

Minutes for NSW Health Pathology Board

26/04/2023 | 10:00 AM - 01:30 PM, 1 Reserve Road, St Leonards, Level 5, 45-Watt Street, Newcastle, and Microsoft Teams

Attendees

Nigel Lyons (Interim Chair), Carmen Rechbauer, Cathryn Cox, Darren Turner, David Currow, Elizabeth Salisbury, Gayle Murphy, Michael Legg, and Nicholas Hawkins.

Apologies: Jason Ardler, Lyn Baker, Robert Lindeman

In Attendance: Rebecca Brady, Tammy Boone, Martin Canova, Michael Whiley, Michael Symonds for Item 6, Tracey Dwyer for Item 7, Deanna Paulin for Item 8, and Stephen Braye for Item 13.

Secretariat: Tanya Dunn

Welcome, Acknowledgment of Country and Emergency Management

The Chair declared the meeting opened with acknowledgement of country and welcomed those present.

The Chair **NOTED** no apologies received.

A quorum of Board members were present, and the meeting proceeded with business. The Secretariat recorded the minutes.

Declarations of Conflict of Interest

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

No new conflicts of interest were declared.

Confirmation of previous Minutes and Review of Action Log

Board members were invited to comment on the minutes.

The Board members **APPROVED** the draft Board meeting minutes of 22 February 2023 as an accurate record of the meeting.

The Action Log was reviewed and noted. The pending actions were discussed, and a verbal update was provided.

Action: The Board Secretariat will update the February Board Meeting Action Log to reflect the current status of the Fusion Health Check Report as still in progress.

Action: Tammy Boone, Director, Corporate Governance to distribute the finalised Fusion Health Check Report and management response to Board members when available.

Acting Chief Executive Update

The Acting Chief Executive report was taken as read.

Martin Canova provided a verbal update to the Board:

Noting:

- The resignation of Tracey McCosker, Chief Executive, NSW Health Pathology, and the plans being made to acknowledge and recognise Tracey's contributions through a Town Hall and several separate farewell events.
- Robert Lindeman will continue as Acting Chief Executive until a permanent Chief Executive is appointed, which is expected to take between two-three months. Martin Canova will be Acting Chief Executive during the period 17 April -5 May 2023.
- Several key recruitments have been made on the Senior Operations Management Team and the Clinical Operations Executive Team as outlined.
- The resignation of Professor Dominic Dwyer as Director Public Health Pathology but will continue to work in the Public Health Pathology portfolio. Dr Catherine Pitman has been appointed as Acting Director Public Health Pathology.
- The establishment of the Efficiency Improvement Program Committee with a focus on improving operational efficiency and effectiveness within NSWHP, chaired by Martin Canova.
- A number of positions of the (43 out of 49) have been appointed as part of the Rural Health Workforce Incentives Scheme.

The Board **NOTED** the updates provided.

- The Board Chair informed the Board on the recruitment process for a new Chief Executive, NSWHP. The position description has been modified, an initial grading evaluation is underway, and a recruitment agency has been appointed to assist with the process. The Board would like to recognise Tracey's contribution to NSW Health Pathology with an appropriate function to be arranged.
- Minister Park will meet with the Acting Chief Executive, NSW Health Pathology in the near future. A briefing has been prepared to support this meeting, and the Board will be provided with a copy of the briefing and the value proposition for information.
- Noting the Board's emphasis on the importance of clearly communicating the value of public pathology as a statewide service, and interaction with Local Health Districts, and promoting NSWHP's transformation programs to improve and strengthen pathology and forensic services in NSW.
- Michael Legg recently met with Minister Park, prior to his appointment as Minister, to discuss related topics around Fusion and the Single Digital Patient Record.

- The appointment of Jean Frederic-Levesque to an additional Deputy Secretary role. The new role involves integrating the Agency for Clinical Innovation into the Ministry of Health, and also includes the Office of Health and Medical Research as part of the portfolio.
- Noting proposed Royal Commission or Commission of Inquiry into the NSW Health System. Terms of Reference being considered by the Premiers Department and Cabinet Office.

