



## Minutes for NSW Health Pathology Board Meeting

26/06/2019 | 10:00 am - 01:22 pm, Boardroom, Level 13, 67 Albert Ave, Chatswood

### Attendees

Peter Loxton; Maree Gleeson; Michael Legg; Murray Austin; Nicholas Hawkins; Kay Hyman; Darren Turner; Nigel Lyons; Roger Wilson; Vanessa Janissen

Apologies: Michael Brydon and Tracey McCosker

Secretariat: Tanya Dunn

### Agenda

#### Welcome, Attendance and Acknowledgement of Country

The Chair opened the meeting with acknowledgement of country and welcomed those present and the Secretariat recorded the minutes.

- Apologies were noted.
- A quorum of Board Members was present and the meeting proceeded with business.

#### Declarations of Conflict of Interest

The Chair requested all attendees to declare or remove any conflicts of interest at the meeting.

- There were no new conflicts of interests to declare or to be added to the Conflict of Interest register at this meeting.

#### Confirmation of previous minutes

The Board members **APPROVED** the draft Board Meeting Minutes of the 1 May 2019 as a true record of the meeting.

**MOVED:** Nicholas Hawkins

**SECONDED:** Murray Austin

The action log was reviewed as part of the agenda. Noting meeting held regarding review Research and Governance. Research and Innovation Framework presentation to occur at August Board meeting.

## Standing Committee Reports

### Chief Executive Report - Tracey McCosker

The Board **NOTED** the Chief Executive Report and taken as read.

- The Acting Chief Executive referred to the NSW Health Pathology efficiency target of 2%. Noting budget discussions to be held at the next Strategic Leadership Team scheduled for 2nd July 2019.
- The Board Chair updated the Board on the outcome of correspondence forwarded to the Secretary; and subsequent meetings held with the Ministry of Health (MOH) and thanked the Board for their support and discussion on this matter.
- The Board Chair noted his attendance at the recent Council of Board Chairs Forum and provided a brief overview to the Board.
- The Acting Chief Executive referred to the Pathology Atlas of Variation toolset and discussion was held regarding opportunity for greater efficiency of pathology utilisation across LHDs and other geographical areas.

### Finance and Performance - Darren Turner

The Board **NOTED** the Finance and Performance Report and taken as read.

Noting:

- The Year to Date Net Cost of Service is \$5.887M favourable to budget with reported revenue \$16.874M favourable and expenses \$10.987M unfavourable.
- Underlying revenue is \$12.026M favourable while underlying expenses are \$8.177M unfavourable.
- Goods and Services tracking favourable with activity. \$5M impact on budget due to no increase in pricing for goods and services.
- Revenue has increased at an activity level at \$13.5M.
- Employee costs \$2.6M favourable.
- The Chair Finance and Performance Committee provided an update on funding projects and the capital reserve.
- Maree Gleeson noted oversight in board meeting papers regarding performance reporting due to the Board meetings held bimonthly.
- The Board requested performance reporting to include more detail on the SAC 1 and SAC 2 incidents reporting and access to a consolidated risk register. Noting that the NSW Health Pathology Strategic Risk Register will be presented to the Board at the August meeting.

***ACTION: Board members to be provided access to all Board Subcommittee meeting papers.***

## **Rights of Private Practice**

The Board **NOTED** the Rights of Private Practice brief and taken as read.

Noting:

- NSW Health Pathology (NSWHP) sought instruction from Ministry of Health (MOH) Legal Branch and Workplace Relations regarding issues related to Staff Specialists Rights of Private Practice (ROPP) third party contractual arrangements.
- NSWHP maintains this revenue should be directed to the general fund and has acted accordingly; noting MOH support.
- NSWHP pending mediation with The Australian Salaried Medical Officers Federation (ASMOF). Noting that ASMOF have not advanced their decision as currently reviewing their position on this matter.
- NSWHP to consider how to utilise the mediation process to introduce broader changes in ROPP.
- The Board noted that mediation process needs to consider the impact to meeting supervision requirements.
- NSWHP to formally model the financial risks; and the Board welcomed further feedback at a future Board meeting.

***ACTION: Update on the contractual arrangements regarding Rights of Private Practice to be updated at a future Board meeting.***

## **Balanced Scorecard**

The Board **NOTED** the Balanced Scorecard and taken as read.

## **Clinical Council - Roger Wilson**

The Board **NOTED** the Clinical Council Report and taken as read.

