



Minutes for NSW Health Pathology Board Meeting

27/02/2019 | 10:03 am - 01:07 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; Tracey McCosker; Vanessa Janissen

In Attendance: Julianna Iles-Mann, Craig Scowen and Martin Sainsbury

Apologies: Michael Brydon

Secretariat: Tanya Dunn

Agenda

Welcome, Attendance and Acknowledgement of Country Notification of Fire Exits, Assembly Point and Amenities

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 any conflicts of interest at this meeting.
- The Board **NOTED** the Conflict of Interest Register.
- Maree Gleeson **DECLARED** that she had been contacted by the defence team for the Folbigg case; regarding a recent media enquiry; **NOTING** the decision to decline to meet.
- The Board **APPROVED** the ongoing role of Darren Turner as Chair, Project Governance Board.

Confirmation of previous minutes

The Board Members **APPROVED** the draft Board meeting minutes of the 12 December 2018 as a true record of the meeting.

Moved: Murray Austin

Seconded: Nigel Lyons

Business Arising from Previous Meetings

The Action Log was reviewed as part of the agenda.

Standing Committee Reports

Chief Executive Report - Tracey McCosker

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

- The Chief Executive noted the passing of Professor David Davies noting his passion for his work and advocacy for NSW Health Pathology.
- The Chief Executive referred to the great work of Michael Symonds and the Forensic Medicine staff for the successful relocation from Glebe Coroner's Court to the new Forensic Medicine Coroner's Court at Lidcombe. Acknowledgement of the positive relationships between AGS, external agencies and Forensic Medicine.
- The Chief Executive advised of proposed changes to the current structure of the Strategic Leadership Team.
- The Chief Executive drew attention to the Forensic Pathologists extraordinary admissions and increase in workloads at Newcastle over the December - January period. Noting that workloads are continuing to be monitored and managed.

ACTION: Brief outlining the proposed changes to the Strategic Leadership Team including revised organisational structure to be circulated to the Board.

ACTION: Research Governance accountability to be added to the proposed Director, Clinical Governance role.

Finance and Performance Committee Report - Darren Turner

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

Noting:

January 2019 Results Summary

- The Net Cost of Service for January was \$1.444M favourable to budget. Total reported revenue was \$852K favourable while total expenses were \$591K favourable to budget.
- For the year to date the Net Cost of Service is \$4.626M favourable to budget with reported revenue \$6.751M favourable and expenses \$2.125M unfavourable.
- Results across the business units were strong because of high revenue charges for January along with the high uptake of annual leave in the month. FTE numbers continue to be well managed while we again saw higher levels of overtime during the month.

Revenue

- Intrahealth revenue was strong for month and was up \$612K on budget. For the year to date Intrahealth revenue is up \$1.3M on budget while it is up 7% on last year.
- Rebates totalling \$2.482M have already been paid to LHD's while an additional \$1.753M in rebates have been provided for in the result to date.
- Private revenue for the month was \$316K or 2.7% unfavourable to budget. Issues with some of the health insurers and new claim information requirements have affected this result. For the year to date private revenue is on budget and up 3% on the prior year.

Expenses

- Base salary and wages costs for the month and YTD were favourable with higher leave levels in the month along with a number of budgeted positions yet to be recruited to contributing.
- FTE numbers are running in line with the previous year.
- Sick leave costs for the month and year to date are similar to budget and down \$255K or 4.1% on the previous year which experienced very high levels of leave.
- Overtime was significantly unfavourable to budget during the month and also up on the previous year's result.
- Lab consumable costs for the month were unfavourable with the increased testing activity that is reflected in our revenue.
- No CPI increase in the budget and the Healthshare tender savings target accounting for this result.
- Other goods and services costs are over budget for the YTD at the group reporting level. The flow budget, no CPI funding and having to balance our revenue and expense budgets to MOH requirements leading to this result.

- The \$1.9M hindsight refund to be received in February has been forecast with the revenue offset by a full spend of this amount in the Goods and Services expense line.
- FASS are forecasting a full year NCOS result \$1.0M unfavourable to budget with costs for the FMCC, an additional staff specialist at FM Newcastle and revenue unfavourability.

Other

- \$1.8M has been transferred to the Capital replacement fund in October with \$13.1M for the YTD representing 4% of public and private revenue along with a fixed contribution from NSW Police.
- Workers' compensation hindsight adjustment will be received in February 2019. We will receive a refund of \$1.937M which is up slightly on last year's refund of \$1.885M.

Excessive Annual Leave

- The number of staff with excessive annual leave balances at the end of January is 1,045. This is a 9% increase on January last year (957).

