

## **Relationship Agreement for the Public Hospital Sector: Frequently Asked Questions**

### **Summary**

- The original template relationship agreement was designed to assist Higher Education Providers (HEPs) and public health services to determine how medical students on clinical placements should be supported, including financial contributions, insurance, police checks, confidentiality, health and safety, etc.
- *Objective of the Relationship Agreement* – To give health services and HEPs one agreement for all health students in order to make the process of agreeing clinical placements (including associated financial support and in-kind arrangements) as transparent and streamlined as possible.
- *Outcome so far* - The updated relationship agreement for medical and nursing is now ready for use. This allows HEPs and health services to use the updated agreement to broker agreements from the 2009 academic year.
- *Next steps* – Further develop the template relationship agreement for inclusion of allied health student clinical placements from the 2010 academic year.

### **Why we have updated a template relationship agreement to cover medical and nursing students?**

As part of the Department of Human Services' (the department) strategy to improve clinical placement capacity across Victoria, the department agreed a template relationship agreement between HEPs and health services in February 2006 that included provisions for cost contributions that HEPs would make for medical students. The template relationship agreement has since been updated with 2008 financial contribution figures for medical students. The latest published version can be found at: <http://www.health.vic.gov.au/workforce/relationship.htm>

The template relationship agreement was designed in response to HEPs' difficulties in agreeing with health services how clinical placements should be organised and financially supported. The department acted as an intermediary to develop the template relationship agreement and broker a consistent way forward with a particular focus on financial contributions.

The original template agreement includes a number of 'standard' clauses relating to a number of important issues in the arrangement of clinical placements, including insurance, police checks, confidentiality and health and safety.

The provisions on cost contributions (Section 14) were designed to achieve a level playing field between HEPs so that financial contributions to health services could be agreed in a

transparent and consistent way. The contribution amounts for Commonwealth-supported students were set at the level provided by the Commonwealth to HEPs in support of clinical training activities.

At the time of agreeing the original template agreement, the department committed to working with HEPs and health services to expand the original agreement so that it eventually covered nursing and allied health students. It was recognised that the issues involved in agreeing financial contributions would be more complex across nursing and allied health, given the range of teaching models and clinical placement arrangements.

Increasing demand for health services means that the State will need to train larger numbers of health professionals. For example, across Victoria workforce data shows that the state will need to train up to an extra 800 nurses a year to meet future demand for services. Clinical placements are a key component of health courses, with the majority of placements taking places within the public hospital system. The department has funded a scoping report that aims to identify current and projected capacity for clinical placements across the state – including identifying sectors of the health service where capacity might be increased. Capitalising on these opportunities to expand placements requires a clear basis for agreeing how placements will operate, responsibilities of both parties and discussion of the costs involved. A template relationship agreement gives this process some consistency across the state and will enable negotiations to proceed effectively at sites that are seeking to expand student numbers or take on students for the first time.

The objective is to give public health services and HEPs one template relationship agreement for all health students in order to make the process of agreeing clinical placements (including associated financial support and in-kind arrangements) as transparent and streamlined as possible, thereby addressing one of the potential barriers for the ongoing uptake of clinical placements.

### **What was the process to agree a relationship agreement that extends to nursing students?**

On 25 May 2007 the Nurse Policy Branch in partnership with Service and Workforce Planning Branch convened a workshop to assist in the development of a template relationship agreement for nursing clinical placements in public health services.

A letter was distributed to the Deans of Victorian and relevant interstate HEPs and also to health service Directors of Nursing across Victoria, requesting their attendance or nomination of an appropriate person. Representatives from the universities of Monash, Melbourne, Deakin, Latrobe, RMIT, Ballarat, Victoria, Charles Darwin and ACU, as well as representatives from metropolitan and rural health services, attended the workshop.

The aims of the workshop were to determine what the relationship agreement might cover for nursing, how appropriate contributions for placements would be calculated and investigation of the process for signing agreements between HEPs and health services.

The workshop participants recommended that, rather than attempting to write an entirely separate document for nursing students, the objective should be to achieve a common agreement across medical and nursing students.

At the workshop, the department sought nominations from participants to be part of a reference group to guide the work regarding the updated template relationship agreement. People self-nominated and all nominations were accepted.

### **What did the reference group do?**

The reference group comprised HEP representatives from HEP of Melbourne, Deakin, Latrobe and Charles Darwin HEPs and health service representatives from Ballarat, Seymour, Bayside Health and Eastern Health. The reference group was included in the draft development process from May until October 2007. Input has been helpful and considered in development of the document. An updated draft copy of the relationship agreement (including reference group comments) was taken to the Education Liaison Committee (ELC) for comment on 25 October 2007.

