

# MINISTER FOR HEALTH

## OVERVIEW

Agency	Budget 2005-06 \$m	Budget 2006-07 \$m	Variation %
<b>Department of Health</b>			
Total Expenses .....	10,859.8	11,687.8	7.6
Capital Expenditure <sup>(a)</sup> .....	646.4	573.1	-11.3
<b>Health Care Complaints Commission</b>			
Total Expenses .....	10.5	10.4	-1.1
Capital Expenditure .....	0.1	0.2	37.3
<b>Total, Minister for Health</b>			
Total Expenses .....	<b>10,870.3</b>	<b>11,698.2</b>	<b>7.6</b>
Capital Expenditure .....	<b>646.5</b>	<b>573.3</b>	<b>-11.3</b>

(a) The 2006-07 Budget for Capital Expenditure excludes \$53.7 million for projects that will now be undertaken as privately financed projects and \$60 million in capital expensing that is included in the 2005-06 Budget figures. The capital expenditure estimate for 2006-07 on a comparable basis to the 2005-06 is \$686.8 million, which represents an increase of 6.3 per cent.

## DEPARTMENT OF HEALTH

The Department of Health is responsible for State-wide policy and planning, performance management and monitoring, and strategic financial and asset management for the NSW public health system. The NSW public health system (NSW Health) comprises the Department of Health, Ambulance Service of NSW, eight Area Health Services, five statutory health corporations and 21 affiliated health organisations.

The Department manages licensing, regulatory and enforcement functions to ensure compliance with the some 40 Acts administered by the NSW Minister for Health, including the *Health Services Act 1997*, *Public Health Act 1991* and *Mental Health Act 1990*.

## **RESULTS AND SERVICES**

NSW Health's overarching vision of "Healthy People - Now and in the Future" is being advanced by working towards the following results:

- ◆ People are healthy.
- ◆ The health care people need is provided.
- ◆ Health services are of high quality.
- ◆ Health services are well managed.

Key services provided by NSW Health which contribute to these results include:

- ◆ providing health care to patients admitted to hospitals;
- ◆ providing ambulatory, primary and community-based services in outpatient clinics and community health centres, and in the home;
- ◆ providing emergency transport and emergency treatment;
- ◆ providing community-based and admitted mental health services;
- ◆ providing rehabilitation and long-term care services;
- ◆ providing public health promotion and regulation; and
- ◆ providing professional training and investment in research.

## **RECENT DEVELOPMENTS**

The NSW Government continues to build upon a first class health system through a range of innovative and significant health initiatives for the people of New South Wales. In 2006-07, NSW Health recurrent expenditure is budgeted to reach \$11.7 billion, an increase of \$828 million or 7.6 per cent over the 2005-06 Budget. Health spending represents more than 27 per cent of total budget expenses, up from around 24 per cent in 1996-97. In per capita terms, health expenditure in the 2006-07 Budget equates to approximately \$1,700 for every person in New South Wales.

## Health System Demands

Demand and rising costs confront health systems in all western countries and are being driven by:

- ◆ a growing and ageing population;
- ◆ increasing rates of obesity, diabetes and other lifestyle related illnesses;
- ◆ changes in health technology, including the availability of new and more advanced procedures;
- ◆ rising costs of drugs and clinical equipment;
- ◆ higher standards of care; and
- ◆ worldwide skill shortages for doctors and nurses that flow through to service access issues and wage costs.

Across New South Wales, emergency and elective surgery treatment continue to be significant areas of growing demand.

- ◆ Every 33 seconds on average the NSW Ambulance Service responds to a call for assistance. Over the nine months to March 2006, ambulance responses increased by 39,800 or 5.6 per cent compared to the same period last year.
- ◆ Every day emergency departments treat an average of 5,490 people. Over the nine months to March 2006, emergency department attendances were up by 97,457 patients or 8.5 per cent compared to the same period last year.
- ◆ Every day an average of 3,877 people are admitted into public hospitals, with 30 per cent of these admitted through emergency departments. Over the nine months to March 2006, admissions through emergency departments were up by 21,739 or 8.3 per cent compared to the same period last year.