Action: Elizabeth Salisbury to draft a communication outlining the recruitment and appointment process and progress of the Chief Executive, NSW Health Pathology role, for distribution to the Medical Staff Council.

Action: The Board will be provided with a copy of the Minister's briefing and value proposition for information.

Strategic Plan Refresh

The Board Chair thanked participants for their valuable contributions at the combined Board and Strategic Leadership Team Strategic Plan Refresh Workshop.

Martin Canova, Director Strategy and Transformation and Acting Director, Clinical Operations presented to the Board progress on the Strategic Plan Refresh.

The Board acknowledged the work of the Strategic Leadership Team (SLT) and the broader executive leadership team in developing the results map and identifying the four priority areas for the next two years. The Board discussed and explored these priority areas, and there was discussion about articulating the purpose and the why behind these priorities, and in NSWHP more broadly, and ensuring that patients, stakeholders, and clinicians are emphasised. The suggested modifications, revised purpose, and measures related to these priorities will be further refined and presented at the SLT meeting in May. The refreshed Strategic Plan will be presented to the Board for endorsement at the June Board meeting.

The Board agreed with the next steps around seeking further feedback from the SLT and agreeing on further refinements ahead of broader organisational and external consultations. The SLT will refine the refreshed plan at the June SLT meeting and seek SLT and Board endorsement at the June meetings, with implementation to commence July 2023. Concern was raised regarding the ambitious completion timeline of 30 June 2023.

Action: There was a request for information regarding access to data concerning the increase in market share or the number of referrals in relation to private pathology, which was taken on notice.

Action: The [presentation on the Board feedback](#) will be made available to Board members for information.

The Board **NOTED** the update provided.

Climate Change Adaptation Strategy

Michael Symonds, Director Forensic and Analytical Science Services presented a progress update to the Board on the Climate Change Adaptation Strategy for NSW Health Pathology.

The presentation identified twelve climate change risks that are directly relevant to the operation of NSWHP, and individual SLT members have been assigned sponsorship for each risk to complete the Assessment Tool with 30-year and 70-year timelines.

The Board acknowledged the approach and noted the next steps to complete the detailed Climate Change Risk Assessment to formulate treatments by the end of May 2023, which will then develop into NSWHP's Climate Change Adaptation Plan, along with a supporting communication strategy.

During the discussion Risk ID 6 *Infrastructure and Equipment* was raised, around 'NSWHP facilities are not environmentally sustainable, and infrastructure cannot adapt to new environmental challenges and our procurement initiatives do not reduce carbon emissions or improve energy efficiency' and the required timeframes for mitigating risks in these key areas. The ongoing risk assessment will determine what needs to be implemented to mitigate risks and how they may need to be shaped over the next 30 years.

The relevance of the draft corporate sustainability report and metrics to NSWHP was discussed. It was advised that NSWHP would be guided from the NSW Government on a government-wide approach. There is no current requirement for government-wide sustainability index reporting but is likely to be implemented in the future.

The Board **NOTED** the update provided.

Action: A previous presentation that details the broader climate change risks beyond the 12 identified will be provided to Board members for their information.

Action: At a future meeting, the Board will receive an update on the Climate Change Adaptation Strategy around implications, resource requirements, and potential impacts on operations, and the progress being made.

Rights of Private Practice

Tracey Dwyer, Associate Director Revenue and Process Improvement provided an update to the Board on the Rights of Private Practice (RoPP) and NSWHP's plans to support sustainable RoPP arrangements for staff specialists.

The Board noted and discussed the historical context and current position, including the number of different arrangements for staff specialists and proposed timeline and next steps for addressing some of these arrangements.

The Board noted the importance of management working in partnership with staff specialists to ensure the long-term viability of RoPP arrangements.

