

Statement of Priorities

2024-25 Agreement between the Secretary, Department of Health and
South West Healthcare

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Department
of Health

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The department proudly acknowledges Victoria's Aboriginal communities and their rich culture and pays respect to their Elders, past and present.

We acknowledge Aboriginal people as Australia's first peoples and as the Traditional Owners and custodians of the land and water on which we rely.

We recognise and value the ongoing contribution of Aboriginal people and communities to Victorian life and how this enriches us.

We embrace the spirit of reconciliation, working towards the equality of outcomes and ensuring an equal voice.

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Available at [The Department of Health Statements of Priorities](#)

<<https://www.health.vic.gov.au/funding-performance-accountability/statements-of-priorities>>

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Background

Statement of Priorities are key accountability agreements between the Victorian State Government and Victorian publicly funded health, mental health, and ambulance services. The content and process for preparing and agreeing on the annual Statement of Priorities are consistent with sections 40G, 65ZFA, 65ZFB, and section 26 of the *Health Services Act 1988*.

Statement of Priorities are consistent with the health services' strategic plans and aligned to government policy directions and priorities. For 2024-25, the Statement of Priorities continues to refer to the *Department of Health Strategic Plan 2023-27* (Strategic Plan), which is refreshed on an annual basis. The annual agreements support the delivery of, or substantial progress towards, the key shared objectives of quality and safety, good governance and leadership, access and timeliness, and financial sustainability.

Statement of Priorities consists of four main parts:

- Part A provides the strategic priorities for the health service to contribute to in the year ahead.
- Part B lists the performance priorities and agreed targets.
- Part C lists funding and associated activity.
- Part D forms the service agreement between each health service and the state of Victoria for the purposes of the National Health Reform Agreement.

Performance expectations and mechanisms used by the Department of Health (the department) to monitor and manage performance are described in the *Victorian Health Service Performance Monitoring Framework 2024-25* (The Framework).

High standards of governance, transparency and accountability are essential. In this context, the Victorian Government commits to publishing the Statements of Priorities each year and presenting data on the performance of our health system in the public domain.

Ministerial Priorities

As noted above, Statements of Priorities are aligned to government policy directions and priorities. In 2024-25, these include the following Ministerial priorities:

For the **overall health system**:

1. A reformed health system, shifting from competition to collaboration between health services, and with strengthened, formalised partnerships between health services and community and primary care services to ensure patients receive the right care closer to home.
2. A growing, skilled, and engaged workforce that is supported to develop professionally. This is achieved through an increased supply of critical roles, world leading employee experience, diverse workforce skills and experience, and a strategic focus on future roles, capabilities, professional development, and improving and promoting workplace gender equality, including meeting Health Service obligations under the *Gender Equality Act 2020*.
3. A health system that is grounded in respect and safety, particularly cultural safety, and awareness, achieved through mandatory cultural safety training, anti-racism plans and actions, and employment plans that drive greater representation of First Nations people across all levels of a health service.
4. Improved health equity through a focus on:
 - a. Aboriginal health and wellbeing, achieved through identifying and closing gaps in access to care, and improved discharge planning for Aboriginal patients
 - b. family-centred health models for priority populations
5. A focus on women's health, including improved access to abortion care and public fertility services, and reduced gender health disparities supported through the rollout of comprehensive women's health clinics.
6. A continued focus on innovating and improving the quality and safety of care, including through strengthening clinical governance systems under the Victorian Clinical Governance Framework, and improving access to timely care by implementing strategies that improve whole of system patient flow.
7. A financially sustainable health system reflected in balanced health service budgets.

For the **mental health system**:

8. An improved mental health system, through:
 - a. supporting people to stay well in their communities through prevention and promotion
 - b. growing strong, safe, and supported mental health workforces through the implementation of the mental health workforce strategy
 - c. supporting a system that embeds lived experience at every level
 - d. delivering connected, new, and better community and bed-based services
 - e. supporting better consumer outcomes through performance improvement

- f. elevating consumer rights and supporting cultural change in line with the principles of the Mental Health and Wellbeing Act 2022
- g. providing culturally safe services that deliver social and emotional wellbeing models for Aboriginal and Torres Strait Islander people.

Supporting services for older Victorians:

- 9. A reformed health system that responds to the needs of older people to receive the right care in the right place through:
 - a. initiatives that reduce avoidable hospital presentations and length of stay for older people in hospital
 - b. availability of public sector residential aged care.
- 10. A strengthened approach to the delivery of high quality and safe aged care services through:
 - a. continued implementation of national aged care reforms arising from the Royal Commission into Aged Care Quality and Safety
 - b. system stewardship and oversight of public aged care service delivery.

