

**Western NSW Local Health District**  
Western NSW LHD Board Meeting August 2019  
Molong HealthOne, 103 Bank St Molong  
Wednesday 7 Aug 2019, 9:30 — 16:00 AEST

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## **WELCOME**

Molong MPS HSM, Deborah Kenna and Molong HealthOne Manager, Shelley Moor welcomed the Board members at 9.30am and spoke to the Board members before conducting a site visit.

## **ACKNOWLEDGEMENT OF COUNTRY**

The meeting commenced at 10.00am with the Chair providing an Acknowledgement of Country.

## **Attendance of Members**

Scott Griffiths (Chair), Darren Ah See, Fiona Bennett, Joseph Canalese, Jason Cooke, Paul Mann, Dr Colin McClintock, Amanda O'Brien, Joan Treweeke, John Walkom.

## **In Attendance**

Scott McLachlan, Chief Executive; Mark Spittal, Executive Director Operations, Josh Carey, Executive Director Planning, Performance and Funding

Dr Ruth Arnold, District Medical Staff Executive Council, Lauren Nott, Secretariat

### **1 Apologies**

Nil

### **2 Conflicts of Interest**

Nil to add

### **3 Board meeting draft minutes 3 July 2019**

Minutes of the meeting were endorsed by the Board as a true and accurate record.

### **4 Action Register from meeting held 3 July 2019**

Progress on action items was noted by the Board.

### **5 Chair Report**

The Chair advised CE and Chair met with Secretary, Ms Elizabeth Koff at which an understanding of rural towns was outlined. Ms Koff gave an undertaking to work with LHD on the issues discussed. The Secretary acknowledged the work being undertaken by the LHD and recognised the MoH has had gaps in rural models and solutions in past.

The CE advised workshop to be held in three weeks' time which will look at rural proceduralist GPs and gaps for rural and regional LHDs. The workshop will be facilitated by the Rural Doctors Network and will include CEs and directors medical services.

A question was asked concerning the election commitment to increase staff numbers across Health. The CE advised this will be subject to funding and numbers have yet to be determined.

*Dr Arnold joined the meeting.*

The Chair and CE further advised that in the meeting with Ms Koff they outlined key issues for rural LHDs including GP framework, incentive programs, rural GP program. These key risks are outlined in the draft response to the service agreement (refer to Finance section).

The Board Chair met with the Chair and Secretary of Mudgee Health Council regarding the redevelopment of services at the health service. Concerns raised have been discussed with the CE who has arranged for the health council to be kept up to date as the redevelopment progresses.

## 6 Chief Executive Report

In addition to the written report, the Chief Executive noted:

- Significant increase in demand continues. There have been over 1500 cases of influenza compared to 80 at the same time last year. The LHD continues to promote vaccinations and flu management strategies.
- The LHD is developing strategies for systemic change and service redesign to slow down expenditure.
- Patient centred co-commissioning – MoH is expected to release an EOI by the end of the month. The CE has asked to be part of the working group. The project intends to bring primary and secondary health services together to address the needs of the region, governance, joint funding etc. The PHN has approached Commonwealth health and RDN asking for a pilot of alternative funding for Medicare fee for service, accelerated incentives for GPs to settle into rural regions, funding incentives for allied health and broader team environments with a telehealth component. Challenges include the role of the LHD in general practice. RDN statistics show 80% of GPs in rural towns have not taken up VMO roles. RDN funding sources were outlined by CE.
- Capital works – there are significant issues re Dubbo and Mudgee redevelopments fitting within budget. Proposals are to be submitted re using contingency funding. There may be a need for a formal request for additional budget. This has been flagged with MoH.

### 6.1 Monthly Performance Scorecard

The scorecard was noted by the Board.

### 6.2 NSW Health League Table - June 2019

The league table was noted by the Board.