ACTION: Discussion regarding redesign of the Finance and Performance Board Sub Committee to occur between the Chair, Finance and Performance Committee and the Chief Executive. The Board to be informed at a future meeting.

ACTION: Daniel Hunter, Chief Financial Officer, Ministry of Health to be invited to attend an upcoming Finance and Performance Committee meeting and Board meeting.

ACTION: The Board welcomed an update and visibility on internal programs and projects; including post review analysis at a future meeting.

ACTION: Capital Reserve update to be included in the May Board Meeting Finance and Performance Report.

Audit and Risk Management Committee Report - Vanessa Janissen

The Board **NOTED** the Audit and Risk Management Committee Report and taken as read.

- Audit Report on Fraud Control Plan undertaken by Greg Byrne, LHD Internal Auditor. Recommendation of development of a fraud control policy and action plan specific to NSW Health Pathology. Rollout of education and awareness regarding fraud control and ethical behaviour. Streamline processes regarding reporting breaches of code of conduct and public interest disclosures.
- Update on Your Say survey. Progress has been made in unpacking results in local focus groups. Statewide Action Plan in progress.

- Update on Information Security Management System Project. Engage with eHealth and external vendor to undertake a series of audits and reviews regarding governance and conducting a pre- certification audit in preparation of ISO standard.
- Medicare Audit findings regarding registration and billing compliance. Voluntary disclosure to Medicare regarding incorrect billing claims. Internal work with revenue quality managers and revenue staff across NSW is underway regarding review of systems and processes.
- Assurance mapping process continuing; to ensure that NSW Health Pathology have consistency around processes. Current mapping underway in Finance. Report due back to April ARMC meeting.
- Internal Audit Annual Report tabled at February ARMC. Well received. Work to commence on 2019/20 Internal Audit Program; align to the NSW Health Pathology Strategic Plan Towards 2025 and updated Strategic Risk Register and Operational Risk Register.

Clinical Council Report - Roger Wilson

The Board **NOTED** the verbal Clinical Council Report.

Noting:

- Approval to establish NSW Health Pathology Medical and Dental Advisory Committee.
- Presentation provided by Alex Eigenstetter and Craig Scowen on NSW Health Pathology Atlas of Variation.
- Presentation provided by Amanda Koegelenberg and Andrew Harre on Research in NSW Health Pathology. Noting a focus on research governance.
- Testing not available in NSW and how clinicians can approach access to testing.

Work Health and Safety Update

Martin Sainsbury provided a brief update on Work Health and Safety in NSW Health Pathology.

Noting:

- Workers Compensation 46 open claims last year; trended up slightly. Continue to monitor and manage.
- 30 reported incidents in IIMS per month. 10% resulted in workers compensation claims.
- Employee Assistance Program noticeable reduction in work related causes in conflict management over the last 3 reporting periods.
- Mandatory training on track achieving over 90% completion.
- 4 notifiable incidents reported to SafeWork NSW during the period January - February 2019. Continue to monitor and manage.
- SafetyWorks Group undertook a Systems Frameworks Review of NSW Health Pathology during December 2018-February 2019 to examine and evaluate the impact of the system on the organisational

enabling environment in terms of mental health and workplace wellbeing indicators. Key focus areas identified continue to build a strategic approach to building a positive culture to support mental health in the workplace, increase in capability in managers to support mental health both positive and reactive and ongoing focus on workload and potential impact into psychosocial health risk factors.

Update on Bullying Action Plan

Martin Sainsbury provided a brief update on NSW Health Pathology's Bullying Action Plan.

- People and Culture Team have identified priority areas. Review and revision of management education regarding grievance complaint handling with a focus on streamlining resolution. Ministry of Health workplace culture assessment tools; looking at different approaches in improving workplace culture.
- Engage and test Cognitive Institute programs.

Presentation - Statewide Laboratory Information System

Juliana Iles-Mann, Director ICT, Client and Business Services provided an update on the Statewide Laboratory Information System.

Noting:

- Overall cost of the program \$255.1M with CapEx of \$112.M and OpEX of \$140M over the 10-year COO.
- The quantified benefits is expected to deliver \$94.5M in savings with a net costs of ownership of \$160M.
- 100 resources assigned to the project when it reaches its peak in the implementation phase across a range of programs of work including Business Implementation Group, Change Management and Communication, Clinical, Technology, Training and Support Services.
- The Minister of Health and Secretary have defined a strategy to achieve a single digital patient record for NSW Health for 2021. NSW Health Pathology has been identified as a key stakeholder, with a view from the Local Health Districts that pathology is considered a core and critical element of SDPR. There is significant benefit in aligning the statewide LIMS system and implementation with the SDPR.

ACTION: Discussion to occur regarding operational resourcing required to support the Statewide Laboratory Information System.