The Board was advised of the review between the Australian Salaried Medical Officers Federation (ASMOF) and NSW Health regarding the Staff Specialist (State) Award Variation on non-standard work hours, with an expected completion date of May 2023.

Action: Elizabeth Salisbury to follow up as a result of the discussion on NSWHP's contribution to the review of Staff Specialist (State) Award variation.

Action: Elizabeth Salisbury to provide feedback to the Medical Staff Council regarding the Board's commitment to ensuring that staff specialists are supported, valued, and appropriately remunerated for their work, and working in partnership to develop a strategy to address concerns and issues related to the current RoPP arrangements.

Culture, Safety and Wellbeing

The Culture, Safety and Wellbeing report was taken as read.

Deanna Paulin, Director People and Culture provided an update to the Board.

The update included a decrease in psychological injury claims and a reduction in claims related to workplace injury over the past 12 months, indicating that NSWHP is on track to meet the Ministry of Health target. The update noted an increase in EAP usage for personal issues around staff seeking support for non-work-related matters.

Recruitment KPIs were identified as a focus area, with reallocated resources across the HR Team. New recruitment model set to be implemented 1 July 2023.

Interviews have been held for the Associate Director of Inclusion and Aboriginal Partnerships; appointment is pending further discussion.

The Board **NOTED** the update provided.

Finance and Performance Committee

The Finance and Performance Committee report was taken as read.

The Scorecard highlights summary was provided and taken as read.

Darren Turner, Chair of the Finance and Performance Committee provided an overview of the Scorecard and financial performance of NSWHP.

Noting focus areas on the Scorecard.

- The implementation and fine tuning of the new Forensic Medicine Information System (FMIS) has led to an improvement in reducing the turnaround time for coronial reports. However, work is still ongoing to further improve report completion times.
- Excessive leave has continued to trend down overall.
- There was one harm score incident reported related to critical results not communicated.

Noting in relation to financial performance:

- YTD results were unfavourable against budget, with the BAU result being unfavourable to budget, offset by the COVID result.

- Unmet cumulative efficiency targets driving the expense unfavourability result, while the revenue result has also been influenced by the additional revenue targets.
- YTD revenue favourable while private revenue and additional revenue targets contributing to an overall revenue unfavourability.
- YTD unfavourable NCOS for FASS driven by revenue and efficiency targets not being met, and prior year expenses flowing over to the current year.
- The full-year forecast COVID result is favourable to budget. Testing numbers are declining and an expectation of further favourability for the remainder of the year. Activity excluding COVID funding was also noted.
- Areas of focus were identified around efficiency targets and Cap Ex funding not funded from the Capital Reserve around laboratory upgrades and developments. Discussions to occur with Treasury and the Ministry of Health.
- Noting a presentation provided by the NSWHP Procurement Team regarding the NSWHP 5 - year + Procurement Plan, which involves collaboration with HealthShare and the Ministry of Health. An area of focus of the plan on improving controls around the procurement of goods and services, as well as managing costs for projects and contracts.

The Board **NOTED** the update provided.

Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) report was taken as read. Tammy Boone, Director, Corporate Governance provided an update on the recent meeting of the Audit and Risk Management Committee and ARMC's activities.

The update included progress against the NSWHP 2022/23 Internal Audit Plan, including the Statewide Billing Project Audit, which identified a number of medium-risk issues. Management has committed to addressing these issues over the coming months, and it was suggested that the project's benefits be better documented and promoted.

The Fusion Health Check Audit draft report will be discussed with the Fusion Program Team in the coming weeks to review recommendations. A copy of the report and recommendations will be provided to the Board and Board Subcommittees for information.

The Legislative Compliance Framework audit will be presented to the ARMC at the July meeting.

The Information Security Management System (ISMS) Assessment will be the final audit of the audit year. The Committee is also working with the SLT to outline the internal plan for the next 12 months. It was suggested to include audits of the Service Configuration Model and the Long-Term Financial Plan in the audit plan for the next 12 months.