These Ministerial priorities are reflected in 2024-25 Statements of Priorities and the Department of Health Strategic Plan 2023-27 (Strategic Plan).

Part A: Department of Health Strategic Plan

The Statement of Priorities are aligned with the Strategic Plan¹.

South West Healthcare will contribute to the Strategic Plan 2023-27 by agreeing to the following priorities:

System Priorities

Excellence in clinical governance

We aim for the best patient experience and care outcomes by assuring safe practice, leadership of safety, an engaged and capable workforce, and continuing to improve and innovate care.

Goals

- MA2 Strengthen all clinical governance systems, as per the Victorian Clinical Governance Framework, to ensure safe, high-quality care, with a specific focus on building and maintaining a strong safety culture, identifying, reporting, and learning from adverse events, and early, accurate recognition and management of clinical risk to and deterioration of all patients.
- MA6 Improve access to timely emergency care by implementing strategies that improve whole of system patient flow to reduce emergency department wait times and improve ambulance to health service handover times.
- MA7 Improve mental health and wellbeing outcomes by implementing Victoria's new and expanded Mental Health and Wellbeing system architecture and services.

Health service deliverables:

- MA2 Improve paediatric patient outcomes by implementing the "ViCTOR track and trigger" observation chart and escalation system whenever children have observations taken.
- MA6 Improve patient access and flow with a focus on quality of care. This will be demonstrated by improvement by implementing processes to ensure:
 - Patients are seen within clinically appropriate timeframes.
 - A reduction in the length of inpatient and Emergency Department stay.
 - Increasing Hospital in the Home and other home based services.
- MA7 Actively contribute and participate in the Mental Health Royal Commission rollout process, and actively advocate for the needs of the South West Victoria community.
- MA7 Engage in one or more mental health improvement program of Safer Care Victoria – elimination of restrictive intervention, improving sexual safety, implementation of the zero suicide framework and reducing compulsory treatment.

¹ Link to [Strategic Plan 2023-27](https://www.health.vic.gov.au/our-strategic-plan-2023-27). <<https://www.health.vic.gov.au/our-strategic-plan-2023-27>>

Operate within budget

Ensure prudent and responsible use of available resources to achieve optimum outcomes.

Goal

- MB1 Develop and implement a health service Budget Action Plan (BAP) in partnership with the Department to manage cost growth effectively to ensure the efficient operation of the health service.

Health service deliverables:

- MB1 Deliver on the key initiatives as outlined in the Budget Action Plan.
- MB1 Utilise data analytics and performance metrics to identify areas of inefficiency and waste and make evidence-based decisions to improve financial sustainability and operational performance.

Improving equitable access to healthcare and wellbeing

Ensure that Aboriginal people have access to a health, wellbeing and care system that is holistic, culturally safe, accessible, and empowering.

Ensure that communities in rural and regional areas have equitable health outcomes irrespective of locality.

Goals

- MC2,MC3 Enhance the provision of appropriate and culturally safe services, programs, and clinical trials for and as determined by Aboriginal people, embedding the principles of self-determination.
- MC4 Expand the delivery of high-quality cultural safety training for all staff to align with the Aboriginal and Torres Strait Islander cultural safety framework. This training should be delivered by independent, expert, community-controlled organisations or a Kinaway or Supply Nation certified Aboriginal business.

Health service deliverables:

- MC3 Implement all actions identified on the Cultural Safety Plan.
- MC4 Implement mandatory cultural safety training and assessment for all staff in alignment with the Aboriginal and Torres Strait Islander cultural safety framework, and developed and/or delivered by independent, expert, and community-controlled organisations, Kinaway or Supply Nation certified Aboriginal businesses.

A stronger workforce

There is an increased supply of critical roles that support safe, high-quality care. Victoria is a world leader in employee experience, with a focus on future roles, capabilities, and professional development. The workforce is regenerative and sustainable, bringing a diversity of skills and experiences that reflect the people and communities it serves. As a result of a stronger workforce, Victorians receive the right care at the right time, closer to home.

Goals

- MD1 Improve employee experience across four initial focus areas to assure safe, high-quality care: leadership, health and safety, flexibility, and career development and agility.
- MD2 Explore new and contemporary models of care and practice, including future roles and capabilities.