### **What is the Education Liaison Committee (ELC)? What was decided about the Relationship Agreement at the ELC?**

The departmental ELC has been established to engage education and training stakeholders, health service representatives and relevant government agencies on priority health education and training issues where a cross-disciplinary approach is required. Education representatives are drawn from Monash HEP, Deakin HEP, Latrobe HEP, HEP of Melbourne, Australian Catholic HEP, Victoria HEP, Holmesglen Institute of TAFE and Swinburne University (TAFE division). The ELC membership also includes five health service representatives, three from rural and two from metropolitan services, as well as Victorian government representatives from Skills Victoria and DHS, and Commonwealth government representatives from DEEWR and DOHA.

At the ELC, a number of comments were made about the draft update to the relationship agreement from health services and HEPs. HEPs expressed concern about the way in which a proposed financial contribution had been calculated and the timetable for implementation of the expanded agreement. Health service CEOs expressed similar concerns about the timing of implementation and requested that advice on the proposed new clauses should be sought from the legal representatives that advised on the original template in 2006.

On 11 January 2008, the draft document was sent to representatives of: Reference Group, ELC, Directors of Nursing groups and Heads of School of Nursing. Comments were requested by no later than 28 January 2008.

The updated version was presented to the ELC for consideration on 7 February 2008. Stakeholders indicated overall support for the document; however, concern remained around the proposed clauses on financial contributions for nursing clinical placements (Section 14).

#### *Cost-sharing arrangements*

Education representatives of the ELC indicated that, as nursing clinical teaching is often cross-subsidised within the institution, additional contributions would make the delivery of nursing courses unviable. There are also a broad range of 'in-kind' supports and arrangements at a local level between health services and HEPs to support nursing clinical placements. Additional costs would need to be passed onto students which, in the case of international full-fee paying students, may provide a disincentive for them to study in Victoria. Increased fee recovery from domestic students is also restricted by the status of nursing as one of two national priority disciplines.

Health service representatives reflected that, facilitating nursing clinical placements was considered important, as they have the potential to greatly contribute to future workforce recruitment. However, there was also a need to recognise the costs associated with nursing clinical training and to determine the associated responsibility for these costs.

In order to seek resolution of these issues, the ELC agreed to the formation of a time-limited working group comprising two Directors of Nursing and two Heads of School. The group met on 26 March 2008 and subsequently drafted new clauses to section 14. The draft agreement was considered by the Victorian and Tasmanian Deans of Nursing and the Victorian Executive Directors of Nursing (Metropolitan and Rural) and unanimous support was given to it.

Clauses *14.1.2 Reimbursement of cost of teaching hours for nursing student placements* and *14.2.2 Additional considerations for nursing student placements* consist of a set of principles to determine cost contribution. Health services and HEPs are now able to use this clause to negotiate administrative costs incurred by both parties, as well as access to facilities. In-kind arrangements are also to be factored into negotiation. Unlike for medicine, no fixed or explicit contributions are written into Clause 14.2.2.

The ELC met on 8 May 2008 and endorsed the working group's proposed approach and text.

**What about in-kind arrangements in support of nursing students?**

Section 14 recognises existing in-kind contributions made by parties. Both 14.1.2 (reimbursement of teaching hours) and 14.2.2 (additional considerations) acknowledged that in-kind arrangements are to offset against any monetary contributions agreed by parties through bilateral negotiation.

**What about existing agreements between health services and HEPs?**

It is intended that the Agreement is to be read and construed in conjunction with any current Student clinical placement agreement between a health service and higher education provider. If there is any conflict or inconsistency between this Agreement and the Student clinical placement agreement, this Agreement prevails to the extent of the conflict or inconsistency.

**Why does Clause 14.2.1 specify a contribution of \$1,133 per EFSTL for medical students?**

The amount of \$1,133 per Estimated Full Time Student Load (as the contribution for Commonwealth-supported places) is as per the Commonwealth medical student load for 2008. For more information see Department of Education, Employment and Workplace Relations – *Administrative information for providers: Commonwealth Grant Scheme*, page 20, March 2008, <http://www.dest.gov.au/NR/rdonlyres/E879AAF0-D3DD-4CAE-A157-98410CB98ABD/21195/AdministrativeInformationforProvidersCommonwealthG.pdf>

**When will the new agreement come into effect?**

The updated relationship agreement, including financial considerations for nursing students, is available for health services and HEPs to broker agreements from the 2009 academic year.

**What next?**

In consultation with both health services and HEPs, the department will begin a process of extending the agreement to include allied health students. Work is scheduled to commence early 2009, with the expectation of an agreement available from the 2010 academic year.

**Further questions?**

Please contact Education and Research Team, Service and Workforce Planning Branch, DHS.  
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