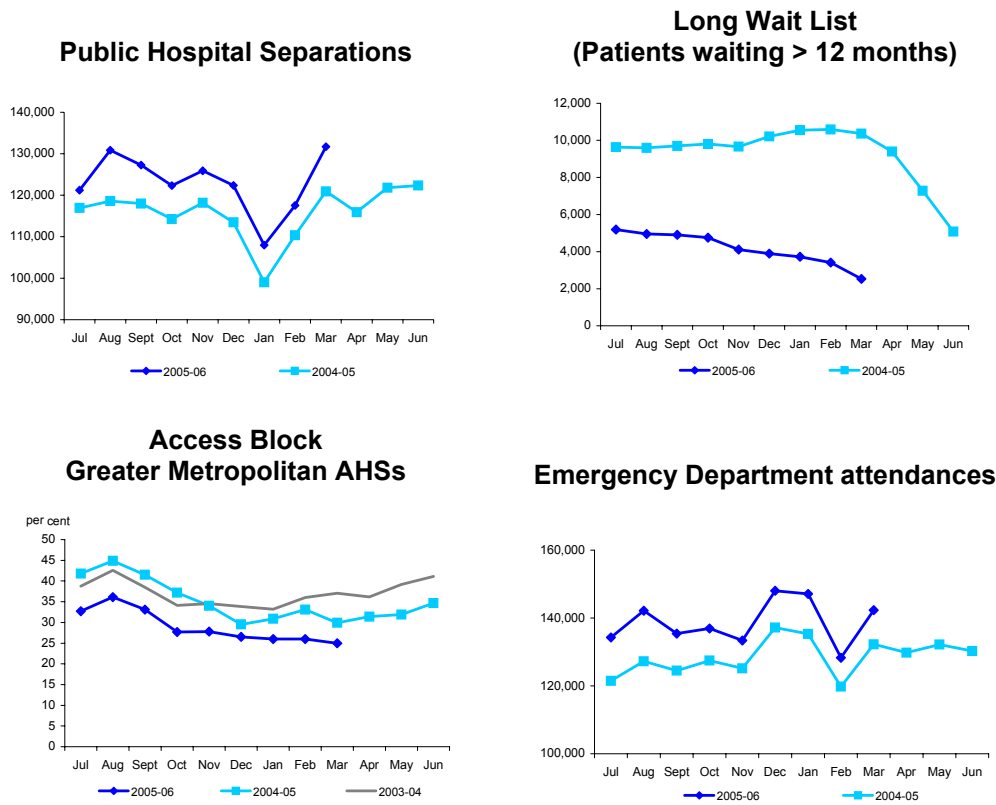
While demand for and cost of hospital services is increasing, the Commonwealth Government is restricting growth in the funding it provides to NSW hospitals under the Australian Health Care Agreement (AHCA). It is projected that New South Wales will lose some \$704 million over the life of the 2003-2008 AHCA, compared with a roll over of the previous Health Care Agreement. In 2003-04 the NSW Government contributed \$1.61 for every dollar the Commonwealth Government put into the NSW health budget. In 2006-07 this is forecast to increase to \$1.81 as the NSW Government continues to increase funding for health. At a time when health care demands are increasing, the Commonwealth is reducing its relative contribution to the funding of public hospitals.

## Health System Performance

Despite increasing levels of demand, considerable improvements have been realised in key emergency and elective surgery health system performance indicators in 2005-06 (see Chart 10.1). As at March 2006, these include:

- ◆ A 3.3 per cent improvement in ambulance response times for the nine months to March 2006, with 50 per cent of emergency cases reached within 9.6 minutes.
- ◆ A significant State-wide improvement in the proportion of patients being transferred from ambulance to hospital care within 30 minutes of arriving at hospital. Off stretcher time, (the percentage of patients not transferred within 30 minutes) has improved from 28 per cent in March 2005 to 21 per cent in March 2006.
- ◆ A significant and sustained improvement in the number of patients being admitted within eight hours of attendance at emergency departments. Access block for Greater Metropolitan hospitals was 25 per cent or five percentage points below the same period last year (30 per cent).
- ◆ An increase in total hospital separations over the nine months to March 2006 of 77,477 or 7.5 per cent compared to the same period last year.
- ◆ A reduction of some three quarters in the number of patients waiting longer than 12 months for elective surgery in the past year from 10,364 to 2,525 as at March 2006.
- ◆ A reduction of 7,918 patients on the booked surgical waiting list over the 12 months to March 2006.

## Chart 10.1: NSW Health Performance and Activity Measures



## STRATEGIC DIRECTIONS

The NSW Government has responded to the pressures on the health system through significant ongoing funding increases. NSW Health spending has increased from \$5.3 billion in 1994-95 to \$11.7 billion in 2006-07. An additional \$266 million of major initiatives will be funded in 2006-07.