#### *Motion*

*The Board acknowledged the efforts of the CE and the executive team and their staff in managing the budget and bringing the LHD back on track for the 2018-2019 end of year result. All members were in agreement*

### 6.3 MoH Inaugural Board Report

The inaugural report was noted by the Board and a discussion held.

The CE advised this is a statewide report produced by MoH. Many indicators (22) are included in standard scorecard provided by Board. A discussion was held and feedback provided.

## 7 Planning, Performance and Funding

### 7.1 Executive Director Planning, Performance and Funding Report

Mr Carey spoke to the report which was noted by the Board noting the proposed changes in Medibank private health insurance will impact on revenue going forward. Full impact with price change is unknown at this stage and a statewide analysis is being undertaken. The LHD no gap policy was discussed. A briefing will come to a future Board meeting via F&P meeting.

### 7.2 WNSWLHD Service Agreement

Mr Carey spoke to the brief and supporting documents which were noted by the Board. A robust discussion was held.

It was agreed the draft letter is to be stronger and more detailed noting the challenges the LHD will have in order to meet the service agreement this year and moving forward.

The discussion continued after the meeting with Susan Pearce and Dan Hunter (item 15).

### **7.3 WNSWLHD 2019-2020 Budget**

Mr Carey spoke to the brief and supporting documents which were noted by the Board. The Finance and Performance committee endorsed the budget and recommends the Board approves the 2019-2020 budget for the LHD. A discussion was held.

#### ***Recommendation***

*The Board approved the WNSWLHD 2019-2020 Budget as displayed in Attachment C of the briefing document.*

*All members were in agreement*

Mr Carey advised the July 2019 result was \$1.6M Unfavourable. While this is consistent with previous years it is being looked into.

### **7.4 Certifying Effectiveness of Internal Controls over Financial Information**

Mr Carey spoke to the brief and attachments which were noted by the Board.

The Audit and Risk Management Committee were comfortable that controls are effective as outlined in the paper and advised the conclusions reached in the letter of certification are consistent with the committees understanding of the control framework.

### **7.5 Finance & Performance Committee 30 July 2019 draft minutes**

The draft minutes of the Finance and Performance Committee held 30 July 2019 were noted by the Board.

### **7.6 Finance & Performance Committee Chair Comments**

The Chair advised the energy performance contract was spoken of. This Strategy has met the overall targets for the first year. Discussions have been held with HI regarding the slow take up of renewable energy by the LHD.

## **8 Clinical Operations**

### **8.1 Executive Director Clinical Operations Report**

Mr Spittal spoke to the report which was noted by the Board and highlighted:

- Challenge include 26% of expenditure is in smaller rural sites, which have low usage, FTE increases, staffing to come on stream for redevelopments into the future
- Need to balance between acutely unwell patients, access to emergency surgery and elective surgery to ensure optimum patient care.
- Lachlan services – CE has met with councils and consultation continues.
- Dr Nott and Ms Connors have met with mayors in all shires covered by Tottenham, Trangie, Trundle and Tullamore and given information re primary care. Work is progressing well.
- Bathurst clinical services plan is progressing. The LHD is meeting with council next week.
- Royal commission into aged care will be in Gulgong and Molong next week.

## **9 Quality, Clinical Safety and Nursing**

**9.1 Patient Story - Maternity Dubbo**

Mr Fahy spoke to the emailed feedback which was noted by the Board.

**9.2 Executive Director Quality, Clinical Safety and Nursing Report**

Mr Fahy spoke to the report which was noted by the Board.

Quality and safety indicators were highlighted and outlined. The verification process for new National safety and Quality health service standards was also outlined.

**9.3 Clinical Governance Framework**

Mr Fahy spoke to the briefing note and document and gave an outline of the process and consultation undertaken. A discussion was held which included plans for moving forward and implementation of the framework including pilot programs. Changes recommended at the recent HCQC meeting have been incorporated into this version.