Presentation - Pathology Atlas of Variation

Craig Scowen, Data Scientist, provided an update on the Pathology Atlas of Variation.

Noting:

- Purpose to undertake a pilot project to develop a data driven application capable of providing analysis and insights into pathology variation within Emergency Departments across NSW. Scope included Prince of Wales Hospital, John Hunter Hospital St George Hospital and Coffs Harbour Hospital.
- The project allows Emergency Departments and pathology specialists to visually explore and analyse variation in ordering across demographics and locations.
- An opportunity to use data to drive discussion and change and offers a different perspective to test utilisation programs to improve patient outcomes i.e. ED length of stay, test ordering and re presentation rates.
- Next steps: Include more Emergency Departments across the state, ICUs within current hospital scope, communicate and share with Local Health Districts and Ministry of Health, follow on projects CRP, 2-hour ordering and respiratory and longer-term direction for technology and dashboards integration into ordering systems.

NSW Health Pathology Strategic Plan Towards 2025

Vanessa Janissen provided an update on the NSW Health Pathology Strategic Plan Towards 2025.

Noting:

- Validated by Strategic Leadership Team and external stakeholders; Clinical Council, Know Pathology, Know Healthcare, Police, the Acting Coroner and Aboriginal stakeholders. Further consultation to be held between Joint Consultative Council and Local Health Districts via the combined NSW Health Pathology Strategic Plan Towards 2025 and Clinical Services Plan consultation process.
- Launch and engagement plan is entitled 'Delivering the Future' which builds upon the 'Shaping our Future' consultations of 2018. Inaugural session will be held at the Leadership Forum on the 28th March.
- NSW Health Pathology's leadership vision and narrative to be discussed at the Clinical Services and Operations Workshop scheduled for 11-12 March; subsequent sessions will occur across the state, in the April - June period.

ACTION: Amend wording strategic priority 7. Deliver future-focused infrastructure and strategic commissioning.

ACTION: Vanessa Janissen welcomed feedback from Board Members to be provided out of session.

Other Business

Items without notice

There were no noted items without notice.

Items for Information only

Performance KPIs Critical Issues and Performance Report

For Information only.

Finance and Performance Committee Minutes

For Information only.

Audit and Risk Management Committee Meeting Minutes

For Information only.

Work Health and Safety Quarterly Report

For Information only.

Clinical Council Minutes

For Information only.

NSW Health Pathology Operational Plan Quarter 2 - October - December 2018

For Information only.

Next Meeting

Wednesday 1 May 2019

Boardroom, Level 5, 45-Watt Street, Newcastle

10am-1pm

Meeting Close

There being no further business to come before the meeting, the meeting was closed at 1.10pm.

MEETING DATE	ACTION ITEM	RESPONSIBILITY	STATUS UPDATE
27/02/2019	Discussion to occur regarding operational resourcing required to support the Statewide Laboratory Information System.	Tracey McCosker	Completed
27/02/2019	Brief outlining the proposed changes to the Strategic Leadership Team including revised organisational structure to be circulated to the Board.	Tracey McCosker	Completed
27/02/2019	Research Governance accountability to be added to the proposed Director, Clinical Governance role.	Tracey McCosker	Completed
27/02/2019	Re-phase wording strategic priority 7. Deliver future-focused infrastructure and strategic commissioning.	Vanessa Janissen	Completed
27/02/2019	Feedback from Board Members re: NSWHP Strategic Plan Towards 2025 to be provided to Vanessa Janissen out of session.	Board Members	Completed
27/02/2019	Discussion regarding redesign of the Finance and Performance Committee to occur between the Chair, Finance and Performance Committee and the Chief Executive. The Board to be informed at a future meeting.	Darren Turner	Completed
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	In Progress
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 August 2019 Meeting
27/02/2019	Capital Reserve update to be included in the May Board Meeting Finance and Performance Report.	Darren Turner	Completed
11/12/2018	Presentation on Risk Appetite Statement, Risk Register and Enterprise Risk Management Framework at future meeting.	Vanessa Janissen	Ongoing June 2019 Meeting
11/12/2018	ICT Enable Analytics how will NSWHP plan to partner with the right people outside of NSWHP to stimulate discussion to improve better health clinical outcomes for patients and social impacts overall of government/whole of society.	Vanessa Janissen	Ongoing

11/12/2018	Strategic approach and discussion to occur regarding rebates and the effectiveness of rebates to LHDs budgets and more broadly across the state. The Board welcomed an update at a future meeting.	Darren Turner and Vanessa Janissen	Ongoing
11/12/2018	Perinatal Post Mortem Service update to be provided at a future meeting.	Roger Wilson	Ongoing August 2019 Meeting



Peter Loxton, Board Chair