However, simply providing more resources is not the total solution to challenges faced by the health system. The NSW Government continues implementation of its successful integrated strategy for improving health services and managing ongoing demand pressures.

Key elements of the strategy for the goal of “Healthy People – Now and in the Future” are:

- ◆ improving capacity and access to public hospital, emergency services and other core health programs;
- ◆ promoting healthy lifestyles to reduce avoidable illnesses;
- ◆ building a sustainable health workforce to provide quality health care;
- ◆ ensuring best possible patient outcomes through the provision of high quality and integrated care in the most appropriate setting;
- ◆ improving access to clinical information;
- ◆ directing resources to frontline clinical services; and
- ◆ improving accountability.

### **Planning for the Future**

NSW Health is undertaking a futures planning process to set directions for the NSW public health system over the next 20 years. Seven future directions have been identified through consultations involving a diverse group of health professionals, managers and community representatives. These directions, and the key areas for action they describe, are regarded as crucial to the future of the NSW health system and comprise:

- ◆ make prevention everybody’s business;
- ◆ create better experiences for people using the health system;
- ◆ strengthen primary health and continuing care in the community;
- ◆ build regional partnerships for health;
- ◆ make smart choices about the costs and benefits of health services;
- ◆ redesign and reinvigorate the health workforce; and
- ◆ be ready for new risks and opportunities.

## **2006-07 BUDGET**

### **Increased Capacity**

#### ***More Beds***

Increasing the capacity of the health system to respond to growing demand remains a key priority in the 2006-07 Budget.

In line with last year's commitment to grow available capacity, the 2006-07 Budget provides funding to operate the equivalent of 426 beds on top of the 800 beds announced with the 2005-06 Budget and the 563 beds and places announced with the 2004-05 Budget. This is subject to the availability of new nursing and medical staff.

This additional capacity will be delivered by providing both physical resources in the shape of new beds and through the development and extension of services that can appropriately substitute for inpatient care.

This extra bed capacity will be focussed in areas that support the reduction of access block, allowing patients admitted through emergency departments to be placed in a ward bed more quickly.

In 2006-07, the health system will benefit from new models of care developed to assist with faster and safer patient flows. These models of care include components which will decongest emergency departments. Patients will be relocated from emergency departments into short stay units if they require more extensive care, and patients with less urgent conditions will benefit from Fast Track Zones. The establishment of co-located after-hours General Practice (GP) services will also help to better manage patient flows.

#### ***More Intensive Care Services***

The NSW Government continues to support the significant boost to intensive care services achieved in 2005-06 of some 59 beds and cots. New services for 2006-07 comprise:

- ◆ Commissioning of 6.5 additional adult intensive care beds, at a total cost of \$5 million. These beds will be established at Westmead, St. Vincent's, Blacktown, Port Macquarie, Concord and Mater Misericordiae - Newcastle (1.5 beds) hospitals. Additional support will also be given to intensive care services in rural New South Wales.
- ◆ Extension of services to South Western Sydney through an additional adult intensive care bed under the Area's Clinical Services Plan.

- ◆ A total of five new neonatal intensive care cots will be provided at John Hunter, the Royal Hospital for Women, Liverpool, Nepean and Royal North Shore Hospitals. In total, \$4 million is being allocated for neonatal care in 2006-07.
- ◆ To provide further support for children needing intensive care, an additional paediatric intensive care bed at a cost of \$800,000 will also be made available for the State-wide network.

### **Integrating (GP) Services with our Hospitals**

One of the most significant challenges for health systems across Australia has been to address disconnection between Commonwealth-funded GP services and primarily State funded hospitals and health facilities. This is a central objective in the health reforms agreed by the Council of Australian Governments (COAG).

The NSW Government has been at the forefront in developing solutions that better integrate primary health care services into the health system.

This Budget contains two new initiatives to address this challenge.

#### ***After-Hours General Practice Services***

There is a lack of access to affordable GP services after-hours. This means that, for most communities, our hospital emergency departments and Ambulance Service are the only around the clock health care services.

The NSW Government is working in partnership with Divisions of General Practice, and individual GPs to establish after-hours GP services co-located with our hospitals. Co-located services are currently being established at Liverpool and Nepean Hospitals. Negotiations are continuing for a service at Ryde.

