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| Guideline for Registration |
| Health service establishments |

# Guideline for Application for Registration of a Health Service Establishment

## When must an application for registration be made?

The Secretary to the Department of Health and Human Services (the department) registers health service establishments under provisions set out in Part 4 of the *Health Services Act 1988* (the Act). Registration of a health service establishment is the second stage of the approval process under the Act. The first stage of the process is to apply and be issued with a Certificate of Approval in Principle (AIP). A health service establishment may not commence operation (i.e. admit patients) until both stages have been completed. For information on how to make an application for AIP please refer to the [Forms, checklists and guidelines for private health establishments page](https://www2.health.vic.gov.au/hospitals-and-health-services/private-health-service-establishments/forms-checklists-guidelines) <https://www2.health.vic.gov.au/hospitals-and-health-services/private-health-service-establishments/forms-checklists-guidelines> on the Health.vic website.

In Victoria, a person must be registered in accordance with the Act to operate a private hospital or day procedure centre, and provide health services of a prescribed kind for a fee.

An assessment of an application for registration is undertaken in accordance with the criteria detailed in section 83 of the Act. These criteria include:

* fitness and propriety of the proposed proprietor;
* financial capacity of the proposed proprietor;
* suitability of the fittings and equipment of the premises;
* suitability of the design and construction of the premises;
* suitability of the management and staffing arrangements; and
  + arrangements for maintaining and improving the quality of health services provided.

The information required by the Secretary to assess compliance with each of these criteria is specified in more detail below.

## Who can make an application?

Only the proposed proprietor of a health service establishment can make an application for registration.

A proprietor of a health service establishment may take any of the following forms:

* a natural person
* a partnership
* a company
* a company limited by guarantee (not-for profit)
  + an incorporated association

## How to complete an application for registration

### Schedule 4 form and prescribed fee

Applicants are required to complete Schedule 4 - Application for Registration of a Health Service Establishment (available for download from Private Hospitals website) and include the information outlined below.

The application must include the prescribed fee as indicated on the Private Hospitals website. Cheques or money orders should be made payable to “Department of Health and Human Services”. Payment by EFT is also available. If payment was made by EFT, a copy of confirmation of payment is to be provided with the application.

The department requests the following information and documents to assess the application for registration in accordance with mandatory criteria detailed in section 83 of the Act. If additional information is required, the applicant will be notified.

### Proposed health services and bed numbers

Provide a business plan that outlines the need for the health service establishment in the proposed location. The business plan should include:

* Details of all clinical specialities including the type and level of clinical service (i.e. acuity) to be provided.
* The proposed model of care for these clinical specialities.

Complete the Proposed Bed Numbers form including the type of health service establishment and the number of beds used for each of the prescribed health services (form is available for download from Private Hospitals website).

## Entity information

The Act requires the Secretary to ensure proposed proprietors of health service establishments are fit and proper persons to operate such a facility. The following documents must be provided for the person or entity who is likely to be the proprietor of the health service establishment. This includes for sole proprietors, partnerships, all company directors and/or board members.

### Natural person (sole trader or partnership)

ASIC current business name extract showing business name holder details obtained in past 30 days.

**OR**

### Company

ASIC current business name extract showing business name holder details obtained in past 30 days.

ASIC company extract search showing company office details and listing all directors and office holders obtained in past 30 days.

If a subsidiary company, a company structure chart.

Director, Board or Office Bearer form for AIP (available for download from the Private Hospitals website).

**OR**

### Other body corporate

Director, Board or Office Bearer form for AIP and any requested attachment (available for download from Private Hospitals website).Certificate of incorporation or other document as evidence of the status of the incorporated association or body corporate

The most recent annual report or annual return.

## Probity information

In order to assess the fitness and propriety of the proposed proprietor, the department requires the following documents for each person:

* a completed Statutory Declaration-Fitness and Propriety (available for download from Private Hospitals website); and
  + a National Police Record Check issued within the past twelve (12) months (see Note 1 and Note 2).

Note 1:The department will only accept a National Police Record Check (certified copy only) from any of the following agencies:

* Victoria Police;

NOTE: If a police check application is lodged through Victoria Police, they will only do checks for Victorian residents.