Health service deliverables:

- MD1 Deliver the Aboriginal Employment Strategy objectives that promote increased recruitment and retention of Aboriginal people.
- MD1 Continue to deliver the initiatives of the People Strategy to proactively drive positive workplace change.
- MD2 Continuing to support the implementation of medium and long-term priorities of the Mental Health Workforce Strategy.

Moving from competition to collaboration

Share knowledge, information and resources with partner health and wellbeing services and care providers. This will allow patients to experience one health, wellbeing and care system through connected digital health information, evidence, and data flows, enabled by advanced interoperable platforms.

Goals

- ME1 Partner with other organisations (for example community health, ACCHOs, PHNs, General Practice, private health) to drive further collaboration and build a more integrated system.
- ME2 Engage in integrated planning and service design approaches while assuring consistent and strong clinical governance with partners to connect the system to deliver seamless and sustainable care pathways and build sector collaboration.

Health service deliverables:

- ME1 Enhance and expand the model of provision of shared South West regional medical governance to foster partner relationships and to develop opportunities for South West paediatrics and obstetrics streams of care.
- ME1 Enhance specialist service provision in South West Victoria by developing and implementing public models for cardiology and general surgery and increasing specialist service provision in palliative care.
- ME2 Implement the 2023-24 actions associated with the TrakCare clinical system upgrade project (3 year project).

- ME2 Partner with mental health and wellbeing services in the local region to implement mental health reform.
- ME2 Further build and strengthen the South West clinical and back of house models through leveraging and enhancing existing structures and strong partnerships to support care continuity, closer to home.

Part B: Performance Priorities

The *Victorian Health Services Performance Monitoring Framework* (PMF) outlines the Government's approach to overseeing the performance of Victorian health services. Further information is available at the [Funding, Performance and Accountability webpage](https://www.health.vic.gov.au/funding-performance-accountability/performance-monitoring-framework) <<https://www.health.vic.gov.au/funding-performance-accountability/performance-monitoring-framework>>.

As the PMF states, while the Statement of Priorities sets out the annual high level strategic performance priorities, health services remain comprehensively accountable for quality and safety, good governance and leadership, access and timeliness, and financial sustainability, as defined in relevant legislation. This means that performance against these broader accountabilities will continue to be monitored based on a comprehensive set of quantitative metrics and qualitative intelligence and managed and raised with health services as needed.

High quality and safe care:

| Key Performance Measure | Target |
|--|---|
| Infection prevention and control | |
| Percentage of healthcare workers immunised for influenza | 94% |
| Continuing care | |
| Average change in the functional independence measure (FIM) score per day of care for rehabilitation separations | ≥ 0.645 |
| Adverse events | |
| Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event | All RCA reports submitted within 30 business days |
| Aged care | |
| Public sector residential aged care services overall star rating | Minimum rating of 3 stars |
| Patient experience | |
| Percentage of patients who reported positive experiences of their hospital stay | 95% |
| Aboriginal Health | |
| The gap between the number of Aboriginal patients who discharged against medical advice ² compared to non-Aboriginal patients | 0% |
| The gap between the number of Aboriginal patients who 'did not wait' presenting to hospital emergency departments non-Aboriginal patients | 0% |

² Further work will be undertaken on leave event measures terminology that better captures patient experience and Aboriginal community's holistic understanding of health and wellbeing.

| Key Performance Measure | Target |
|---|--------|
| Mental Health³ | |
| Mental Health Patient Experience | |
| Percentage of consumers/families/carers reporting a 'very good' or 'excellent' overall experience of the service | 80% |
| Percentage of families/carers who report they 'always' or 'usually' felt their opinions as a carer were respected | 90% |
| Percentage of mental health consumers reporting they 'usually' or 'always' felt safe using this service. | 90% |
| Mental Health follow-ups, readmissions, and seclusions | |
| Percentage of consumers followed up within 7 days of separation – Inpatient. | 88% |
| Percentage of consumers re-admitted within 28 days of separation - inpatient. | < 14% |
| Rate of seclusion episodes per 1,000 occupied bed days - inpatient | ≤ 6 |

Strong governance, leadership, and culture

| Key Performance Measure | Target |
|--|--------|
| Organisational culture | |
| People matter survey – Percentage of staff with an overall positive response to safety culture survey questions. | 80% |

Timely access to care

| Key Performance Measure | Target |
|--|--------|
| Planned Surgery | |
| Percentage of urgency category 1 planned surgery patients admitted within 30 days. | 100% |
| Percentage of all planned surgery patients admitted within the clinically recommended time | 94% |
| Number of patients admitted from the planned surgery waiting list | 3,456 |