This Budget provides funding for recurrent grants to support ten new after-hours GP services co-located with hospital emergency departments as part of the COAG health reforms.

#### ***Integrated Primary Health and Community Care Services (IPHCCS)***

These 'one-stop-shops' will bring together GPs, community health workers, allied health and other medical professionals to provide multidisciplinary care that will encourage early diagnosis, disease prevention, and co-ordinated management of chronic and complex conditions.

Ten centres are initially being progressed, with four to eight expected to be established in 2006-07.

## ***Mental Health Improvements***

The NSW Government has elevated mental health to a major priority for policy innovation and funding. New South Wales successfully sought to have mental health on the agenda of the Council of Australian Governments (COAG) as a matter of national significance. Additional funding in the 2006-07 Budget will build on significant enhancements over the last two Budgets and make a major contribution towards the COAG National Action Plan for Mental Health to be released in July 2006.

Funding for mental health in 2006-07 is \$946 million, an increase of \$93 million or 10.9 per cent on the 2005-06 Budget, and up from \$356 million in 1994-95. Mental health services now account for 8.1 per cent of the total NSW Health Budget compared to 6.7 per cent in 1994-95.

Over the next five years, the Government will enhance mental health services provided through NSW Health by around \$590 million in real terms. When capital expenditure on mental health facilities and the value of new privately financed projects are included, this will amount to an additional investment of some \$900 million over the next five years. This will provide the major contribution from New South Wales towards the COAG National Action Plan for Mental Health.

The mental health funding package announced in 2004 will result in \$20.4 million in additional services opening in 2006-07 to provide for the continued expansion of mental health beds, community-based services and the Aboriginal mental health program. Mental health funding was also increased in the 2005-06 Budget by \$22 million per annum to establish Psychiatric Emergency Care Centres and expand community mental health services. A further \$33 million in funding was announced in May 2006 for a capital grant to St Vincent's Hospital to redevelop its mental health services, a research grant to the University of New South Wales, and an infrastructure grant to the Brain and Mind Research Institute.

The 2006-07 Budget builds on these previous funding enhancements for mental health and provides another \$300 million over five years for new initiatives, including an additional \$38 million in 2006-07. These new funds in 2006-07 will expand mental health services in the following priority areas to support reform efforts by COAG:

- ◆ \$5 million to expand Stage Four of the Housing and Accommodation Support Initiative (HASI) project to provide at least 234 support packages for people with mental illness on top of the 736 places already provided. HASI has been a significant success in improving housing stability and community participation for people with a mental illness through community based accommodation and support;

- ◆ \$6.8 million for out of hours' emergency and acute community responses across the State to assist police, ambulance workers and the community to respond appropriately to psychiatric emergencies. This new service will build on the Psychiatric Emergency Care Centres announced in the 2005-06 Budget;
- ◆ \$1.3 million to enable community mental health teams to provide specialist treatment and support for both adults and adolescents in contact with the criminal justice system;
- ◆ \$1.4 million for enhanced mental health treatment services for young people that focuses on intervention at the early stages of their mental illness and effective evidence based treatment;
- ◆ \$4 million for specialist community based mental health services for older people. This will provide specialist assessment and treatment services to promote independent living and wellbeing;
- ◆ \$2.2 million to improve assessment and intervention for older people with persistent problematic behaviour associated with dementia and/or mental illness through redesign of existing Confused and Disturbed Elder (CADE) units;
- ◆ \$800,000 for expansion of the Aboriginal mental health workforce program;
- ◆ \$3 million for the ongoing provision of 14 mental health beds at Liverpool hospital;
- ◆ \$2.7 million to establish a 24 hour mental health call service for New South Wales, staffed by mental health clinicians, that will form part of the National Health Call Centre agreed by COAG;
- ◆ \$5.6 million for a co-morbidity package to treat people with both mental illness and substance use disorders;
- ◆ \$3.8 million for clinical mental health rehabilitation programs to aid the recovery and participation of people with mental illness in the community and employment; and
- ◆ \$1.5 million in NGO funding for programs to support families and carers of people with mental illness so that they can more effectively support loved-ones.

### ***Expanded Specialist and State-Wide Services***

The NSW Government has provided additional funding to be directed to increasing the provision of a range of State-wide service initiatives that will benefit specific groups across New South Wales. Funding of \$4.8 million in 2006-07 will be directed towards:

- ◆ increasing services to children who require long-term ventilation and would be best cared for outside of a hospital environment;
- ◆ improving data support for the NSW newborn and paediatric emergency transport service;
- ◆ enhancing stroke services in rural areas, to take into account the different models of care required in rural New South Wales; and
- ◆ developing a rural outreach and service co-ordination team, which will provide specialist intervention for spinal injury.

