the Director of Finance provided an update on the District's financial position year-to-date and results for March, as detailed in the Director of Finance Report provided. The District's unfavourability lies primarily in revenue.

DVA income has dropped this financial year and it was noted that it takes a significant amount of time for DVA actuals to be received by the District.

The Board discussed fixed costs versus actual costs, and whether savings have been realised due to decreased activity. Decreased activity comes with some reduced costs, such as reduction in overtime and agency staff usage.

The Board discussed the funding source for the POWH hybrid theatres.

3.4 Key Performance Indicators (KPIs)

The Board noted the report provided in the meeting papers. An overview of KPI performance was provided.

It was noted that for the first time in a year, the Tier 2 indicator regarding post-discharge community care for acute mental health patients met target. This KPI was partially impacted by issues in documentation of clinical records, which have now been resolved.

Elective surgery access performance

Elective surgery access performance (ESAP) is being addressed and the District is on track to achieve zero overdue elective surgery cases by the end of the financial year, at 30 June 2016.

3.5 Program Management Office (PMO) Report

The Board noted the PMO Report provided in the meeting papers. Value improvement plans are on track to deliver approximately \$20 million in savings by the end of the financial year. Actual savings is slightly behind target, but overall a positive result.

The Board discussed visiting medical officer (VMO) expenses. VMO claims from prior years have been investigated, and the impact of prior year claims should be reduced next financial year.

The Board discussed its interest in knowing what one-off payments and unexpected expenses the District has incurred this financial year, including VMO expenses and other expenses. It was resolved that this matter will be investigated and a report provided to the Board.

Action: One-off payments and unexpected expenses that the District has incurred this financial year, including VMO expenses and other expenses, to be investigated.

NEW ITEMS

4.1 Service Rationalisation Project

The paper on the Service Rationalisation Project will be presented at the June Board meeting.

4.2 Board Appointments

The Board noted the brief provided by the Board Secretary on the Board reappointment process.

CLOSE

5. Business without notice

Nil items raised.

6. Noting of Confidential Items

Parts of Item 3.2 were noted as confidential.

7. Date of next meeting:


Wednesday 29 June 2016

3pm – 4pm, Afternoon tea with executive and staff from the Royal Hospital for Women

4pm – 7pm, Board Meeting, Royal Hospital for Women

Presentation: Royal Hospital for Women

Meeting closed at 7.06pm.



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Signature

Michael Still

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Name

27 July 2016

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Date