***Recommendation***

*The Board endorsed the Western NSW Local Health District Clinical Governance Framework. All members were in agreement*

**9.4 National Safety and Quality Health Service Standards Attestation Statement**

Mr McLachlan spoke to the briefing note and document.

***Recommendation***

*The Board endorsed the Chair and Chief Executive signing the National Standards Attestation Statement.*

*All members were in agreement*

**9.5 HCQC Meeting 24 July 2019 draft minutes**

The draft minutes of the HCQC meeting of 26 June 2019 were noted by the Board.

**9.6 Health Care Quality Committee Chair Comments**

Director O'Brien advised work is being done on deteriorating patients.

**10 District Medical Staff Executive Council**

Dr Ruth Arnold advised the MSEC is meeting regularly. Issues being discussed include:

- Medical workforce plan for LHD – looking at needs across facilities. Preliminary work has commenced and this was outlined.
- Clinical schools – Some provisional information has been received however the LHD is awaiting information re supervision, funding, student numbers and placements.

The Chair advised the Board is also concerned re medical workforce issues and will be devoting time and energy into helping and being part of solution.

**10.1 DMSEC meeting held 16 July 2019 draft minutes**

The minutes of the District Medical Staff Executive Council meeting were noted by the Board.

*Dr Arnold left the meeting*

**11 Primary Health Network** *Dr Robin Williams, Chair PHN Board joined the meeting*

Introductions were made.

Dr Williams spoke about co-commissioning work including:

- Difficulty attracting primary health care providers in small rural communities. There is a need for the state and commonwealth to work together to look at funding models and different ways of providing primary care into these communities.

- The PHN is looking at co-commissioning to set up a virtual practice with one medical record shared between sites, networks etc to enable support, provide financial support/incentives/bonuses. After hours component also needs to be considered.
- A pilot program could be set up which would include a number of towns and involve PHN, LHDs, Aboriginal controlled organisations. Funding will be needed for supervision, education etc. It is envisaged this model of support across the region would lead to enhanced quality of care.

The Chair thanked Dr Williams and welcomed his appointment to the Chair of Western PHN. The LHD is keen to work with the PHN and RDN to progress an innovative, collaborative model.

*Dr Williams left the meeting*

## **12 Medical and Dental Appointments Committee**

### **12.1 MADAAC meeting held 17 July 2019 draft minutes**

The minutes and recommendations of the MADAAC meeting held 17 July 2019 were noted by the Board.

### **12.2 MADAAC Chair Comments**

There were no additional comments made.

## **13 Audit and Risk**

### **13.1 Corporate Governance Attestation Statement**

The Board noted the brief and supporting documents.

#### ***Recommendations:***

- *The Board noted the 2019 Corporate Governance Attestation Statement*
- *The Board noted Internal Audit's review of the organisation's corporate governance framework and the summary of supporting evidence, which the Manager Internal Audit has used as a basis to form the opinion that the Statement is a true and fair assessment of corporate governance arrangements operating within Western NSW Local Health District during 2019*  
*The Board noted that the Audit and Risk Committee endorsed the 2019 Corporate Governance Attestation Statement at their 24 May 2019 meeting*
- *The Board endorsed the 2019 Corporate Governance Attestation Statement for signature by the Board Chair and Chief Executive.*

*All members were in agreement*

### **13.2 Internal Audit Plan**

The Board noted the 2019 to 2020 Internal Audit Plan, as approved by the Audit and Risk Committee.

### **13.3 Audit and Risk Meeting held 12 July 2019 draft minutes**

The draft minutes of the Audit and Risk Meeting held 12 July 2019 were noted by the Board.

### **13.4 Audit and Risk Board member comments**

Director Bennett advised it was good to meet Mr Steven Horne, the new independent member. Discussions were held regarding enterprise risk. The committee feel the organisation is maturing and will be highlighting changes rather than seeing the full risk register into the future.