* Australian Federal Police;

NOTE: If there are directors or board members residing in other states, they must apply for their police check with that State or through a national accredited agency.

* a police force of another Australian State; or
  + an agency accredited with Crimtrac (see Australian Criminal Intelligence Commission for further information). It is recommended that police check applications are lodged on-line through a nationally accredited agency (e.g. fit2work.com.au) as the turn-around time can be as little as one hour.

Note 2: Certification of the National Police Check can be carried out by a Justice of the Peace, registered nurse, accountant, bank manager, barrister, solicitor, police officer, registered pharmacist, medical practitioner, dentist, chiropractor, physiotherapist, veterinary surgeon or optometrist.

### Financial capacity of the proposed proprietor

The department must consider whether the proprietor has and is likely to continue to have the financial capacity to operate the health service establishments.

Please arrange for an appropriately qualified independent certified practicing accountant (CPA) or associate chartered accountant (ACA) to review the proposed proprietor’s financial records and its capacity to operate the proposed health service establishment.

Generally, registration of a health service establishment is for two (2) years unless otherwise decided by the Secretary. The assessment of financial capacity should be made on the basis of the period of registration being two (2) years. Any disclaimer, qualification or reservation to this statement must be attached.

You may also be asked to submit additional information to demonstrate financial viability.

Depending on the type of proprietor set up, this may include;

* evidence of financial support and ability to meet loan repayments.
* evidence of financial stability for the previous 2 years.
* financial plan/operating budget plan, including repayments schedule.
* medical practice insurance and/or general business insurance.

### Security of tenure

The department is required to consider whether the proprietor has security of tenure over the premises.

* If the proprietor is the owner of the land on which the private hospital or day procedure centre is conducted, then please provide a written statement to this effect.
  + If the proprietor is not the owner of the land then provide a written statement detailing the commercial or leasing arrangements that are in place and confirm that these arrangements will continue for the period of registration, which is ordinarily two (2) years.

### Quality of health services

#### Accreditation to the National Standards

Registered health service establishments must be accredited to an approved quality assurance scheme.

The Secretary to the department declares an approved quality assurance schemes such as the Australian Commission on Safety and Quality in Health Care’s *National Safety and Quality Health Service Standards*.

A proprietor who is granted initial registration as a health service provider must be formally engaged in the process to obtain interim accreditation under an approved national scheme.

Please provide proof of enrolment for accreditation to the National Safety and Quality Health Service Standards.

### Management and staffing requirements

Please provide an outline of the proposed management and staffing arrangements of the health service.

This includes the organisational structure, key staff members and their qualifications, responsibilities and accountabilities and how the management and staffing arrangements will work for the type of clinical services to be provided.

Describe how competencies will be maintained for clinical staff such as medical practitioners, registered nurses and allied health professionals (for example) by recruitment, supervision, performance review and ongoing education and training. Provide details of the nursing staff profile at the commencement of the service.

Provide confirmation of the following mandatory appointments: Director of Nursing and Complaints Officer.

**Director of Nursing**

A Director of Nursing with suitable training and competence in the procedures performed at the premises is required to be appointed.

The Director of Nursing role is key to ensuring clinical governance and that quality and risk are being appropriately managed at the health service. The role also ensures a culture of clinical safety including compliance with the Regulations and that applicable standards are followed at all times.

The Regulations specify that the Director of Nursing should have:

* at least five years of clinical practice experience as a nurse, and
* at least 12 months experience in nursing management.

The Director of Nursing must ensure that nurses providing clinical care are Australian Health Practitioner Regulation Agency (AHPRA) registered and clinically competent.

The proprietor must designate a registered nurse on-site to oversee the surgical list and post-operative care, if the Director of Nursing is off-site.

The on-site registered nurse must have:

* at least three years relevant clinical experience to oversee the surgical list and stage 1 post-operative patient care.

**Complaints Officer**

A Complaints Officer is to be appointed so patients have a clear point of contact for complaints, compliments or other feedback to the health service.

A Complaints Policy should be developed to outline:

* how complaints can be made and who will be responsible for investigating the complaint.
* how they will be investigated and how feedback provided can be followed through to the satisfaction of all parties.

#### Other appointments

If the health service appoints a Chief Executive Officer or a Medical Director (however titled) please provide this information to the department as part of the application paperwork. (form is available for download from Private Hospitals website).