Noting:

- New Clinical Council Charter and expansion of membership; welcoming members from NSW Ambulance, Cancer Institute of NSW and the Central Coast Local Health District.
- Chief Executive update was provided to the members of the Clinical Council at the recent meeting.
- Andrew Sargeant provided a presentation on Proactive Sepsis Management at the recent meeting. Clinical Council members were engaged with the discussion and provided valuable feedback.

## **Work Health and Safety - Martin Sainsbury**

Martin Sainsbury provided a brief and update for the Board on current industrial and employment legal matters involving NSW Health Pathology.

- Dispute with the Australian Salaried Medical Officers Federation (ASMOF) in relation to Rights of Private Practice (ROPP) payments.
- Dispute with the Health Services Union in relation to rostering.
- Consideration being given to the development of fit for purpose industrial arrangements.
- The Board welcomed regular updates to be provided to the Board relating to industrial relations or legal matters involving NSWHP.

In addition, Martin Sainsbury provided a verbal update on Work Health and Safer for the quarter (Q4).

Noting:

- Discussion held regarding pressures to NSW Health and the system more broadly.
- The Board requested to be fully briefed and progress update to be provided on bullying and culture at each Finance and Performance Committee meeting and Board meeting.
- NSWHP to continue to explore programs available through the Cognitive Institute.

**ACTION: Discussion relating to bullying and culture KPI reporting to be held and reported through the Finance and Performance Committee.**

## **Statewide Laboratory Information System - Vanessa Janissen**

The Board **NOTED** the Statewide Laboratory Information System Status Update Report and taken as read.

Noting:

- Preparing Gateway 2 Business Case. Pending decision from the eHealth Executive Council regarding the proposed Single Digital Patient Record (SDPR).
- The Board advised that the inclusion of timelines in the status update reporting would be valuable.
- The Board also requested that the projects linkage with the Single Digital Patient Record be assessed as a potential risk to the project.

## **NSW Health Pathology Governance**

The Board welcomed Tammy Boone to the newly appointed Director Corporate Governance role; noting the key function and responsibility between corporate governance and the NSWHP Board.

An update to the Board on further changes to NSW Health Pathology's governance arrangements was provided.

Noting:

- The Minister has made an order under Section 126G (1) requiring each public health organisation to acquire pathology, forensic and analytical science services and commissioning of such services from

either the Health Secretary or the Health Administration Corporation (HAC)/NSWHP (to the extent that such services are provided by either the Secretary/HAC).

- Minor changes to the Instrument of Establishment have been made at the request of the Ministry Legal Branch, and the revised instrument has now been endorsed by the Secretary. The changes do not have any material impact on the scope or intent of Instrument proposed and approved as part of the NSWHP Board Governance Review.
- A revised Delegation of Functions to the NSWHP Board under Section 126B (4) of the Act has been endorsed by the Secretary.
- Ministerial approval has been provided outlining services provided to non-NSW Health Customers. Section 126B (2) of the Act allows the Secretary to make and enter into contracts or agreements with any person other than a public health organisation for the provision of health support or other services, with the approval of the Minister for Health.

The Board **NOTED** the changes to NSWHPs governance arrangements.

The Board considered changes to the eligibility requirements in the Medical Staff Council (MSC) Charter and discussion was held regarding membership and amendments to the eligibility requirements.

- The Board **AGREED** for further consultation to be held and proposed revised wording to the current charter be circulated out of session for review and endorsement.

***ACTION: Revised Medical Staff Council Charter to be circulated out of session for review and endorsement.***

Michael Whiley provided a presentation to the Board on the NSW Health Pathology Medical and Dental Accreditation Advisory Committee (NSWHP MDAAC) developments and requested advice and guidance on the commencement of the NSWHP MDAAC.

- The Board **NOTED** the background for creating the NSWHP MDAAC a subcommittee of the Board.
- The Board **NOTED** the scope of Clinical Practice/Credentials/Privileges of Senior Medical and Dental Officers to provide services to or on behalf of NSW Health Pathology. Providing advice and recommendations to the Chief Executive for recruitment and service delivery.
- The Board **NOTED** the specific issues related to providing a statewide approach to be used by the NSWHP MDAAC.
- The Board **ENDORSED** two (2) Board appointed representatives and the names of the Chair of the NSWHP MDAAC. The Board **AGREED** to the nominations of Nigel Lyons, Inaugural Chair and Maree Gleeson for initial period of 6 months. Review of NSWHP MDAAC membership to occur in 6 months. Nominees **ACCEPTED** nomination.