³ Mental health measures previously reported at age cohort-level have been aggregated for the purposes of the 2024-25 PMF. In line with recommendations made by the Royal Commission into Victoria's Mental Health System, performance against these measures will continue to be managed, tracked and reported at a disaggregated level for CAMHS, adults and older persons. Underperformance on the disaggregated measures will continue to be raised with health services, and escalated as needed.

| Key Performance Measure | Target |
|---|---|
| Percentage of patients on the waiting list who have waited longer than the clinically recommended time for their respective triage category | 25% proportional improvement from prior year |
| Optimisation of surgical inpatient length of stay (LOS), including through the use of virtual and home-based pre- and post-operative models of care | Reduction in average LOS for surgical patients by 2% on 23-24 performance |
| Emergency Care | |
| Percentage of patients transferred from ambulance to emergency department within 40 minutes ⁴ | 4% improvement on 23-24 performance |
| Number of emergency patients with a length of stay in the ED greater than 24 hours | Zero |
| Mean ED length of stay (admitted) in minutes ⁵ | 7% improvement on 23-24 performance |
| Mean ED length of stay (non-admitted) in minutes ⁶ | 3% improvement on 23-24 performance |
| Inpatient length of stay in minutes | 3% improvement on 23-24 performance |
| Mental Health | |
| Percentage of mental health-related emergency department presentations with a length of stay of less than 4 hours | 65% |
| Percentage of departures from emergency departments to a mental health bed within 8 hours | 80% |
| Number of admitted mental health occupied bed days | 4,380 |
| Specialist Clinics | |
| Percentage of patients referred by a GP or external specialist who attended a first appointment within the recommended timeframe ⁷ | 95% |
| Home Based Care | |
| Percentage of admitted bed days delivered at home | Equal to or better than prior year result |

Effective financial management

| Key Performance Measure | Target |
|------------------------------|---|
| Operating result (\$M) | 0.00 |
| Adjusted current asset ratio | 0.7 or 3% improvement from health service base target |

⁴ Health services are expected to progress towards the target of 90% by demonstrating improvement of 4% or achieving at least 80% for this current year.

⁵ Services that have reached 306 minutes are expected to maintain or improve performance for this measure.

⁶ Services that have reached 240 minutes are expected to maintain or improve performance for this measure.

⁷ 30 days for urgent patients, 365 days for routine patients

| Key Performance Measure | Target |
|--|---|
| Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June | 5% movement in forecast revenue and expenditure forecasts |

Part C: Activity and Funding

The performance and financial framework within which state government-funded organisations operate is described in *The Policy and Funding Guidelines – Funding Rules*. The Funding Rules detail funding and pricing arrangements and provide modelled budgets and targets for a range of programs. The [Policy and Funding Guidelines](https://www.health.vic.gov.au/policy-and-funding-guidelines-for-health-services) webpage <<https://www.health.vic.gov.au/policy-and-funding-guidelines-for-health-services>>.

Period 1 July 2024 – 30 June 2025

Table 1 South West Healthcare funding summary for 1 July 2024 – 30 June 2025

| Funding Type | Activity | Budget (\$'000) |
|--|----------|-----------------|
| Consolidated Activity Funding | | |
| Acute admitted, subacute admitted, emergency services, non-admitted NWAU | 27,211 | 187,483 |
| Acute admitted mental health NWAU | 1,191 | 8,197 |
| Acute Admitted | | |
| Acute admitted DVA | 75 | 487 |
| Acute admitted TAC | 80 | 447 |
| Other admitted | | (3,508) |
| Acute Non-Admitted | | |
| Emergency services | | 19 |
| Government Initiatives | | |
| Government initiatives | | 620 |
| Subacute/Non-Acute, Admitted & Non-admitted | | |
| Palliative care non-admitted | | 1,080 |
| Subacute non-admitted other | | 951 |
| Victorian Artificial Limb Program | | 122 |
| Subacute - DVA | 41 | 267 |
| Transition care - bed days | 3,645 | 634 |
| Transition care - home days | 3,663 | 233 |
| Health Independence Program - DVA | | 2 |
| Aged Care | | |
| Residential aged care | 13,018 | 1,021 |
| HACC | 8,511 | 647 |
| Aged care other | | 92 |
| Mental Health and Drug Services | | |
| Mental health ambulatory | 43,375 | 23,430 |

| Funding Type | Activity | Budget (\$'000) |
|--|----------|-----------------|
| Mental health inpatient - available bed days | 544 | 246 |
| Mental health service system capacity | | 3,361 |
| Mental health subacute | 5,479 | 3,193 |
| Mental health other | | 1,302 |
| Drug Services | 132 | 534 |
| Primary Health | | |
| Community health / primary care programs | 13,515 | 1,791 |
| Community health other | | 549 |
| Other | | |
| Health workforce | 72 | 4,785 |
| Other specified funding | | 4,919 |
| Total Funding | | 242,906 |

