



# National Health Reform Update

## October 2011

### Consultation on draft Tasmanian Health Organisations Bill

The DHHS National Health Reform Team has recently undertaken a statewide consultation process on the draft *Tasmanian Health Organisations Bill 2011*. Consultation sessions were held with clinicians, nurses, departmental staff, key healthcare stakeholders, industry groups and the general community.

The consultation period was open from 9 August to 6 September 2011. During this time, thirteen written responses were received from individuals and organisations. Nine consultations sessions were conducted for the general public, DHHS and key stakeholders in Tasmania, with around 120 people attending the sessions. The Minister for Health spoke at the sessions held in each major region and supplementary sessions were conducted by the National Health Reform Team.

A key issues paper has been put together which summarises the main issues raised throughout the consultation and identifies the common themes that emerged. A copy of this is available at [www.dhhs.tas.gov.au/healthreform](http://www.dhhs.tas.gov.au/healthreform)

The National Health Reform Team would like to thank those who took the time to attend the consultation sessions and who provided written submissions. The questions, comments and views expressed have helped further consideration of the Bill before it goes to Parliament.

For more detailed information regarding the issues raised or responses provided, please contact the National Health Reform Team by emailing [health.reform@dhhs.tas.gov.au](mailto:health.reform@dhhs.tas.gov.au).

### Governing Council selection process

The Tasmanian Government has invited applications from suitably qualified people interested in the role of Chairperson of the three Tasmanian Health Organisations' Governing Councils.

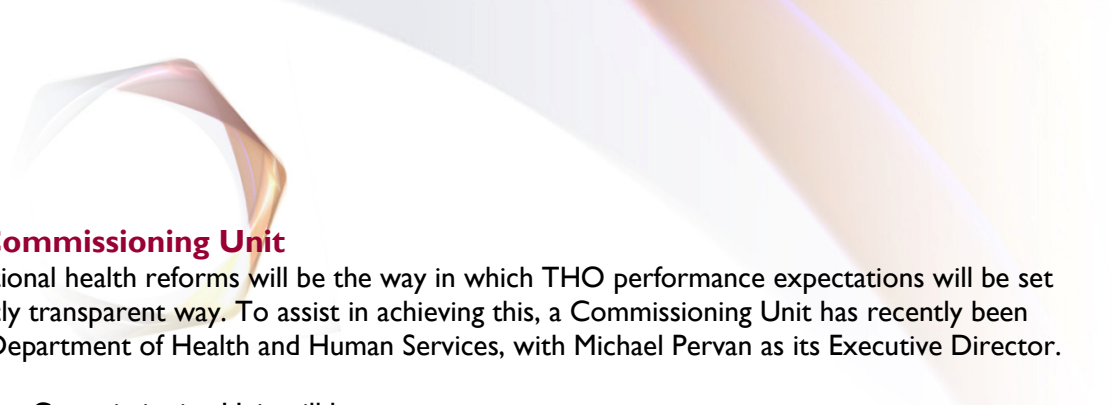
The Government has decided that appointing a common Chairperson will help deliver a coordinated health system that shares best practice across all three THOs, while retaining local control and decision making in the management of hospitals.

Each Governing Council will be responsible for;

- Establishing and overseeing an effective governance and risk management framework for the organisation;
- Setting the strategic directions for the THO;
- Ensuring that high standards of professional and ethical conduct are maintained;
- Involving providers and the community in decisions that affect them;
- Monitoring the service delivery and financial performance of the organisation against its targets;
- Holding the organisation's chief executive accountable for their performance.

The Chairperson, who will chair the three Governing Councils, is expected to provide strategic leadership of the Councils and effective communication with both the Government and community. Candidates should be able to demonstrate a successful career in a substantial organisation and have the range of skills expected of the Chairperson of an organisation facing extensive change management.

Amrop Cordiner King is managing the recruitment process. The chair position was advertised in the three major Tasmanian newspapers and The Australian on 1 October 2011 and applications close on Wednesday 12 October 2011.



### **Establishment of Commissioning Unit**

A key benefit of the national health reforms will be the way in which THO performance expectations will be set and managed in a publicly transparent way. To assist in achieving this, a Commissioning Unit has recently been established within the Department of Health and Human Services, with Michael Pervan as its Executive Director.

The core functions of the Commissioning Unit will be:

- Service planning, design and purchasing, in particular negotiating Service Agreements with the THOs;
- Assessment of population health needs, service demand, service utilisation and service capacity; and
- Performance monitoring and evaluation.

This will also result in a very different way in which budgets are determined for THOs compared with the current AHS. Negotiation of services and the funding to go with those services will need to occur and be finalised in the financial year prior to the year in which the service agreement will apply. At the moment, Area Health Service budgets are set after the financial year has commenced.

### **Establishment of National Bodies**

Under the National Health Reform Agreement, an interim Independent Hospital Pricing Authority (IHPA) will be established as an executive agency, until such time as a statutory IHPA is established under legislation. The IHPA will determine the efficient price of hospital services under the new model of activity based funding and is expected to commence in early 2012.

On 19 August 2011, the Council of Australian Governments agreed to the appointment of Mr Shane Solomon as the IHPA's Chair, and Mr Jim Birch as its Deputy Chair. The interim IHPA commenced on 1 September 2011.

The National Health Performance Authority (NHPA) will also be established as a statutory authority. Legislation to establish the NHPA is currently before the Senate. The NHPA will operate independently of the Australian Government and state and territory governments and provide transparent quarterly reporting on the performance of hospitals and Medicare Locals.

The NHPA's Chair and Deputy Chair were also announced at COAG on 19 August. Ms Patricia Faulkner AO was appointed as Chair and Mr John Walsh as appointed as Deputy Chair.

The National Lead Clinicians Group has now been established. A number of senior clinicians have been appointed to form the National Group including Dr Alasdair Maconald, Director of Medicine and Clinical Integration at the Tasmanian Northern Area Health Service.

The National Lead Clinicians Group will provide clinical advice on prioritising the development and implementation of national clinical standards and guidelines that will maximise health outcomes for patients.

### **Contact us**

We welcome your feedback on issues and activities you might like to read about in future editions of the Health Reform newsletter.

If you have any questions or comments about the implementation of the national health reforms in Tasmania, they can be emailed to [health.reform@dhhs.tas.gov.au](mailto:health.reform@dhhs.tas.gov.au)

More information is also available on the Health Reform website [www.dhhs.tas.gov.au/healthreform](http://www.dhhs.tas.gov.au/healthreform)