The ARMC was provided a presentation on the Fraud and Corruption Control Framework and informed of two significant legislative reforms pertaining to mandatory data breach notification and Public Interest

Disclosures that will be introduced this year. The Committee was also presented with an annual update on the Business Continuity Plan. Desmond Horsley provided a Cyber Security update noting that the ISMS risk register is progressing well, and work is continuing around which of the ISO:27001 controls need to be applied within NSWHP.

The Committee also discussed the risk report, and the Board noted that work is underway with risk owners to evaluate controls and risk ratings.

The Risk Appetite Statement and Risk Management Framework are all currently under review as part of a project undertaken in conjunction with KPMG and will be presented to the Board at a future meeting. The Committee endorsed the release of the annual financial statements to the NSW Audit Office.

Action: Suggested evaluation of the Statewide Billing Project Audit post implementation to be undertaken.

Action: A copy of the Fusion Health Check scope to be shared with the Board and other Board Subcommittees for information.

The Board **NOTED** the update provided.

Clinical Council

The Clinical Council report was taken as read. Report only by exception. No update provided.

Medical Staff Executive Council

Elizabeth Salisbury provided a verbal update on the recent extraordinary meeting of the Medical Staff Council.

Noting that Elizabeth Salisbury will be presenting to the SLT next week regarding the relationships between operations and how they intersect and relate to clinical governance and supervision provided by pathologists.

Action: An update on the MSC presentation to the SLT will be provided to the Board at a future meeting.

Medical and Dental Appointments Advisory Committee

The Medical and Dental Appointments Advisory Committee report was taken as read.

Report only by exception. No update provided.

Quality and Clinical Safety Committee

The Quality and Clinical Safety Committee report was taken as read.

Nicholas Hawkins, Chair of the Quality and Clinical Safety Committee, provided an update on the recent Quality and Clinical Safety Committee meeting and QCS activities.

There is ongoing work around a revised reporting framework and proposed ways to report Fusion to the Board Subcommittees.

Concern was raised around the integration of the Single Digital Patient Record (SDPR) and its potential impact on the rollout of the Fusion program, as SDPR was not originally part of the proposed rollout of the Statewide Laboratory Information Management System. Any risk and complexity associated will need to be managed to ensure that the Fusion program is not impacted.

The Quality Management Information System (QMIS) Project interim solution will be explored for a document storage repository to ensure the Fusion Program can progress. A risk assessment is being undertaken for the legacy solutions.

It was noted that there are issues around the recording of recommendation-based performance indicators (PI 3 and 4) in the appropriate system, and that a review of the use of PIs in their current form will be undertaken. Other performance indicators remain satisfactory.

The use and potential implications of Artificial Intelligence (AI) platforms to diagnose diseases by entry of results were discussed. NSWHP is working on a policy around the use of AI.

The Board **NOTED** the update provided.

ICT Update

Stephen Braye provided an ICT update.

The Board received an update regarding the Single Digital Patient Record (SDPR) program.

The updated included details on the status of the SDPR program and the release of a Request for Proposal (RFP) to three vendors for the hosting solution. The closing date for the RFP is 8 May 2023.

The operating system contract negotiations are ongoing, and it is likely that the negotiations will extend beyond June 2023. The signing of the contract for the system is expected to occur in July 2023, while the signing of the hosting contract will be delayed.

The SDPR Procurement Steering Committee, which is co-chaired by Zoran Bolevich, Chief Executive and Chief Information Officer, eHealth and Tracey McCosker, Chief Executive, Hunter New England Local Health District, is being established as a Program Steering Committee with an Executive Sponsor led by Deb Wilcox, Deputy Secretary, Health System Strategy and Planning, NSW Health, to provide governance architecture for the program of work.

There has been ongoing discussions and negotiations with EPIC to anticipate potential needs.