Please note:

- Base level funding, related services and activity levels outlined within the Policy and Funding Guidelines are subject to change throughout the year. Further information about the department's approach to funding and price setting for specific clinical activities and funding policy changes is also available from [Health Services](https://www.health.vic.gov.au/policy-and-funding-guidelines-for-health-services) <<https://www.health.vic.gov.au/policy-and-funding-guidelines-for-health-services>>
- Each funding type row (e.g., "emergency services") comprises a mix of activity-based funding and block grants. Funding depends on the service profile. For further details, refer to the Policy and funding guidelines for health services (see the above point for the link).
- In situations where a change is required to Part C, changes to the agreement will be actioned through an exchange of letters between the department and the health service's Chief Executive Officer.

Part D: Commonwealth Funding Contribution

Commonwealth funding contribution is provided by the 2024-25 Commonwealth budget, which is based on estimates. This is updated throughout the year based on updated activity levels by the Administrator of the National Health Funding Pool.

Commonwealth funding is based on actual activity; there may be adjustments to funding throughout the year as a result of reconciliations and other factors.

Table 2 Commonwealth contribution for the period 1 July 2024 – 30 June 2025

| Funding Type | Number of services (NWAU) | Funding allocation (\$) |
|--|---------------------------|-------------------------|
| Victorian Efficient Price | | \$6,883 per NWAU |
| Activity based funding allocation (National Health Reform Agreement in-scope services) | | |
| Acute admitted | 21,353 | 153,737,701 |
| Admitted mental health | 1,191 | 8,484,176 |
| Sub-acute | 1,522 | 12,628,652 |
| Emergency department | 1,922 | 13,230,916 |
| Non-admitted | 2,414 | 16,615,424 |
| Total activity based funding allocation | 28,402 | 204,696,870 |
| Block funding allocation | | |
| Teaching, training, and research | | 9,216,153 |
| Other mental health | | 26,073,858 |
| Other non-admitted services | | 4,803 |
| Total block funding allocation | | 35,294,814 |
| Total NHRA in-scope funding allocation | | 239,991,683 |

Please note:

- In situations where a change is required to Part D, changes to the agreement will be actioned through an exchange of letters between the department and the Health Service Chief Executive Officer. Letters will be made publicly available.
- Numbers may differ from systems due to rounding.
- As funding paid through the pool includes price and non-price grants, the funding allocated is not wholly the product of price multiplied by the activity.

Accountability and funding requirements

The health service must comply with:

- All laws applicable to it.
- The *National Health Reform Agreement*.
- All applicable requirements, policies, terms, or conditions of funding specified or referred to in the Department of Health *Policy and Funding Guidelines 2024-25*.
- Policies, procedures, and appropriate internal controls to ensure the accurate and timely submission of data to the Department of Health.
- All applicable policies and guidelines issued by the Department of Health from time to time and notified to the health service.
- Where applicable, all terms and conditions specified in an agreement between the health service and the Department of Health relating to the provision of health services are in force at any time during the 2024-25 financial year.
- Relevant standards for programs that have been adopted, e.g., the International Organisation for Standardisation standards and AS/NZS 4801:2001, Occupational Health and Safety Management Systems, or an equivalent standard.
- Where applicable, this includes the National Safety and Quality Health Service Standards ('NSQHS standards') as accredited through the Australian Health Service Safety and Quality Accreditation Scheme.
- Specific to DHSV: in relation to the School Dental Project Plan, as agreed and specified by both parties, including meeting the requirements outlined in the School Licence Agreement.
- Any other relevant, applicable statutory, regulatory or accountability rules, policies, plans, procedures, or publications.

Signing Page

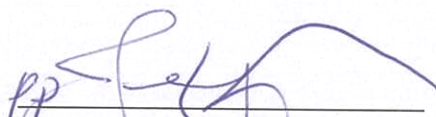
The Secretary, Department of Health and the health service board chairperson agree that funding will be provided to enable the health service to meet its service obligations and performance requirements as outlined in this Statement of Priorities.



Professor Euan M Wallace AM

Secretary, Department of Health

Date: 11 / 11 / 2024



Allison Patchett

Chairperson

South West Healthcare

Date: 11 / 11 / 2024