- The Board **APPROVED** the commencement of the NSWHP MDAAC in August 2019 after orientation of the full committee in July 2019.
- The Board Chair **APPROVED** correspondence to be circulated to the Chair Medical Staff Council and the Chief Executive, NSW Health Pathology.

## **Commissioning in NSW Health Pathology**

The Board **APPROVED** for the update on Commissioning in NSW Health Pathology and how NSWHP is operationalising its role as commissioner of pathology and forensic services to be reviewed at the August Board meeting.

## **2019/20 Budget**

The Board **NOTED** the 2019/20 Budget Summary and taken as read.

- Nigel Lyons provided an overview of the NSW Health budget to the Board. Noting that all entities having been allocated budgets; and required to make efficiency and procurement savings.
- The Chair Finance and Performance Committee tabled documentation outlining budget adjustments. The Acting Chief Executive provided an overview of budget adjustments and discussion was held; noting adjustments to 2019/20 Expense and Revenue budgets, change to subsidy, and associated risks and challenges. Net impact \$13.8M to subsidy line.
- Discussions to occur with Local Health Districts regarding phasing out of rebates and managing growth during the year.
- Budget discussion and review of potential efficiency strategies will be undertaken with the Strategic Leadership Team meeting on 2nd July 2019.

***ACTION: Budget summary to be circulated to the Finance and Performance Committee and Board out of session to be held before the next Board meeting.***

***ACTION: Invitation to Dan Hunter, Chief Financial Officer, Ministry of Health to attend the August Finance and Performance Committee meeting.***

## **Items without notice**

Nigel Lyons raised current issue regarding forensic medicine delays in post mortems.

- Agreed to undertake end to end process between NSW Health Pathology and the NSW Department of Justice.
- Correspondence has been circulated to Secretary Justice Cluster to obtain agreement to establish high-level group to undertake end to end process.

The Board **AGREED** to invite the Chief Medical Information Officer and the Chief Information Officer, NSW Health Pathology to provide an update on current status and future strategies at a future Board meeting.

***ACTION: Chief Medical Information Officer and Chief Information Officer to provide an update on current status and future strategies at a future Board meeting.***

## **Items for Information only**

### **Performance KPIs Critical Issues and Performance Report**

The item for information only.

### **Finance and Performance Committee Minutes**

The item for information only.

### **Clinical Council Minutes**

The item for information only.

## **Next Meeting**

The next meeting is to be held Monday 26 August 2019, 10am -1pm, Boardroom, Level 13, 67 Albert Ave, Chatswood.

## **Meeting Close**

There being no further business to come before the meeting, the meeting closed at 1.26pm.



Peter Loxton, Board Chair

MEETING DATE	ACTION ITEM	RESPONSIBILITY	STATUS UPDATE
26/6/19	Chief Medical Information Officer and Chief Information Officer to provide an update on current status and future strategies at a future Board meeting.	Vanessa Janissen	Ongoing October 2019
26/6/19	Budget summary to be circulated to the Finance and Performance Committee out of session.	Darren Turner	Completed
26/6/19	Revised Medical Staff Council Charter to be circulated out of session for review and endorsement.	Vanessa Janissen and Elizabeth Geddes	Completed
26/6/19	Discussion relating to bullying and culture KPI reporting to be held and reported through the Finance and Performance Committee.	Darren Turner and Martin Sainsbury	Completed
26/6/19	Board members to be provided access to all Board Subcommittee meeting papers.	Tanya Dunn	Completed
26/6/19	Update on the contractual arrangements regarding Rights of Private Practice to be updated at a future Board meeting.	Darren Turner	Ongoing October Meeting
1/5/2019	Progress on the Development of Operations Managers Program to be provided at the August Board meeting.	Martin Sainsbury	Completed
1/5/2019	Research and Innovation Framework presentation to occur at a future Board Meeting	Roger Wilson	Completed
1/5/2019	Progress on developing a Reconciliation Action Plan to be provided at a future meeting.	Martin Sainsbury	Ongoing October Meeting
27/02/2019	Daniel Hunter, Chief Financial Officer, Ministry of Health to be invited to attend an upcoming Finance and Performance Committee meeting and Board meeting.	Darren Turner	Ongoing
27/02/2019	The Board welcomed an update and visibility on internal programs and projects; including post review analysis at a future meeting.	Darren Turner	Ongoing
11/12/2018	Presentation on Risk Appetite Statement, Risk Register and Enterprise Risk Management Framework at future meeting.	Vanessa Janissen	Ongoing – brief update to occur at August meeting
11/12/2018	Perinatal Post Mortem Service update to be provided at a future meeting.	Robert Lindeman	Ongoing December 2019