### ***Expanded Cancer Services***

In 2006-07 expenditure through the Cancer Institute NSW will be \$126 million which includes funding for:

- ◆ new campaigns in cancer prevention targeting anti-tobacco and melanoma awareness, including \$10 million for a new anti-tobacco campaign to reduce smoking prevalence by a further 1 per cent or 50,000 additional smokers quitting;
- ◆ breast and cervical screening programs to enable an increase in participation of 4 per cent for breast and 3 per cent for cervical screening for the target age groups of both services over the next 12 months;
- ◆ improving skills of cancer health professionals and co-ordinating cancer care with enhanced access to specialised care; and
- ◆ research on improved models of cancer service delivery, better cancer treatments and more effective cancer screening and prevention.

The 2006-07 Budget also provides for the ongoing expansion of cancer treatment through additional radiotherapy services. Additional recurrent funding of \$5.5 million will be provided in 2006-07 for five new linear accelerators, including one each at Coffs Harbour and Port Macquarie as part of the Government's Cancer Plan.

## **Increased Access**

### ***More Elective Surgery***

In addition to increasing the bed capacity to provide a sustainable basis to meet demand for elective surgery, the Government has committed significant funds to reducing waiting time for elective surgery. There is \$35 million in recurrent funding to reduce elective surgery waiting times now embedded in health service budgets, and a further \$5 million was provided in March 2006 to target overdue patients waiting greater than 30 days. An additional \$15 million in 2006-07 will be spent on elective surgery for long wait patients.

The Private Provider Program, an innovative pilot to contract the private hospital sector, has provided approximately 1,200 procedures additional to the public sector surgery programs in 2005-06. These procedures mainly involved long wait patients who required day only or short stay operations and included cataract removal, hernia repair, tonsils and adenoid surgery, removal of skin and breast lumps, and various endoscopic procedures.

### ***More Dental Services***

The 2006-07 Budget provides \$40 million over four years (\$4 million in 2006-07) to address dental waiting lists, focussing on increasing clinical services, workforce recruitment and retention, Aboriginal and elderly oral health care needs and oral health promotion.

A Rural Dental Scholarship program has been established and will be enhanced by additional measures including a two-phase dentist recruitment strategy for recruitment of up to 30 dental officers and graduates.

### ***Better Ambulance Services***

In Sydney a new mobile data system and upgraded Computer Aided Dispatch functions now provide ambulance officers at the scene of an emergency with instant information about clinical services available and recent ambulance arrivals at nearby hospitals. This has greatly assisted officers to decide the most appropriate hospital for patients and, along with a range of clinical redesign initiatives, has reduced the average time taken to hand over ambulance patients to Sydney hospitals by 14 per cent to an average of 27 minutes. This initiative is being introduced into the Hunter and Central Coast areas.

The 2006-07 Budget provides an additional \$2.5 million in funding to enhance the Ambulance Service's metropolitan rotary wing service improving community access to hospital care.

## ***Enhanced Renal Services***

Currently, there are more than 2,500 patients receiving dialysis in New South Wales for end-stage kidney failure. Demand is expected to increase to approximately 4,000 patients by 2011. The Government will provide an additional \$32 million over four years (\$2 million additional in 2006-07 rising to \$15 million in 2009-10) to meet increased demand through establishment of new dialysis services, the provision of additional support services to patients with kidney failure, and ensuring a skilled, sustainable workforce in this specialised field.

## **Better Integrated Health Care**

### ***Council of Australian Governments - Health Reforms***

On 10 February 2006 the Council of Australian Governments agreed to a jointly funded \$1.1 billion reform package to achieve better health for all Australians. Over the next five years the NSW Government will support this investment to:

- ◆ establish a new approach to promotion, prevention and early intervention through the Australian Better Health Initiative;
- ◆ establish a National Health Call Centre;
- ◆ establish the national infrastructure for an Electronic Health Record;
- ◆ provide better care for people in the community, including in rural and remote Australia; and
- ◆ provide better care for older people in hospitals.

The current dual Commonwealth and State Government funded model for health care creates tensions and distortions within the health system. The NSW Government continues to seek Commonwealth Government support for significant reform in the way health services are funded, including through Integrated Primary Health and Community Care Services (IPHCCS) and after-hours GP services co-located with emergency departments.