## 14 General Business and Business Without Notice

### 14.1 Rural Networks/Medical Models

The CE spoke to the brief and a discussion was held. The Board noted the update on key projects addressing challenges to rural services including progress over June-July for:

- 'Sustaining Small Rural Communities Project'
- 'Virtual Health Service - Foundational Plan'
- 'Rural Medical Workforce Program of Work', including the development of key initiative: Virtual Rural VMO Service

An update is to come in two months. It is anticipated this will include some alignment with PHN.

### 14.2 Living Well together Update

Mr McLachlan spoke to the brief and report. The Board noted the Patient Experience & Safety – Living Well Together Strategy Update

Mr Carey advised there will be a greater level of alignment with strategic plan to operations plans. His team is working through operational plans to get consistent levels of action, common language etc for consistent reporting. This will improve when the new strategic plan is set. The LHD has negotiated to decrease the reliance on Studer Group and build internal capacity.

### 14.3 Board Site Visits - 2 July 2019 Dubbo

Feedback by the Board members for the site visits was discussed.

Mr Spittal advised he has spoken to the manager of Community Health following the visit. A response to issues raised will come to the Board into the future.

## 15 Service Agreement and Priorities - Ministry of Health

*Mr Dan Hunter (Dep Sec Finance and Asset Management and Chief Financial Officer) and Ms Susan Pearce (Dep Sec Patient Experience and Safety Performance) joined the meeting*

The Board welcomed Ms Pearce and Mr Hunter to the meeting. Introductions were made and a presentation was given (refer to papers).

A discussion was held regarding the Service Agreement and the challenges facing Western NSW LHD in the current environment, at state and federal levels and into the future.

Ms Pearce advised the MoH is happy for feedback on the new Board report and plans to continue to work with CEs and Boards.

Mr Carey noted the twelve month planning process for service agreements can be restrictive, eg with redevelopments coming on board that span over the 12 month cycle. This was noted by Mr Hunter and Ms Pearce.

*Mr Hunter and Ms Pearce left the meeting*

A further discussion was held. The concerns of the Board of signing an agreement that will be difficult to meet is to be included in the response letter to the Secretary.

### **Action**

*Mr Carey to reshape the Service Agreement response letter. This is to come to CE and Chair to sign the Service Agreement and letter of response out of session. Final letter will come back to the Board.*

*Action by: J Carey*

*Action Due: ASAP*

## 16 Future Board meetings - Arrangements

### 16.1 September – Cobar

Directors are to confirm accommodation and travel requirements.

#### **Action**

*Ms Nott to resend email with schedule for directors to advise of accommodation requirements.*

*Action by: Ms Nott and Directors      Action due: ASAP*

### 16.2 October – Wellington

Discussion held regarding the clinical services framework and corporate directorates' presentations. At was agreed:

- Clinical services framework to come to November Board meeting
- Three executive presentations to come to October meeting, the remainder in November.

Director Ah See offered to host the meeting in Wellington which will commence at 9.30am

### 16.3 Email sent to Board members – Biomedical staff member

Discussion held re email to all Board members from a staff member. It was agreed the Chair would respond on behalf of Board.

### 16.4 Email sent to Board members – Coonabarabran

Directors Treweeke and McClintock advised of an email they have received re the sale of land in Coonabarabran. As this is not an issue for the Board they will not be responding.

### 16.5 2019 NSW Health Board Members Conference

Directors are asked to confirm their attendance to Ms Nott ASAP.

#### **Action**

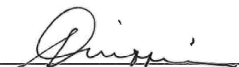
*Directors to advise if they are attending the conference and provide travel and accommodation requirements*

*Action by: Directors      Action due: 14 August 2019*

## 17 Reflection of Meeting

Discussion held. It was felt this was a productive meeting with robust discussion.

**There being no further business the meeting closed at 4.30pm.**

Signed:  \_\_\_\_\_

Date – 4 September 2019