#### Working with Children Checks and Child Safe Policy

Registered premises that treat children up to the age of 18 will have to comply with the Child Safe Standards, the Reportable Conduct Scheme and arrange for staff to undertake a Working with Children Check.

Victoria has introduced compulsory minimum standards for organisations that provide services to children. Under the *Child Wellbeing and Safety Act 2005*, the standards are compulsory for all Victorian organisations that provide services or facilities for children (this includes those that provide services to both adults and children).

### Quality and safety requirements

#### Clinical governance and facility governance including credentialing

The proprietor of the health service is responsible for the safety and quality of patient care at the premises.

The proprietor must ensure that there are *Health Service Protocols for Quality and Safety* (by-laws) to support quality and safety and that these by-laws are complied with. The by-laws must include the following policies and practises:

* credentialing all registered medical practitioners, including registered dental practitioners, registered medical radiation practitioners, or registered podiatrists (employed or visiting) every three years.
* define the scope of practice of every registered medical practitioner operating at the premises. Proprietors will be responsible for ensuring that all registered medical practitioners working at the premises are credentialed with their defined scope of practice. This forms part of a wider organisational quality and risk management system designed to ensure patient safety.
* determining which procedures can be safely provided to patients at each premises (scope of practice of the premises). This must be done on an ongoing basis.
* establish the frequency of and procedures for meetings of committees at the health service with responsibility for patient safety. This may include, but is not limited to, the medical advisory committee, the quality and safety committee, and the board of the health service.
* outline processes for continually assessing the competence and performance of each medical practitioner, the health services provided by each medical practitioner and the capacity of the health service provider to provide safe patient-centred and appropriate services to patients at the health service.

#### Admission process

The Admission process must include the following:

1. The proprietor of a health service must record that each patient has completed a pre-admission clinical risk assessment *at least 24 hours* prior to admission to ensure that patient clinical risk factors are identified and planned for prior to admission.
2. The proprietor must also ensure that every patient admission is assessed against the *scope of practice* of the registered health practitioner treating the patient.
3. The health service provider must have a documented admissions process that includes the following:

* a patient record number and information about fees and services be provided to the patient.
* creation of a clinical record be (please see the Regulations for details).

#### Discharge process

At discharge patients must be provided with written discharge documentation.

The discharge information includes:

* the medical or surgical procedure received by the patient
* the name and date of birth of the patient
* the name and contact details of who to contact for post procedure medical advice
* a clear explanation of any recommendations and arrangements that have been made for the patient’s follow-up care
* instructions for post-procedure patient care
* a list of any prescribed medications (including any changes or additions).

This ensures patients are provided with the information they need to care for themselves post-discharge and to provide basic information about their procedure to another treating medical practitioner following their procedure.

A copy of this discharge documentation should also be provided promptly to the patient’s nominated General Practitioner or, the patient may be given a second copy to give to his or her medical practitioner

#### Open disclosure

Health services are required to implement and document an open disclosure policy.

The policy should cover how to have an open discussion with patients, and patients’ families and carers regarding any adverse events that result in harm to the patients. It is expected the policy will reflect the Australian Open Disclosure Framework.

The Australian Open Disclosure Framework is a process in which health care providers communicate with and support patients who have been harmed as a result of the care they have received.

Open and transparent discussion between healthcare providers, patients and families affected by an error is considered to be a central feature of high quality and safe patient care and is a requirement of accreditation to the National Safety and Quality Health Service Standards.

#### Clinical event reporting and escalation

The proprietor of a health service must ensure that clinical incidents are recorded in writing and are reviewed at least every three months.

If a clinical event occurs at a registered health service there must be a process in place to ensure that this event is reported and escalated to an appropriate level of clinical governance at the premises for review.

#### Emergency evacuation plan

The proprietor of a health service must ensure there is a current, written evacuation plan and that staff are trained in the plan and its use.

In the event of a fire, flood or other disaster, it is the responsibility of the proprietor to ensure that all patients and staff can be evacuated safely.

Proprietors of registered premises have a duty of care to:

* maintain the safety of patients and staff
* comply with WorkSafe Victoria requirements.