## **Sustainable Workforce**

The 2006-07 Budget provides \$3.5 million for targeted recruitment, retention, education and training strategies. There will be further development of postgraduate medical training networks and other training support infrastructures for area health services and other public health organisations. Funding already exists for physician, surgical and psychiatry training networks. Through these networks training will occur in outer metropolitan and regional hospitals, and not be concentrated in the inner city hospitals.

Ambulance officers are completing skills upgrades in airway management, pain relief and the management of nausea, vomiting, asthma, anaphylaxis and fitting. This training will place New South Wales at the forefront of ambulance practice worldwide. During 2006-07 a further 700 ambulance officers will be trained.

### ***Nursing Strategies***

The NSW Government continues to implement a suite of strategies that are increasing nursing and midwife numbers to record levels of more than 39,000. Significant wages increases in recent years have ensured that nurses and midwives in New South Wales receive the highest basic pay in Australia.

In 2006-07 the NSW Government will spend more than \$35 million on nursing recruitment and retention strategies focussing on additional Trainee Enrolled Nurses, study leave for nurses, College of Nursing Education Programs and education and training scholarships. Nursing vocational education and training programs through high schools will provide another path to nursing.

The nurse practitioner program will continue to expand, providing opportunities for experienced nurses to practice at an advanced level. Health is on target to have 100 nurse practitioners in funded positions by February 2007.

### ***More Ambulance Officers***

The 2006-07 Budget includes funding for an additional 93 ambulance officers including 72 in rural areas at a cost of \$5.9 million and 21 in Sydney at a cost of \$2 million.

Overall, an additional 240 rural ambulance officers will be recruited over a four year period to June 2007 while in Sydney an additional 142 Ambulance officers will be recruited over two years to June 2007.

### ***Patient Focussed Quality of Care***

Improving information systems to support clinical care and patient flow is a key direction for Health. Significant advances are being achieved in the following areas:

- ◆ The State-wide Unique Patient Identifier for mental health patients will allow patients with a mental health illness to be recognized wherever they present in the public health system and will improve the care provided to people with mental health illness.

- ◆ In 2006-07 the Community Health Information Strategy (CHIS) will extend State-wide implementation of the electronic medical record called CHIME to support up to 1,200 additional clinicians in the management of clients through sharing of important health information. This will particularly benefit those being cared for in the community such as people with chronic and complex diseases, the elderly, and those with mental illness and drug and alcohol needs.
- ◆ The Maitland Electronic Health Record pilot has commenced and the Sydney West pilot will start later this year. These pilots are the first large scale electronic health record to be trialled and evaluated in Australia and demonstrate the Government's commitment to supporting clinicians to provide high quality and integrated care for patients across a broad range of healthcare delivery settings.

## **Directing Resources to Frontline Clinical Services**

### ***Amalgamations***

On 27 July 2004, the then Minister for Health announced a major restructure of NSW Health to reduce duplication and unnecessary cost in health administration.

One of the most significant features of the amalgamation process is that all associated administrative savings are being returned to frontline health services in the respective Health Services.

At March 2006, 70 per cent of over 1,000 administrative positions to be reduced across the health system had been achieved. The targeted value of this initiative for conversion to frontline health services is \$24 million in 2005-06 and \$70 million per annum once the full annual effect of the staff reductions is realised.

The NSW Government has been clear and accountable on how these savings are enhancing health services at a local level. For example, the Government has announced that savings achieved in 2005-06 have been reallocated to services including:

- ◆ \$2 million for a new paediatric unit at Wyong Hospital;
- ◆ \$1.6 million for haematology and bone marrow transplants at Royal North Shore Hospital;
- ◆ \$1 million for Manning Base Hospital;

- ◆ \$1 million for renal dialysis services and two new renal chairs at Wollongong Hospital; and
- ◆ \$2.2 million for additional radiotherapy services at Campbelltown Hospital and Liverpool Hospital.