The Fusion update included an update on the Quality Management Information System (QMIS) which is now pending and is awaiting a pathway to re-establish work in the near future. A program of work for eReporting and laboratory networks has been successfully piloted and tested on a small number of tests between Omni Lab, and that program of work is being expanded. Noting the program's risks, which will be reassessed and rebaselined together with the business case in two subsequent workshops in May 2023.

The Board **NOTED** the updates provided.

Items without notice

There being no other business to come before the meeting, the meeting closed at 1.12pm.

For Information

NSWHP Scorecard

The Scorecard was provided for information and taken as read.

Medical and Dental Appointments Advisory Committee Meeting Minutes

Noted for information.

Quality and Clinical Safety Committee Meeting Minutes

Noted for information.

Finance and Performance Committee Meeting Minutes

Noted for information.

Audit and Risk Management Committee Meeting Minutes

Noted for Information.

Clinical Council Committee Meeting

Noted for information.










Transformation Program Status Report

The Transformation Program Status Report was noted for information.





Endorsed by Nigel Lyons, Interim Board Chair, NSW Health Pathology



Action Log NSW Health Pathology Board

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| 26/04/23 Item 11. | Evaluation of the Statewide Billing Project Audit post implementation to be undertaken. | Nick Dunn |  | ONGOING FY23/24 |
| 26/04/23 Item 11. | Director, Corporate Governance to distribute the finalised Health Check Report and management response to Board and other Board Subcommittees when available. | Tammy Boone |  | ONGOING Invite to ARMC meeting has been circulated |
| 26/04/23 Item 3. | The Board Secretariat will update the February Board Meeting Action Log to reflect the current status of the Fusion Health Check Report as still in progress. | Tanya Dunn |  | COMPLETED |
| 26/04/23 Item 12. | An update on the Medical Staff Council presentation to the SLT at the May meeting will be provided to the Board at a future meeting. | Elizabeth Salisbury |  | COMPLETED Discussed with MSC |
| 26/04/23 Item | Follow up discussion on NSWHP's contribution to the review of Staff Specialist (State) Award Variation. | Elizabeth Salisbury |  | COMPLETED Discussed with MSC |
| 26/04/23 Item 6. | A copy of the previous presentation that details the broader climate change risks beyond the 12 identified to be provided to the Board for information. | Michael Symonds |  | COMPLETED |
| 26/04/23 Item 4. | A communication outlining the recruitment and appointment process and progress of the CE, NSWHP role to be drafted and distributed to the Medical Staff Council. | Elizabeth Salisbury |  | COMPLETED |
| 26/04/23 Item 7. | Provide feedback to the Medical Staff Council regarding the Board's commitment to working in partnership with staff specialist to develop a strategy to address issues related to the current RoPP arrangements. | Elizabeth Salisbury |  | COMPLETED |
| 26/04/23 Item 5. | There was a request for information regarding access to data regarding the increase in market share or the number of referrals to private pathology, which was taken on notice. | Nick Dunn |  | COMPLETED Update at meeting |

Action Log NSW Health Pathology Board

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| 26/04/23 Item 5. | The Board will be provided with a copy of the Minister's briefing and value proposition for information. | Rob Lindeman |  | ONGOING MoH to advise date in August 2023 |
| 22/02/23 Item 6. | Updates on the AP Service Configuration to be provided to the Board regarding how the proposal addresses the change drivers, the benefits to NSWHP, and its alignment with NSWHP's strategic direction. | Martin Canova |  | COMPLETED On agenda |
| 14/12/2022 Item 6. | NSWHP Risk Appetite Statement to be provided at a future meeting. | Lyn Baker Tammy Boone |  | ONGOING August 2023 |
| 26/10/2022 Item 3. | The Tissue Release Policy will be made accessible to the Board once it is officially published. Work is in progress with an update to be provided June 2023 | Shaun Roman Louise Wienholt Rob Lindeman |  | ONGOING Rob Lindeman will update at meeting |