#### Patient experience data

All health service providers must collect responses to questions on patient experience.

This collected data must be reviewed at the highest level of governance at the premises on a quarterly basis. Actions taken in response to issues raised by the data must be documented. Both the data and the documented decisions will be required to be made available to the department upon inspection.

In Victoria, all private premises should collect patient experience data as it forms part of the *National Safety and Quality in Health Service Standards*.

#### Staff safety culture data

All health service providers must collect staff safety data and must:

* analyse the results of a staff survey
* review the analysis at the highest level of governance and
* document any resulting actions arising from the review.

As most premises already collect staff satisfaction surveys on an annual basis, staff safety culture questions could be added to the existing questionnaire. Staff safety culture refers to a shared priority of patient safety among staff, which underpins a set of attitudes and values. A principal component of staff safety culture is support for reporting errors and near misses and a willingness to learn from mistakes and solve safety problems

In addition to the above, you will need to submit the following policies, procedures and systems for review prior to your registration being approved:

* a documented patient and staff complaints system (mandatory);
* an infection control and prevention policy (mandatory);
* a health services permit (mandatory);
* a policy and procedures manual;
* a quality improvement plan;
* a clinical risk management program including quality improvement plan;
* a clinical deterioration policy.

## Reporting requirements

### Victorian Admitted Episode Data

The department requires registered premises to submit Victorian Admitted Episode Data (VAED).

VAED is a dataset that reports demographics, diagnostic and treatment information for every episode of care in private and public health service providers.

The VAED provides a comprehensive dataset of the causes, effects and nature of illness in Victoria. The VAED has a number of uses, including health service planning, policy formulation, funding and epidemiological research.

Victorian hospitals must transmit data to the VAED via the PRS/2 system, an interface between the health service establishments’ in-house patient management system and the VAED. Services are required to test their data transmission capabilities prior to transmitting to the (live) production database.

Testing details and application forms are available in the VAED Manual located on the HDSS web site at VAED. The Health Data Standards and System unit (HDSS) Help Desk is also available to assist applicants through the testing and data transmission process. Contact HDSS +61 (3) 9096 8595 or [email HDSS Helpdesk](mailto:hdss.helpdesk@dhhs.vic.gov.au) (DHHS) <hdss.helpdesk@dhhs.vic.gov.au>.

### Sentinel events

Registered health service providers will be required to report sentinel events to the Secretary of the department as per the Victorian Sentinel Events Program. This program aligns with the criteria for reporting sentinel events as set out by the Australian Commission on Safety and Quality in Health Care (see Accreditation to the National Standards).

Reporting sentinel events is mandatory in all private health services and in public hospitals. Sentinel events reflect some of the most serious adverse events in patient care that result in death or serious harm to the patient.

[Sentinel Events](https://www2.health.vic.gov.au/hospitals-and-health-services/quality-safety-service/clinical-risk-management/sentinel-event-program) <https://www2.health.vic.gov.au/hospitals-and-health-services/quality-safety-service/clinical-risk-management/sentinel-event-program> will be reported through Safer Care Victoria website.

### Accuracy of information

It is an offence under section 151 of the Act to provide false or misleading information for the purposes of complying with the Act.

## What happens after an application is made?

### Maximum time frame for processing applications

The Secretary (or Delegate) has 60 days after receiving an application (comprising the scheduled form and prescribed fee) to inform the applicant of a decision. If the Secretary (or Delegate) requests the applicant to provide additional information, a decision must be made within 28 days of receipt of the information last requested or within the 60-day period, whichever is later. Proprietors should keep these timeframes in mind when submitting an application for assessment.

## Send the completed form

Please send the signed and completed form by email to [privatehospitals@dhhs.vic.gov.au](mailto:privatehospitals@dhhs.vic.gov.au).

or by post to:

The Manager  
Private Hospitals  
Department of Health and Human Services  
GPO Box 4057  
MELBOURNE VIC 3001

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Available from [Forms, checklists and guidelines for private health establishments page](https://www2.health.vic.gov.au/hospitals-and-health-services/private-health-service-establishments/forms-checklists-guidelines) <https://www2.health.vic.gov.au/hospitals-and-health-services/private-health-service-establishments/forms-checklists-guidelines> on the Health.vic website