## **Capital Expenditure**

The NSW Government is committed to a capital works program of \$2 billion over the next four years. Key components of the \$573.1 million capital expenditure budgeted in 2006-07 are:

- ◆ Major new works include the redevelopment of Auburn Hospital, Liverpool Hospital Stage 2, Ballina Hospital Rehabilitation Unit and the Manning Base Emergency Department. New works will also include the State-wide replacement of the Human Resource Information System and planning for an Integrated Medical Imaging Strategy.
- ◆ Mental health is an ongoing Government priority and accordingly Stage 3 of the Mental Health Capital Program will commence in 2006-07. This includes projects to expand capacity, improve infrastructure and establish additional mental health services. Stage 3 projects include Forensic and Tertiary Mental Health Units at Bloomfield Hospital, the Mandala Mental Health Unit at Gosford Hospital, Child and Adolescent Units at the Sydney Children's Hospital and at Shellharbour, and a Non Acute Mental Health Unit at Sutherland Hospital.
- ◆ Continuation of large scale programs include major upgrading and redevelopment works within the Central Sydney Resource Transition Program, the Central Coast Health Access Plan, the Newcastle Strategy, the Royal North Shore Hospital Redevelopment, and the Western Sydney Strategy. Major projects introduced in 2005-06 will continue including the Bathurst and Orange Campus Redvelopments, and Queanbeyan Hospital Redevelopment. State-wide programs including the BreastScreen NSW capital program and Radiotherapy Services Stage 2 will also continue in 2006-07.
- ◆ The Rural Hospital and Health Service Program continues in 2006-07. Phase 3 of the Program comprises 14 rural and remote projects. Implementation is proceeding on all projects, with construction having commenced at Portland, Tullamore and Guyra.

- ◆ The new Ambulance Service capital enhancement program will provide for construction of new ambulance stations at Auburn, Dubbo and Liverpool together with the upgrade of fleet, communications and medical equipment.
- ◆ Planning funds have also been provided in 2006-07 for future major projects at Byron Bay, Northern Beaches, Parkes, Wagga Wagga and Tamworth Hospitals as well as future new ambulance stations.

## **HEALTH CARE COMPLAINTS COMMISSION**

The Health Care Complaints Commission is an independent statutory body reporting directly to the Minister for Health and to the Joint Parliamentary Committee on the Health Care Commission. The Commission is responsible for dealing with complaints against all health practitioners, hospitals, institutions and health programs in New South Wales to protect the health and safety of the public. The Commission's governing legislation is the *Health Care Complaints Act 1993*.

### **RESULTS AND SERVICES**

The Commission contributes to improving the level of protection of the health and safety of the public by working towards the following results:

- ◆ The community has confidence that health care complaints reported are being properly investigated.
- ◆ Health providers view health care complaints as a valuable tool to identify health service improvements.
- ◆ The community regards the Commission as the most effective means to prosecute serious cases of inappropriate health care.
- ◆ Health care issues identified in investigations are addressed through recommendations to health service organisations.

Key services provided by the Commission which contribute to these results include:

- ◆ assessing, resolving and investigating health care complaints;
- ◆ providing community-based complaint resolution services including facilitated conciliation processes; and
- ◆ rigorously prosecuting serious cases of inappropriate health care.

## **RECENT DEVELOPMENTS**

Over the past five years total expenses have increased from \$6.9 million in 2001-02 to an estimated \$10.4 million in 2005-06 reflecting the Government's continued support to the reform of the Commission commenced in 2003-04.

The legislative changes to the *Health Care Complaints Act* in 2005 confirmed the Commission's focus on investigating serious complaints about health service providers and improved the manner in which complaints are handled and investigations are conducted.

The functions of the Health Conciliation Registry transferred to the Commission in March 2005 have been fully integrated with the Commission's Complaint Resolution Services to facilitate better patient complaint outcomes through alternative dispute resolution.

The Government intends to give the Commission additional powers to more effectively deal with unregistered health practitioners who are endangering the health and safety of the public.

## **STRATEGIC DIRECTIONS**

In 2006-07, the Commission will focus on:

- ◆ continuing to improve and develop its complaint resolution, investigative and prosecution services;
- ◆ further developing its capacity to make effective recommendations to improve the delivery of health services;
- ◆ developing effective processes to manage complaints about unregistered health practitioners; and
- ◆ improving the Commission's business processes, particularly in the area of case management and performance tracking through the application of the new Casemate computer system.

## **2006-07 BUDGET**

### **Total Expenses**

Estimated total expenses of the Commission in 2006-07 are \$10.4 million. The Commission will maintain and improve its current level of investigation and complaint resolution services.

### **Capital Expenditure**

In 2006-07, the Commission will spend \$162,000 to replace outdated leased computer equipment and upgrade electronic document and records management systems.